



Sa Sa Announces Interim Results for FY2025/26

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Profit Up 54.8% YOY*, Quarterly Turnover Growth Markedly Accelerates YOY

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- **Offline Sales, Same-store Sales, and the Number of Transactions in Hong Kong and Macau Increase YOY**
- **Chinese Mainland Operation Achieves Profit Turnaround***
- **Online Business Profitability Continues to Improve**

Performance Highlights

Financial Highlights	Unaudited Six Months Ended 30 September		Year-on-year change
(HK\$ Million)	2025	2024	(%)
Continuing Operations			
Turnover	1,990.6	1,866.9	+6.6%
Gross Profit	755.0	724.8	+4.2%
Gross profit margin (%)	37.9%	38.8%	-0.9ppt
Group Profit*	50.2	32.4	+54.8%
Basic earnings per share (HK cents)	1.6	1.0	+54.8%
Interim dividend per share (HK cents)	1.15	0.75	+53.3%

* Include Discontinued Offline Business in Chinese Mainland

- During the Period, the Group's turnover increased year-on-year by 6.6% to HK\$1,990.6 million while gross profit increased year-on-year by 4.2% to HK\$755.0 million, mainly due to the continued growth of tourist arrivals in the Group's core markets, Hong Kong and Macau, while the Group's targeted marketing strategies successfully attracted customer traffic with the improvement of both number of transactions and sales, leading to an increase in the Group's total turnover as compared with last year.
- Despite the third quarter being a traditional peak sales season with a higher base compared with the first two quarters, the Group's turnover growth continued to accelerate. Its year-over-year growth significantly expanded from 4.7% in the first quarter and 8.4% in the second quarter to 11.3% in the third quarter as of November 16, exhibiting a consistently positive trend overall.
- During the Period, the Group's turnover increased, coupled with the effectiveness of its strategy in the Chinese Mainland market, the Group has made a turnaround, leading to a year-on-year growth in the Group's profit of 54.8% to HK\$50.2 million.
- To align with evolving consumer preferences, the Group adjusted its sales strategy and product mix, resulting in a marginal year-on-year decrease of gross profit margin by 0.9 percentage points to 37.9%.

- Basic earnings per share was 1.6 HK cents (last year: 1.0 HK cent).
- The Board resolved to declare an interim dividend of 1.15 HK cents per share, representing approximately 71% of the Group's profit for the Period, indicating an optimistic outlook for the Group. The Group will seek to maintain a sustainable and steady dividend policy going forward.

(20 November 2025 - HONG KONG) - **Sa Sa International Holdings Limited** ("**Sa Sa**" or the "**Group**", stock code: 0178) announced its interim results for the six months ended 30 September 2025 ("**the Period**" or "**First Half of the Financial Year**").

In the First Half of the Financial Year, the Group's turnover amounted to HK\$1,990.6 million, representing an increase of 6.6% over the six months ended 30 September 2025 ("**last year**"), mainly driven by the continued growth in tourist arrivals to the Group's core markets of Hong Kong and Macau, where the Group's marketing initiatives successfully drove customer traffic and promoted sales. This, coupled with further strengthened profitability from Chinese Mainland operations, resulted in a year-on-year increase of 54.8% in the Group's profit for the Period (include discontinued offline business in Chinese Mainland) to HK\$50.2 million.

To align with evolving consumer preferences, the Group adjusted its sales strategy and product mix, resulting in a marginal year-on-year decrease of gross profit margin by 0.9 percentage points to 37.9%. Sales and distribution costs as well as administrative expenses, as percentages of turnover, decreased from 31.1% and 5.3% respectively to 30.2% and 5.0%.

The Group's basic earnings per share amounted to 1.6 HK cents (last year: 1.0 HK cent). The Board resolved to declare an interim dividend for the six months ended 30 September 2025 of 1.15 HK cents per share, representing approximately 71% of the Group's profit for the Period (last year: 0.75 HK cents per share), indicating an optimistic outlook for the Group. The Group will seek to maintain a sustainable and steady dividend policy going forwards.

During the Period, the Group's total cash balance was HK\$251.1 million, representing a decrease of HK\$120.0 million compared to 31 March 2025. This was primarily due to the Group's need to maintain sufficient stock to meet peak sales periods and festive promotional activities. The Group has sufficient cash on hand to support its operations. After deducting the payment of lease liabilities and interest, the Group's net cash used in operating activities was HK\$43.2 million. The Group operated a total of 157 physical stores as at 30 September 2025.

Business Review

1. Offline Business

Offline turnover increases year-on-year by 8.9% while same-store sales, number of transactions and the average ticket size improve compared with last year

The **Hong Kong and Macau** markets are together the Group's largest region by turnover. In response to the continuous growth in visitor numbers to Hong Kong and Macau, the Group expanded its offline store network in the tourist districts. To align with market demand, the Group introduced competitively priced trend-driven products; together with the integration of online-merge-offline (OMO) marketing, the Group successfully attracted customer footfall.

During the Period, the Group's core market, Hong Kong and Macau, recorded a turnover of HK\$1,535.2 million, representing a year-on-year increase of 9.4%. Despite the persistent impact of extreme weather on Hong Kong and Macau during the second quarter, offline turnover still achieved a year-on-year growth of 8.9% to HK\$1,424.9 million, accounting for 92.8% of the regional turnover. Same-store sales increased by 11.4% compared with the same period last year, with improvements in both the number of transactions and the average ticket size.

During the Period, the Group continued to renovate stores, optimise product displays, and introduce diversified value-added services, including AI-powered Make-up Genuis and product recommendation systems, as well as skin and scalp analysis devices, to enhance store operational efficiency. The Group also optimised store locations in response to market conditions, actively improving the long-term operational performance of its stores.

As at 30 September 2025, the Group operated 84 stores in Hong Kong and Macau. As tourist volumes continue to rise, driven by the "Multiple-entry Individual Visit Scheme (IVS)" and mega event economy, the Group will strategically expand and optimise its store network in the region, provided that rental costs are reasonable and economically viable.

Southeast Asia turnover grows year-on-year by 11.4% amid tariff-related concerns weighing on same-store sales performance

Southeast Asia market recorded a turnover of HK\$224.0 million, representing a year-on-year increase of 11.4%, with offline sales increasing by 3.7% year-on-year to HK\$168.5 million. Malaysia's government implemented an expansion of the Sales and Services Tax (SST) effective in July, leading to an increment of local living costs. Meanwhile, the ongoing tariff concerns continued to pose challenges for the retail environment. Sales performance in Southeast Asia was impacted during the second quarter, resulting in a year-on-year marginal decrease in same-store sales of 0.6%. The Group anticipates that the Southeast Asian retail market will continue to present challenges and will therefore dedicate more time and resources to reviewing and adjusting local deployment to strengthen Sa Sa's competitiveness. As at 30 September 2025, the Group operated 73 stores in Southeast Asia.

2. Online Business

In terms of **online business**, the Group recorded online turnover of 397.2 million in the First Half of the Financial Year with a slight year-on-year increase of 0.2%, accounting for 20% of the Group's total turnover.

Chinese Mainland operation achieves profit turnaround, focusing on online business and enhancing profitability

In **Chinese Mainland**, the Group decided to close all physical stores by 30 June 2025 to focus on its online business in response to local consumer trend. This initiative has achieved a turnaround in local operation, shifting from loss to profit and recorded a profit of HK\$3.6 million from its continuing business in this region during the Period, indicating a significant improvement in profitability and reaffirming the Group's strategy toward profitability as a long-term growth driver.

During the Period, online turnover in Chinese Mainland was HK\$227.2 million, maintaining stable growth. However, due to the higher base recorded in the region in the same period of last year, there was an 11.8% year-on-year decrease in turnover. The Group will remove online platforms that do not meet performance expectations, based on their operating conditions, to enhance the profitability of the online business. During the Period, the average monthly active users (MAU) of the Group's own WeChat mini-programme increased by 40.8% year-on-year, and the return rate remains at a low level.

Online business in other regions maintain stable development with online sales recording year-on-year growth

Online businesses in other regions also maintained stable development. The Group continued to increase investment in online marketing, complementing competitive strategies such as live-streaming, and limited exclusives, to convert foot traffic into orders. During the Period, online turnover in Hong Kong and Macau markets was HK\$110.3 million with a year-over-year increase of 16.3%, accounting for 7.2% of business in the region. VIP members contributed 77.5% of the online sales of Sa Sa's eShop in Hong Kong, showing an increase compared with last year and the enhancement of member loyalty. During the Period, sales generated from live streaming accounted for 15.8% of total online sales in Hong Kong and Macau, and year-on-year live-conversion of orders also saw growth.

Online turnover in Southeast Asia and other regions amounted to HK\$59.7 million, representing a significant year-on-year increase of 36.1%, mainly driven by the Group's addition of new third-party online platforms, which further expanded its revenue sources.

Outlook and Strategies

Looking ahead, favourable measures such as the Multiple-entry Individual Visit Scheme (IVS) and the mega event economy will continue to drive tourism development in Hong Kong and Macau, further boosting visitor arrivals to Hong Kong. Improved performance in the local stock market and the gradual stabilisation of the property market is set to strengthen overall economic confidence and stimulate consumer spending. In the second half of the year, Hong Kong will host large-scale events including the 15th National Games and the Hong Kong Wine & Dine Festival. Together with the Central Government's new measures to facilitate cross-boundary travel to Hong Kong and Macau, these developments are expected to attract more visitors to Hong Kong, driving growth in the retail and tourism sectors.

The Group will closely monitor market changes and enhance its competitive edge with greater agility and responsiveness. The Group will adapt to the ever-changing market trends and consumer preferences by reviewing its brand portfolio, so as to curate a selection of skincare and personal care products that best align with current trends. In addition, the Group will align with the new retail landscape by proactively optimising product display and accelerating the upgrade of the digital system. This includes reinforcing the experience of omni-channel integration (OMO) and boosting operational efficiency to create a comprehensive, customer-centric shopping journey. The goal is to achieve growth in both sales and gross profit while maintaining a stable gross profit margin, ultimately establishing a sustainable and profitable business model.

Dr Simon Kwok, SBS, JP, Chairman and Chief Executive Officer of the Group, concluded, “Against a backdrop of continued uncertainty in the international geopolitical and economic landscape, the Group’s business remained resilient. I remain cautiously optimistic about the long-term prospects of the retail industry. Sa Sa will continue to uphold its brand spirit of 'Making Life Beautiful' by providing quality products and services while continuously optimising its operating model. The Group will also actively collaborate with the Hong Kong SAR Government and the retail industry to jointly promote the development of the retail sector. I hope the SAR Government will continue to support the industry and create more growth opportunities for the Group. With the upcoming Christmas and New Year peak season, we are fully prepared to capitalise on the turning point in the Hong Kong and Macau retail markets and embrace the new retail landscape with a proactive and open mindset, striving to create long-term value for shareholders.”

Financial Year 2025/26 Third Quarter Sales Data

For the Third quarter from 1 October 1 to November 16, 2025, the Group’s total turnover increased by 11.3% compared to same period last year. Online and offline sales, as well as year-on-year changes of turnover of different regions, are shown in the table below:

HK \$ Million	Turnover	Year-on-year Change (%)
Offline sales		
Hong Kong & Macau	\$418.5	+10.7%

Southeast Asia	\$44.8	+7.2%
Total Offline Sales	\$463.3	+10.3%
Online Sales		
Hong Kong & Macau	\$36.4	+32.9%
Chinese Mainland	\$50.1	+5.1%
Southeast Asia and others	\$17.6	+20.4%
Total Online Sales	\$104.1	+16.1%
Total Turnover	\$567.4	+11.3%

The Group's total turnover for the third quarter from 1 October to 16 November was HK\$567.4 million, representing a year-on-year increase of 11.3%. Hong Kong and Macau recorded a turnover of HK\$454.9 million, representing a year-on-year increase of 12.2%.

Despite the third quarter being a traditional peak sales season with a higher base compared with the first two quarters, the Group's turnover growth continued to accelerate. Its year-over-year growth significantly expanded from 4.7% in the first quarter and 8.4% in the second quarter to 11.3% in the third quarter as of November 16, exhibiting a consistently positive trend overall.

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