

Sa Sa Opens Its First Store in Dongguan, Guangdong To Strengthen Business Development in Southern China

(19 July 2013 – HONG KONG) **Sa Sa International Holdings Limited** ('Sa Sa' or the 'Group', stock code: 0178), Asia's leading cosmetics retailing group, announces the opening of its first "Sasa" store in Dongguan City of Guangdong Province. The store complements the Group's existing retail network in Southern China and will drive its development in Mainland China.

The new store is located in Dongguan Chang'an Wanda Plaza on No.1 Dongmen Middle Road in Chang'an District of Dongguan City, at the intersection of Dongmen Road and Guanchang Road. Chang'an Wanda Plaza is a large-scale urban complex that integrates shopping, recreation, dining, entertainment, cultural activities and accommodation. Sa Sa's new store in Dongguan covers a floor area of approximately 122 sq. m. and its modern design is in line with Sa Sa's image across the markets in Asia Pacific region. Over 2,000 products of more than 100 brands are available at the store, and are categorized, arranged and showcased according to consumers' shopping habits and product functions. In the store, there are five respective zones for products of skin care, cosmetics, fragrance, health food and hair care. The setting provides customers with a pleasant one-stop shopping experience and professional sales services.

With the presence of the first "Sasa" store in Dongguan, Sa Sa will continue to uphold its customer-centric corporate philosophy which is embodied by the Group's understanding of consumer behavior of the local markets, timely adjustment of product portfolio and the provision of quality and trendy products and services to customers. Looking ahead, the Group will continue to extend its retail network and accelerate penetration into Mainland China's market by opening stores in existing cities and tapping into new and promising markets. To allow flexibility in controlling operational costs, a smaller store format with essential product offerings will be adopted in some store openings. This strategy will help the Group accelerate its store expansion and gain a larger market share.

In addition, the Group will further strengthen relations with local suppliers, execute market localization strategy, enhance brand management and competitiveness in procurement and continue to develop the mainland China's cosmetics market, which has immense potential. The Group has the backing of the local property developers and brand suppliers in its business development in the Mainland China market. This will benefit its long-term development in the country.