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SA SA INTERNATIONAL HOLDINGS LIMITED

莎莎國際控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 178)

Unaudited Sales Update for the First Quarter ended 30 June 2025

The board of directors of **Sa Sa International Holdings Limited** (the “**Company**”) announces the unaudited sales update of the Company and its subsidiaries (the “**Group**”) for the first quarter from 1 April to 30 June 2025 (the “**first quarter**” or the “**period**”).

The Group’s Continuing Operations

Turnover (HK\$ Million)	First quarter of financial year 2025/26	First quarter of financial year 2024/25	YoY change (%)
Offline Sales			
Hong Kong & Macau	687.4	638.3	+7.7%
Southeast Asia	79.7	76.8	+3.8%
	767.1	715.1	+7.3%
Online Sales	192.7	201.2	-4.3%
Total Turnover	959.8	916.3	+4.7%

Number of Offline Stores by Market* (Continuing Operations)

	As at 30 June 2025	As at 31 March 2025	As at 30 June 2024
Hong Kong & Macau	85	84	82
Southeast Asia	72	72	73
Total	157	156	155

* The Group’s store portfolio changes from time-to-time as leases are due for renewal and re-located in accordance with the Group’s overall expansion plans.

Note: “Hong Kong” refers to “The Hong Kong Special Administrative Region of China” and “Macau” refers to “The Macau Special Administrative Region of China”.

For the first quarter from 1 April to 30 June 2025, the Group's turnover was HK\$959.8 million, increasing 4.7% year-on-year. In general, the Group's business remained steady and operational efficiencies saw improvement across different regions.

The Group's offline turnover is primarily generated in Hong Kong and Macau and Southeast Asia, while all physical stores in Mainland China have been closed during the period to focus on online business in that region. As at 30 June 2025, the Group operated a total of 157 physical stores, an increase of two compared to same period last year. The Group recorded HK\$767.1 million during the first quarter with a year-on-year increase of 7.3%, thanks to the continuing recovery of tourist arrivals in Hong Kong and Macau which contributed positively to the Group's offline sales. Offline sales accounted for 79.9% of the Group's total turnover.

Online sales of the Group decreased by 4.3% to HK\$192.7 million, mainly due to the higher base recorded in Mainland China's online sales during the same period last year. Online sales accounted for 20.1% of the Group's total turnover.

Hong Kong & Macau

Offline Sales	
Three months ended 30 June 2025	YoY% change
Total offline sales	+7.7%
Same-store sales	+11.2%
Average sales per transaction	+3.2%
Total no. of transactions	+9.1%

Tourist arrivals in the Group's core market of Hong Kong and Macau have continued to recover, leading to an improvement in offline turnover of the Group and delivering a promising start to the first quarter of financial year 2025/26. Hong Kong and Macau's turnover for the first quarter reached HK\$687.4 million with a year-on-year increase of 7.7%.

Following the introduction of visa facilitation measures such as "Multiple-entry Individual Visa Scheme (IVS)" by the Central Government in the second half of 2024, the number of Mainland Chinese visitors to Hong Kong increased from an average of approximately 90,000 per day in the first half of 2024 to approximately 100,000 per day. On 2 May 2025 (the second day of the Mainland Labour Day Holiday), 267,000 Mainland visitors entered Hong Kong, marking the highest single-day record of inbound Mainland arrivals by the Hong Kong Immigration Department since the re-opening of boundaries.

The Group believes that the retail industry continues to be impacted by macroeconomic uncertainties in the short term. The Group remains dedicated to sourcing trending products, including sought-after items such as inner beauty and health products, to align with market needs. By optimising the product portfolio and product display, the Group aims to attract more customer traffic and increase their spending. Following the implementation of IVS Policies and the boost from mega event economy, which are expected to further drive tourism growth, the Group will expand and optimise its store network, provided that the rental terms are reasonable and cost-effective. During the period, the Group opened a new store in the tourist area of Tsim Sha Tsui and remains cautious and optimistic about the future retail outlook.

Mainland China

In Mainland China, given the retail sector is predominantly online, the Group close all physical stores during the period to focus on online business, particularly the cross-border e-commerce, to continue to serve customers in Mainland China. The Group believes that the adoption of an asset-light operating model will reduce operating costs and enhance economic efficiency.

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During the period, online sales recorded a year-on-year decrease of 19.2% to HK\$109.2 million, mainly due to the higher base recorded during the same period last year. The Group will enhance its online business in response to the changes in the local consumer market, aiming to maintain a low return rate and ensure stable development. The Group emphasises that profitability increased year-on-year despite the year-on-year decline on sales was recorded during the period, thereby reaffirming the Group's strategic focus on profitability as a key driver of long-term sustainable development.

The Group is committed to winning through its product quality and reputation to avoid price competition. The Group will enhance customer loyalty to stay ahead of the curve by investing in promotion on popular social media platforms and digital channels and showcasing the efficacy and strengths of Sa Sa's exclusive brands through online interactions such as live streaming. The Group will also continue to leverage WeChat mini-programme, enabling Sa Sa's beauty consultants to connect with customers who have returned to Mainland China from Hong Kong and Macau, allowing them to shop and purchase online.

Southeast Asia

The Group's total sales in Southeast Asia was HK\$105.1 million, of which offline sales recorded a year-on-year growth of 3.8% to HK\$79.7 million, representing 75.9% of the total sales in this region; while online sales contributed HK\$25.4 million with a year-on-year growth of 46.5%. The Group will regularly assess the business performance in Southeast Asian market to make timely adjustments to locations and the number of physical stores.

The board of directors wishes to remind shareholders and potential investors that the above information is 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 Group's overall performance in 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, 8 July 2025

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)
Ms KWOK Sze Wai Melody, *MH, JP*
Ms KWOK Sea Nga Kitty
Mr CHUNG Ming Kit (Chief Financial Officer and Company Secretary)

Independent non-executive Directors

Ms KI Man Fung Leonie, *GBS, SBS, JP*
Mr TAN Wee Seng
Mr CHAN Hiu Fung Nicholas, *BBS, MH, JP*
Ms LEE Yun Chun Marie-Christine

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