



Sa Sa Announces Sales Performance for the Chinese New Year Period in Hong Kong and Macau

(11 February 2014 – HONG KONG) – **Sa Sa International Holdings Limited** ('Sa Sa' or the 'Group', stock code: 0178), Asia's leading cosmetics retailing group, announced today the retail sales performance in Hong Kong and Macau during the 2014 Chinese New Year ("CNY").

Compared against a relatively high base of sales growth in the previous CNY, the Group's retail sales and same store sales in Hong Kong and Macau for the first seven days of the CNY period⁽¹⁾ increased by 6%⁽²⁾ and 3%⁽²⁾, respectively. During this period, a sustained growth in Mainland Chinese tourist arrivals resulted in significant growth in store traffic, giving rise to a nearly 20% increase in sales transactions to Mainland Chinese customers over the corresponding period of the previous year. However, within a drop of nearly 10% in average sales per transaction, the Mainland Chinese tourists manifested a weaker purchasing power this year. The Group believes that the one-day delay of the CNY holiday⁽³⁾ in Mainland China when compared to the previous year adversely affected the sales performance at the start of the holiday, sales growth gradually picked up strength from the fourth day after CNY, leading to a retail sales growth and same store sales growth of 13%⁽²⁾ and 10%⁽²⁾, respectively, for the period covering the fourth to the tenth day⁽⁴⁾ of the CNY holiday. The Group's quarter to date (1 January to 9 February 2014) retail sales growth and same store sales growth in Hong Kong and Macau was 19%⁽²⁾ and 14%⁽²⁾, respectively. The Group remains cautiously optimistic on the Hong Kong and Macau retail market for the rest of the fourth quarter.

⁽¹⁾ The first seven days of CNY in 2014 (31 January to 6 February) as compared to that of the corresponding period last year (10 to 16 February).

⁽²⁾ Exclude adjustments according to Hong Kong International Financial Reporting Interpretation Committee - Interpretation 13 on the bonus points scheme.

⁽³⁾ National CNY holiday for Mainland China in 2014 and 2013 are the first seven days of CNY (31 January to 6 February) and CNY's Eve to the sixth day of CNY (9 to 15 February) respectively.

⁽⁴⁾ The fourth to tenth day of CNY in 2014 (3 to 9 February) as compared to that of the corresponding period last year (13 to 19 February).

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