



Sa Sa Announces Sales Performance in Hong Kong and Macau during Labour Day Holiday in 2019

Highlights

	<i>Labour Day Holiday</i>	
	<i>1 May to 3 May 2019</i>	<i>1 May to 4 May 2019</i>
Hong Kong & Macau – Retail		
YoY change in retail sales	-3.9% ¹	-0.4% ²
YoY change in same store sales	-8.3% ¹	-4.8% ²

Remarks: Figures include adjustments in accordance with the Hong Kong International Financial Reporting Interpretation Committee – Interpretation 13 on the bonus point scheme.

Note 1: As compared to the Labour Day Holiday in 2018 from 29 April to 1 May 2018

Note 2: As compared to the Labour Day Holiday in 2018 from 29 April to 2 May 2018

(8 May 2019 – HONG KONG) – **Sa Sa International Holdings Limited** ('Sa Sa' or the 'Group', stock code: 0178) announced the unaudited sales performance of its retail business in Hong Kong and Macau during the Labour Day Holiday from 1 May to 4 May 2019.

During the Labour Day Holiday (from 1 May to 4 May 2019), the Group's year-on-year growth in retail sales in Hong Kong and Macau markets declined by 0.4%, while same store sales dipped 4.8%. As compared to the three-day Labour Day Holiday in 2018 (from 29 April to 1 May 2018), the Group's retail sales in Hong Kong and Macau markets during the first three days of the 2019 Labour Day Holiday (from 1 May to May 3 2019) dropped by 3.9%. The transaction volume of mainland tourists increased by 3.0%. However, the average sales per transaction decreased by 5.8%, leading to a 3.0% fall in mainland tourists' sales. Same store sales declined by 8.3% as the sales to local consumers and mainland tourists decreased by 2.8% and 9.1% respectively. The weakness in trendy products and intensified competition impacted the Group's sales performance.

Dr Simon Kwok, SBS, JP, Chairman and Chief Executive Officer of the Group, said, "The Group has been adjusting its product portfolio and expediting the roll-out of new and trendy products to adapt to changing consumer preferences. On 26 April, the Group's retail store at Kowloon Hotel debuted the Seagrape Deep Hydrating Water Gel Mask of FAN BEAUTY, a beauty brand created by renowned Chinese artist Fan Bingbing (范冰冰), becoming the first physical cosmetic store to launch this new product globally. This new product was then exclusively available in all Hong Kong and Macau Sa Sa stores from 29 April. The new product has enriched the Group's product portfolio and attracted increased traffic to its stores.

Consumers are attracted by the charisma of celebrity and the appeal of the product features, resulting in both increased store traffic and sales performance. The Group endeavours to explore more new products with potential and balance its product mix to further build sales momentum. The Group believes that its product competitiveness will again start building up. In the meantime, the Group will continue to adopt a proactive approach in formulating future sales and promotion strategies to achieve sustainable business development into the future.”

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