

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SA SA INTERNATIONAL HOLDINGS LIMITED

莎莎國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 178)

Unaudited Operational Information for the First Quarter ended 30 June 2016

The board of directors of Sa Sa International Holdings Limited (the “**Company**”) announces the unaudited operational information of the Company and its subsidiaries (the “**Group**”) for the first quarter from 1 April to 30 June 2016.

Highlights	
Group - Retail and Wholesale	
	<i>3 months ended 30 June 2016</i>
Turnover (HK\$ million)	1,717.1
YoY % change	-5.7%
HK and Macau - Retail and Wholesale	
Turnover (HK\$ million)	1,384.9
YoY% change	-5.4%
Same store sales YoY % change	-4.8%
Average sales per transaction (HK\$)	315
YoY % change	-5.7%
Total no. of transactions (million)	4.3
YoY % change	+0.6%

Remarks: Figures in the above table include adjustments according to the Hong Kong International Financial Reporting Interpretation Committee – Interpretation 13 on the bonus point scheme.

The Group’s retail and wholesale turnover decreased by 5.7% for the first quarter from 1 April to 30 June 2016. In Hong Kong and Macau markets, turnover declined by 5.4% while same store sales decreased by 4.8%. The number of transactions increased by 0.6%, while the average sales per transaction decreased by 5.7%. The Group’s retail and wholesale turnover in other markets (including Mainland China, Singapore, Malaysia, Taiwan and sasa.com) recorded a drop of 7.0% for the first quarter.

While still in decline, the Group's retail sales in Hong Kong and Macau recorded a notable improvement compared to the last quarter of the last financial year. This has been mainly due to traffic growth of Mainland customers, leading to a 2.7% increase in the number of transactions attributable to them. Their consumption continued to be on the weaker side, with spending declining by 6.4% per transaction. The local consumption sentiment remained sluggish, with the number of transactions and average sales per transaction attributable to local customers decreasing by 1.5% and 7.1% respectively. The improvements in sales performances have been partially due to the Group's efforts to adjust product offerings to adapt to market demand, the resulting change in product mix together with continuous promotions to drive sales have intensified the downward pressure on gross profit margin for the quarter.

Number of Stores/Counters by Market

	As at 30 June 2016	As at 31 March 2016
Hong Kong and Macau	112 [*]	113 [#]
Mainland China	55	57
Singapore	23	23
Malaysia	67 [*]	66 [*]
Taiwan	31	32 [*]
Total	288	291

Include two single-brand stores/ counters

* Include one single-brand store/ counter

The board of directors wishes to remind shareholders and potential investors that the above information are based on the unaudited management accounts of the Group which have not been reviewed nor audited by the auditors of the Company. Sales performance during the period is affected by a series of factors; therefore, the operational information for the period may not be able to reflect the overall performance of a complete reporting period.

Shareholders and potential investors of the Company are cautioned not to unduly rely on such information and are advised to exercise caution when dealing in the shares of the Company.

By order of the board of directors
Sa Sa International Holdings Limited
KWOK Siu Ming Simon
Chairman and chief executive officer

Hong Kong, 18 July 2016

As at the date of this announcement, the directors of the Company are:

Executive Directors

Dr KWOK Siu Ming Simon, *BBS, JP* (Chairman and chief executive officer)

Dr KWOK LAW Kwai Chun Eleanor, *BBS* (Vice-chairman)

Dr LOOK Guy (Chief financial officer)

Non-executive Director

Ms LEE Yun Chun Marie-Christine

Independent non-executive Directors

Professor CHAN Yuk Shee, *PhD, SBS, BBS, JP*

Dr LEUNG Kwok Fai Thomas, *PhD, BBS, JP*

Ms TAM Wai Chu Maria, *GBM, GBS, JP*

Ms KI Man Fung Leonie, *GBS, JP*

Mr TAN Wee Seng