

[For Immediate Release]



Sa Sa Announces Locations of First 5 Outlets in Beijing First Store Opens on April 19th at Sunlight Department Store

(17 April 2008 – BEIJING) **Sa Sa International Holdings Limited** ('Sa Sa' or the 'Group'; SEHK: 0178), Asia's largest cosmetics retailing group, continues to expand its presence in mainland China. On the afternoon of April 17 Wilson Chu, Chief Operating Officer of Sa Sa International Group, announced that the Group will open five retail outlets in the second and third quarters of this year in Sunlight Department Store Oriental Plaza, Yintai Center, New Yansha Outlets, Xidan Market and Jia Yi Plaza respectively, marking Sa Sa's official entry into the Beijing market.

Sa Sa International Group operates in six major markets in Asia including mainland China, Hong Kong, Macau, Taiwan, Singapore and Malaysia with over 110 retail stores and counters. Committed to developing the mainland market in the long-term, the Group has opened four retail outlets in Shanghai and 12 counters across China.

'Quality brands and products, delivered through our unique retail model with our professional cosmetics retail experience, underpin Sa Sa's success,' Wilson Chu stated at the press conference. The unique "one-stop cosmetics specialty store" concept pioneered by Sa Sa in Asia is the core competitive strength that makes Sa Sa an internationally renowned leader in cosmetics retail. Sa Sa has been developing a "beauty-focused" business through retail and brand management, and has gained a unique market position.

Sa Sa sells more than 400 brands and over 15,000 types of skin care, fragrance, make-up, hair care, bath and body care products, as well as beauty and health foods, in addition to a number of own-labels and exclusive international brands. Its cosmetics retail stores have also introduced a number of international professional skin care and treatment brands including

Suisse Programme. The Group is also responsible for the brand management, promotion and sales of over 100 exclusive international beauty brands that represent more than 35% of Sa Sa's total retail sales.

Sa Sa's brand portfolio focuses on offering consumers more choices of professional products. Based on the Group's experience in Asia Pacific, professional skin care products used by beauty salons and professional ladies' health clubs have become a major part in the area of personal care. Professional products can tackle various kinds of skin problems more effectively and are not difficult to use. 'The world's leading consumer skin care products are readily available in an international metropolis like Beijing. Therefore we would like to bring to consumers more professional brands exclusively at our stores. This not only helps differentiate Sa Sa in terms of brand offerings, but also offers consumers greater choice,' added Chu.

Sa Sa's "one-stop cosmetics specialty store" concept brings under one roof a whole range of skin care, fragrance, make-up, hair/body care products and make up accessories, with thousands of cosmetics offerings across different price segments displayed on open shelves in a stylish and user-friendly environment, making it convenient for customers to sample the products. For instance, eyelash curlers, colourful nail accessories and all kinds of innovative make-up tools recently launched in Europe and Asia are introduced to various Sa Sa stores across Asia within the shortest period of time after strict product examination by the Group's global merchandizing team. Products are displayed in different zones according to the product category to allow detailed product comparison.

The professionalism of cosmetics retailing is also reflected in its services. Hong Kong-based Sa Sa, with 30 years of experience in Asia, prides itself on "value-add services". "One-stop cosmetics specialty store" is not a cosmetics supermarket, but rather a stylish shopping centre where professional personal care advice is readily available. Our professionally-trained beauty consultants possess thorough understanding of all products in the store and provide quick, personalised skin care solutions with the help of advanced skin diagnosis devices. 'Our beauty consultants primarily focus on the budget and skin problems of each customer and are not biased in product recommendation. This is also a unique feature of a "one-stop cosmetics specialty store".'

For first-time users of professional skin care products, they can get advice from our beauty consultants with privacy in the in-store treatment rooms. In the early stage, they can also book these treatment rooms for individual tuition on skin care instructions. The beauty consultants are personal stylists of customers, they can provide professional make-up

suggestions based on each customer's wardrobe preference in colour and style. On special occasions, customers can also come to Sa Sa stores for a free make-up service.

The weekly promotions in Sa Sa offer even better value-for-money. 'Customers can visit our stores regularly to get the personal care products they need at the best offer,' said Chu. Each store provides free samplers to give our customers the peace of mind. For customers who purchase without trying samples, Sa Sa stores also offer purchase warranty covering a certain period of time after purchase. The e-commerce arm of Sa Sa Hong Kong, Sasa.com, provides 24-hour online retail services, with Alipay as one of the payment methods, to its customers from over 80 countries and areas around the globe.

The Group will open five retail outlets in Beijing in the second and third quarters of this year, including:

- Sunlight Department Store Oriental Plaza (opening 19 April)
- Yintai Center
- New Yansha Outlets
- Xidan Market
- Jia Yi Plaza

With emphasis on product development, Sa Sa is committed to expanding its product variety and strengthening its product portfolio. With the opening of five new stores in Beijing, a vast array of selected new products and exclusive products will join Sa Sa's existing offerings, among which are a number of newly-introduced leading French skin care brands for its Beijing outlets.

- French brand MARIA GALLAND is a newly introduced partner brand in Sa Sa's Beijing stores. For over half a century, MARIA GALLAND has created a unique range of skin care products using world-leading innovative recipes by tapping into advancements in biotechnology, medicine and pharmacy. The brand offers a complete portfolio of products for every skin type.

- French brand RENE FURTERER is an imported brand with more than 50 years' hair care experience, offering innovative professional hair care products with natural ingredients based on professional botanic research. The partnership with Sa Sa marks RENE FURTERER's first-ever collaboration with cosmetic specialty stores.

- SOIN D'EAU, also from France, is another newly introduced professional skin care brand in Sa Sa's Beijing stores, and is available in Beijing for the first time exclusively through Sa Sa. The major ingredient in all SOIN D'EAU products is the famous Bagnoles del'Orne spring

water from France, which can enhance the self-protective ability of the skin and prevent ageing.

Besides these latest additions, exclusive international brands including Suisse Programme and Methode Swiss, Beauty Formula from Britain and new products from the own-label "Sasa" series will be sold in Sa Sa's Beijing stores. Among these, the exclusive Suisse Programme, which is awarded "Superbrands" title and is the bestselling skin care brand in Sa Sa's Hong Kong stores, has already opened 12 counters in Beijing, Shanghai, Wenzhou, Changsha, Chengdu, Wuxi, Anshan and Shenyang.

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Group Background

Sa Sa is a leading cosmetics retail group in Asia. Its over 110 stores in Asia sell more than 400 brands of skin care, fragrance, make-up and hair care products including its own brands and other exclusive international brands. Over 700 well-trained beauty consultants are employed to provide professional services to its customers.

Sa Sa runs the largest cosmetics specialty store chain in Asia Pacific region, as ranked by Retail Asia magazine and KPMG in 2007. As one of the major sole agents in cosmetics in Hong Kong, Sa Sa also represents more than 100 international beauty brands in Asia. Sa Sa prospers on its successful and proven "one-stop cosmetics specialty store" concept which aims to provide customers with the widest range of quality products. Its e-commerce arm, Sasa.com, provides online shopping service to customers as well as a strong marketing tool for the Group. Sa Sa, established in 1978, was listed on The Stock Exchange of Hong Kong in June 1997, and had an annual turnover of around HK\$2.89 billion for the year ended 31 March 2007.

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