

Sa Sa Enters Shaanxi Province with Opening of its First Store in Xi'an City

Further Penetrate Western China Region to Strengthen Mainland China Market Layout

(20 February 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 Xi'an City of Shaanxi Province on 21 February. As the first store in the Northwest region, it will further drive the Group's steady development in Mainland China.

The new store is located at GoldenSha International Plaza in Yanta District, Xi'an City, Shaanxi Province. GoldenSha International Plaza is a scenic and creative shopping mall that integrates culture, art, dining, shopping, entertainment and recreation, offering one-stop services. Sa Sa's new store covers a floor area of approximately 130 sq. m. and 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 the store, which are categorized and showcased according to consumers' shopping habits and product functions. The new store has three respective zones for products of skin care, cosmetics and fragrances. The diversified product offering also includes hair care products, as well as products catered for infants and men. The setting provides customers with a pleasant and professional one-stop shopping experience.

Currently, the Group has the backing of local property developers and brand suppliers in the Mainland China market, which is beneficial to its long-term development in the country. The opening of its first "Sasa" store in Xi'an will help enhance Sa Sa'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, 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 products and services to customers. The Group will also focus 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.