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SA SA INTERNATIONAL HOLDINGS LIMITED

莎莎國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 178)

Unaudited Sales Information of Retail Business in Hong Kong and Macau during the Labour Day Holiday in 2018

The board of directors of Sa Sa International Holdings Limited (the “Company” and together with its subsidiaries the “Group”) announces the unaudited sales performance of its retail business in Hong Kong and Macau during the Labour Day Holiday from 29 April to 1 May 2018.

	<i>Labour Day Holiday (29 April to 1 May 2018)</i>
Hong Kong & Macau - Retail	
YoY ¹ change in retail sales	+34.4%
YoY ¹ same store sales change	+31.7%

Note 1: as compared to the Labour Day Holiday in 2017 from 29 April to 1 May 2017

Remarks: *Figures in the above table exclude adjustments according to the Hong Kong International Financial Reporting Interpretation Committee – Interpretation 13 on the bonus point scheme.*

The Group’s retail sales in Hong Kong and Macau during the three-day Labour Day Holiday 2018 increased by 34.4% on a year-on-year basis. Sales attributable to mainland customers recorded a growth of 41.5%, driven mainly by a 23.4% increase in transaction volume and a 14.6% increase in average sales per transaction. On a same store basis, sales recorded a growth of 31.7% which sales to local and mainland customers increased by 12.5% and 38.9% respectively. The overall sales performance was in line with our expectations. According to the Hong Kong Immigration Department, the number of mainland tourist arrivals during this period increased by 22.2% on a year-on-year basis while the departure of Hong Kong residents dropped by 27.6%, both resulting in boosting traffic and consumption in Hong Kong, leading to sales growth.

Apart from external factors giving rise to increase in traffic and consumption in Hong Kong, the Group’s efforts in logistics and products also contributed to sales improvement. Firstly, the relocation and consolidation of our warehouses in the middle of the financial year ended 31 March 2018 have started to bear fruits. Secondly, the continuing efforts to improve our product offerings and the balancing of sales growth against gross profit margin have led to an increase in sales while compromising gross profit margin within an acceptable level. Gross profit dollar has improved satisfactorily.

Benefitting from the retail market recovery, the Group remains optimistic about the outlook of the Hong Kong and Macau markets and will continue to optimise product offerings and enhance customers’ shopping experience to cater for the fast changing markets.

The board of directors wishes to remind shareholders and potential investors that the above information are based on the unaudited management accounts of the Group which have not been reviewed nor audited by the auditors of the Company. Sales performance during the period is affected by a series of factors; therefore, the operational information for the period may not be able to reflect the overall performance of a complete reporting period.

Shareholders and potential investors of the Company are cautioned not to unduly rely on such information and are advised to exercise caution when dealing in the shares of the Company.

By order of the board of directors
Sa Sa International Holdings Limited
KWOK Siu Ming Simon
Chairman and Chief Executive Officer

Hong Kong, 7 May 2018

As at the date of this announcement, the directors of the Company are:

Executive Directors

Dr KWOK Siu Ming Simon, *SBS, JP* (Chairman and Chief Executive Officer)

Dr KWOK LAW Kwai Chun Eleanor, *BBS, JP* (Vice-chairman)

Dr LOOK Guy (Chief Financial Officer)

Non-executive Director

Ms LEE Yun Chun Marie-Christine

Independent non-executive Directors

Ms TAM Wai Chu Maria, *GBM, GBS, JP*

Ms KI Man Fung Leonie, *GBS, JP*

Mr TAN Wee Seng