

Sa Sa Continues to Expand in Guangdong Province with Opening of its First Store in Zhongshan

Further Expands Strategic Network in Southern China and Pearl River Delta Region Propels Steady Business Development in Mainland China

(17 January 2014 – HONG KONG) **Sa Sa International Holdings Limited** ('Sa Sa' or the 'Group', stock code: 0178), Asia's leading cosmetics retailing group, is pleased to announce the opening of its first "Sasa" store in Zhongshan in late January. This continuous expansion of the strategic network in Southern China and Pearl River Delta Region further propels the Group's steady development in Mainland China.

The new store is located at Lihe Plaza, Zhongshan City, Guangdong Province. Lihe Plaza, situated in the central business district of Zhongshan, is the only large-scale, integrated urban complex in Zhongshan. The new store covers a floor area of approximately 150 sq. m., and operates in Sa Sa's boutique store format. It is meticulously designed in line with the Group's image across the Asia Pacific region. Approximately 2,000 products of more than 100 brands are available at store, which are showcased according to consumers' shopping habits and product functions, and categorized under three respective zones of skin care, cosmetics and fragrances. The diversified product offering also includes hair care products, as well as products catered for infants and men. With this setting, customers will be able to enjoy a more pleasant and professional one-stop shopping experience.

In pace with the opening of the first "Sasa" store in Zhongshan, the boutique store format operating model will help enhance the Group's penetration in Mainland China, and accelerate its store expansion to solidify its network. Sa Sa will continue to uphold its customer-centric corporate philosophy in the coming future. Through the understanding of consumer behavior of the local market, the Group will timely adjust its product portfolio and the provision of quality products and services to customers. It will also lay emphasis on the best-selling products and house brands to enhance cost efficiency.

Looking ahead, the Group will continue to expand its retail network, step up investments in human resources, and further strengthen relations with local suppliers to enhance brand management and competitiveness in procurement. This will enable the Group to continue developing the Mainland China's cosmetics market, which has immense potential.