



Sa Sa Retail Sales in Hong Kong & Macau during National Day Golden Week Holiday

(11 October 2015 – HONG KONG) – **Sa Sa International Holdings Limited** ('Sa Sa' or the 'Group', stock code: 0178), is pleased to announce the unaudited sales performance of its retail business in Hong Kong and Macau for the National Day Golden Week Holiday from 1 to 7 October 2015 ("the Period").

The Group's retail sales in Hong Kong and Macau during the Period recorded a decline of 10.4% compared with last year, while the same store sales dropped by 8.7% year-on-year*.

Dr. Simon Kwok, *BBS, JP*, Chairman and Chief Executive Officer of the Group, commented, "According to data from the Hong Kong Immigration Department, the number of Mainland Chinese tourists to Hong Kong recorded a slight year-on-year increase of 2.3% during National Day Golden Week Holiday. However, the local retail market failed to benefit as a substantial part of the growth was driven by transit tourists and those who visited on student visas. Moreover, the growth was far weaker than the growth of overall outbound traffic from China which was announced by the China National Tourism Administration, indicating that mainland tourists were attracted by destinations other than Hong Kong. According to China's leading online travel agency, Ctrip.com, the ranking of Hong Kong on the list of most visited destinations by Chinese tourists during National Day Golden Week Holiday has dropped from first place last year to fourth place this year, reflecting a sharp decline in the competitiveness of Hong Kong as a tourist city. The substantially strengthened tourist facilities and convenient immigration policies offered by other countries improved their attraction to mainland tourists while the strong Hong Kong dollar and depreciating yuan contributed to the slowdown of growth in mainland visitors to Hong Kong. The Group expects that tourism and retail industries in Hong Kong would no longer be driven by long holidays in China unless there are substantial measures taken to improve the competitiveness of tourism in Hong Kong. However, the Group will continue to optimize product offerings and enhance customers' shopping experience to cater for demands in the fast changing market."

** Excluding the adjustments according to Hong Kong International Financial Reporting Interpretation Committee - Interpretation 13 on the bonus points system.*

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