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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 Updates  
For the First Quarter ended 30 June 2018**

The board of directors of Sa Sa International Holdings Limited (the “Company”) announces the unaudited sales updates of the Company and its subsidiaries (the “Group”) for the first quarter from 1 April to 30 June 2018.

<b>Highlights</b>	
<b>Group - Retail and Wholesale (Continuing operations)</b>	
	<i><b>3 months ended 30 June 2018</b></i>
Turnover (HK\$ million)	2,114.3
YoY % change	+24.8%
<b>HK and Macau - Retail and Wholesale</b>	
Turnover (HK\$ million)	1,800.0
YoY% change	+27.7%
Same store sales YoY % change	+25.3%
Average sales per transaction (HK\$)	359
YoY % change	+11.7%
Total no. of transactions (million)	5.0
YoY % change	+14.5%

*Remarks: Figures in the above table include adjustments in accordance with the Hong Kong International Financial Reporting Interpretation Committee – Interpretation 13 on the bonus point scheme.*

For the first quarter from 1 April to 30 June 2018, the Group’s retail and wholesale turnover increased by 24.8% on a year-on-year basis. Attributing to the continuing growth momentum of mainland tourist arrivals, the retail and wholesale turnover in Hong Kong and Macau markets increased by 27.7%, while same store sales increased by 25.3%. Such growth was mainly driven by 27.5% increase in the number of transactions from mainland tourists, which also led to 14.5% growth in the overall transaction volume. The average sales per transaction of local consumers and mainland tourists increased by 8.1% and 7.0% respectively. During the period, the Group’s growth rate in transaction volume outperformed the average growth rate of 12.9% of mainland tourist arrivals from April to May, according to the Hong Kong Tourism Board. The overall sales performance was in line with the Group’s expectation.

Consumer sentiment was affected by unstable weather in June, fluctuations in both stock market and RMB exchange rate under uncertainties of Sino-US Trade War as well as the 2018 FIFA World Cup, resulting in slower sales growth in late June. Looking beyond the immediate effect of the above factors, the Group remains optimistic towards the outlook of Hong Kong and Macau markets, especially after the Hong Kong Section of the Express Railway Link begins to run in the second half of this calendar year which is expected to further boost mainland tourist arrivals to Hong Kong. Furthermore, the favourable policies and infrastructure development in the Greater Bay Area will drive the flow of people and long term economic prosperity within the region, while the retail industry will be among the first to benefit. The Group will continue to seize the opportunities, develop strategies to enhance competitiveness and proactively improve operational and logistics efficiencies. Moreover, the Group will also enhance customer shopping experience through information technology to cater for consumer demand in the ever-changing market.

The Group's retail and wholesale turnover in other markets outside Hong Kong and Macau (including Mainland China, Singapore, Malaysia and E-commerce) increased by 10.5%.

#### Number of Stores/Counters by Market

	As at 30 June 2018	As at 31 March 2018	As at 30 June 2017
Hong Kong and Macau	117*	118*	116*
Mainland China	54	55	53
Singapore	22	20	20
Malaysia	75	72	72
<b>Total</b>	<b>268</b>	<b>265</b>	<b>261</b>

\* Include one single-brand store

**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, 16 July 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, SBS, JP*

Mr TAN Wee Seng