



SHI
ALFRED SUNG

With its single-brand chain of
La Colline **specialty stores**, the
Group can now offer customers premium,
tailored beauty services, while
demonstrating its diverse brand-
management capabilities.

TIMELESS BEAUTY



Roger King President & CEO
金樂琦 行政總裁



diversification

CYBER COLORS

FINAL RESULTS

Sa Sa's performance in the fiscal year 2001 was encouraging given an adverse retailing environment in the region. Total turnover increased by 9.3%, to reach HK\$1,439.4 million, for the year ended 31 March 2001. The Group's pre-tax operating profit before store closure costs which are considered exceptional in the fiscal year 2000, increased 24.4% to HK\$98.5 million.



On 31 August 2000, the Group successfully acquired a majority share in Asia's leading health and beauty club operator, Phillip Wain International. The Group's results in the fiscal year under review include seven months of contributions from this subsidiary. The Group also expanded its retail network during this year, with seven new stores opened in Hong Kong, including three La Colline specialty stores, and six new stores in overseas locations. Sasa.com, the Group's Internet arm, was also launched in December 2000.

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全年業績

在區內零售經營困難的環境下，莎莎二零零一年財政年度的業績實在令人鼓舞。截至二零零一年三月三十一日止之年度內，集團的總營業額為港幣十四億三千九百四十萬元，較去年增加百分之九點三。集團未計入特殊項目店舖關閉費用之稅前經營溢利增加百分之二十四點四，達至港幣九千八百五十萬元。

二零零零年八月三十一日，集團成功收購亞洲美容及健美中心翹楚菲力偉國際（「菲力偉」）大多數股權，因此集團年度業績亦包括此附屬公司七個月的營業收益。期內，集團進一步擴展旗下零售網絡，在香港開設七間新零售店，當中包括三間La Colline專門店。此外，集團亦增設了六間海外新店。集團並於二零零零年十二月推出sasa.com，開展集團網上零售業務。

CEO'S REVIEW 行政總裁報告

Highlights of results for the year ended 31 March 2001 include:

- Group turnover rose 9.3% to HK\$1,439.4 million
- Pre-tax operating profit before store closure costs showed an impressive 24.4% advance from last year to HK\$98.5 million
- Pre-tax profit after store closure rose 8% to HK\$85 million
- EBITDA before store closure costs increased to HK\$148.4 million from the previous year's HK\$118.1 million, a growth of 26%
- Profit attributable to shareholders increased 2% to HK\$75.2 million
- The Group's cash position stood at HK\$593 million, with no long-term debt
- Earnings per share increased 4% to HK\$5.6 cents
- Volume of transactions for Sa Sa's retail business increased by 4.7%
- The number of Sa Sa retail outlets increased from 43 to 56, as at the end of March 2001.

截至二零零一年三月三十一日止財政年度之業績摘要：

- 集團營業額上升百分之九點三，達至港幣十四億三千九百四十萬元。
- 未計入店舖關閉費用之稅前經營溢利顯著上升，達至港幣九千八百五十萬元，比去年增加百分之二十四點四。
- 已扣除店舖關閉費用的稅前溢利上升百分之八，達至港幣八千五百萬元。
- 未扣除利息支出、稅項、折舊、攤銷及店舖關閉費用之收益由去年的港幣一億一千八百一十萬元增至港幣一億四千八百四十萬元，增幅為百分之二十六。
- 股東應佔溢利上升百分之二，達至港幣七千五百二十萬元。
- 集團持有現金港幣五億九千三百萬元，並無長期債務。
- 集團每股盈利上升百分之四，達至港幣五點六仙。
- 莎莎零售業務之總交易宗數較去年同期上升百分之四點七。
- 於二零零一年三月底，莎莎零售店增至五十六間。去年同期店舖數目為四十三間。



PRIVATE LABELS AND EXCLUSIVELY DISTRIBUTED PRODUCTS

Sa Sa's private-label merchandise has been repackaged and new products introduced to strengthen our market position. Also, the Group has acquired exclusive distribution rights of more international brands including the fragrances from *Montana*, *Pierre Balmain*, *Alfred Sung*, *Lancetti*, and *Michael by Jordan*. Over 5,000 bottles of the popular *Montana Blu* were immediately sold out when it launched in December 2000 in Asia.

Tailored marketing and promotional campaigns successfully increased sales of our house brands.

During the year under review, private-label products and products with exclusive distribution rights contributed significantly to the Group's total gross profit. Sales of house-brand products increased by 16% to account for approximately 26% of sales for the retail business, up from 23% in 2000.

“What are Sa Sa's main strengths?”

We have built a great brand that everyone knows, and we have an unmatched range of products. Our relationships with our vendors are excellent, our sales professionals give quality service, and we have a long-established network of more than 50 retail outlets in prime Asian locations, as well as a retail presence across 40 cities in the burgeoning Mainland China market.

We have a clear business focus on “beauty + health”, supported by well thought-out corporate strategies, including an attractive online presence. A robust balance sheet and a strong management team are adding fresh new dynamics to this remarkable company.

專有品牌及獨家分銷產品

為加強市場地位，莎莎專有品牌商品換上新裝璜，並推出多項新產品。集團更取得眾多國際名牌產品的獨家分銷權，其中網羅的香水品牌便有 *Montana*、*Pierre Balmain*、*Alfred Sung*、*Lancetti* 及 *Michael by Jordan* 等顯赫名字。二零零零年十二月，集團在亞洲區首度推出 *Montana Blu* 香水，市場反應非常熱烈，逾五千瓶瞬即售罄。

集團為獨家品牌開展的各項市務推廣及宣傳計劃，均成效卓著，使產品的銷量增加不少。

於年度內，專有品牌及獨家分銷產品銷售，提升了集團的毛利總額。這些獨家品牌產品的銷售額比去年上升了百分之十六而佔零售業務銷售總額之比率，則由二零零零年錄得的百分之二十三增至百分之二十六。



莎莎的優勢在哪裡？

我們的品牌家喻戶曉，產品種類之多無出其右。我們與各地供應商享有良好的合作關係，專業售貨員服務出色；我們擁有龐大的亞洲區銷售網絡，在亞洲各主要地區設有逾五十間零售店，並於中國大陸四十個城市設有零售網絡，掌握當地市場蓬勃發展。

我們具有明確的「美容及健康」業務方向，周全的企業策略，更有卓越的電子商務作支持。加上穩健的財務表現及經驗豐富的管理層，我們相信莎莎未來定可更上一層樓。





HEALTH PRODUCTS

Exclusive distribution rights for “Yuerong Beauty Preserver”

In response to popular and growing concern over holistic physical health and inner beauty, the Group has moved into the health-food market and plans to significantly expand its operations in this area in the years ahead. An important milestone in this initiative was the securing of exclusive distribution rights for a Chinese herbal health supplement, Yuerong Beauty

Preserver, in March 2001.

Formerly used in the Chinese imperial court, Yuerong Beauty Preserver has been tailored to the needs of today's modern-living health-conscious citizens.

This very successful launch sets the scene for the Group's further expansion into this exciting and profitable growth market. With a view to positioning ourselves as the pre-eminent 'beauty + health' products and services provider, Sa Sa is currently negotiating exclusive distribution with manufacturers of other health supplements and foods.

健康產品

獨家分銷「悅容養顏」

隨著社會大眾對全面健康及美容觀念的日益關注和普及，集團亦開始進軍健康食品市場，並計劃在未來數年在有關業務上大展拳腳。集團於二零零一年三月成功取得中藥健康食品「悅容養顏」之獨家分銷權，為集團拓展健康食品業務邁開重要的一步。

原為中國宮廷御用滋補養顏妙方的「悅容養顏」，經精心改良，以照顧對講究健康的現代都市人各方面的需要。

這款健康食品的成功推出，為集團進一步發展蓬勃的健康食品市場奠下基石。我們正積極與其他健康食品生產商接洽，希望取得更多獨家分銷權，積極向整全的「美容+健康」業務方向進發。





RETAIL BUSINESS

The business environment in Asia continues to be challenging, with regional economies recovering very slowly, particularly in Hong Kong and Taiwan. This has seriously impacted retailing, including the cosmetics retail market. Consumption sentiment is still low, with a widespread price-consciousness dictating their spending habits and decisions. In Hong Kong, the recent introduction of the Mandatory Provident Fund scheme exerted further pressure on consumption sentiment.

Despite this, retail turnover increased by 2.4%, to HK\$1,348.8 million. Excluding store closure costs, the contribution of the retail business to the Group's operating profit amounted to HK\$93 million, an increase of 17.8% over last year. It is encouraging that the Group's performance improved even in such a difficult environment.



In Taiwan, economic uncertainty, a high unemployment rate, and prevailing political instability have inevitably eroded reported results. The performance in Taiwan suffered and the closure of five under-

performing stores resulted exceptional expenses of HK\$13 million.

零售業務

亞洲區的經營環境

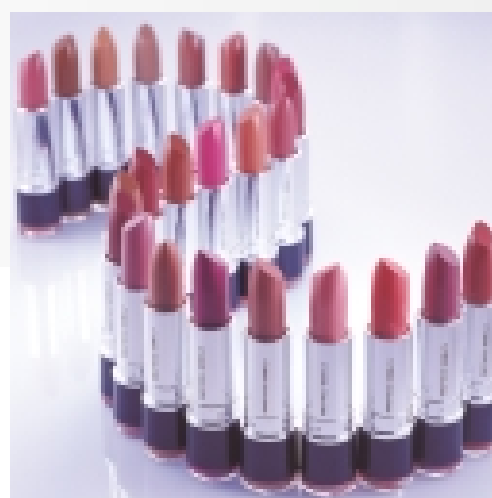
依然挑戰重重，經

濟復甦更是非常緩

慢，其中尤以香港及台灣為甚。零售業包括化妝品零售市場受到嚴重影響。由於消費意欲仍然低沉，廣大消費者消費習慣和行動普遍量價而行。香港最近推行強制性公積金計劃，對大眾的消費意欲亦有一定影響。

儘管如此，集團零售業務營業額仍錄得百分之二點四的升幅，達至港幣十三億四千八百八十萬元。未計店舖關閉費用，集團零售業務的經營利潤比去年上升百分之十七點八，達港幣九千三百萬。集團業績能在惡劣環境中逆流而上，實在令人鼓舞。

在台灣，由於經濟前景不明朗，失業率高企，政治氣候持續不穩，集團當地業務表現無可避免受到拖累。台灣業務因此大受影響；五間業績欠佳的分店結業，造成港幣一千三百萬元的特殊開支。



CYBER COLORS



Nevertheless, the total number of transactions increased by 4.7% over the previous year, although average sales per transaction recorded a slight decrease due to poor consumption sentiment.

Sa Sa Stores Adapt and Grow

Sa Sa unveiled a new look for its retail stores, including 'self-service' open shelves throughout the store, allowing customers to touch and feel all merchandise, with a bright and simple interior design. In-store beauty consultants are available to provide customer service when required. The new customer-driven store design has helped give Sa Sa a more distinctive position in the market, and has richly enhanced customers' shopping experience.

Our new-concept store in Tung Chung, Hong Kong, has also introduced a self-service make-up corner with free cosmetics for testing and a free skin-analysis corner, to explore this new service concept.

然而，然而莎莎的總交易宗數比去年增加百分之四點七，惟礙於消費意欲薄弱，平均每宗交易的銷售額則輕微下調。

莎莎零售店 新裝新體驗

莎莎為化粧品零售店鋪換上嶄新形象，其中包括在店內設置全開放式「自助」陳列架，讓顧客能接觸和親身感受每一種貨品。室內設計簡潔明亮，而駐店美容顧問則隨時給予顧客所需的服務。全新「以客為先」的店鋪設計，使莎莎加強市場地位，並使顧客購物更輕鬆舒適。

我們在香港東涌開設的新概念店鋪更設有自助化妝間，提供免費試用化妝品服務，亦設有免費皮膚分析服務，為未來新顧客服務概念作準備。



La Colline Delivers a Premium Retail Experience for High-Value Customers

In response to customers' increasing demand for personalised and tailored services, the La Colline Specialty Stores are an important addition to the Sa Sa family. Since October 2000, Sa Sa has opened three dedicated La Colline stores in Hong Kong. These single-brand stores now offer discerning customers the prestigious range of La Colline beauty products and treatments. The success of the new La Colline Specialty Stores also provides an excellent platform to showcase Sa Sa's capabilities in focused, premium brand management, thus increasing the Group's prospects for developing similar partnerships and ventures in the future.

Around the Region

Hong Kong and Macau

In the year under review, turnover in Hong Kong and Macau, the Group's largest market, rose by 2.5 per cent to HK\$1,110.7 million. This single-digit growth was set against a weakening global economy, continued stock market fluctuations and consumer confidence that has been eroded by the depressed property market. Seven new stores, including three La Colline Specialty Stores were opened during the year under review. As of 31 March 2001, the total number of outlets in Hong Kong and Macau was 32.



La Colline專門店 形象顯氣派

隨著顧客對個人化的服務需求日益殷切，集團加添了La Colline專門店以迎合顧客的需要。自二零零零年十月至今，莎莎已在香港開設了三間La Colline專門店。以鮮明獨立品牌形象出現的La Colline專門店除提供本身品牌系列的美容產品外，並附設美容護理服務，以滿足高要求的顧客。全新La Colline專門店亦充分展示莎莎經營高檔品牌的實力，為集團未來找尋合作夥伴拓展同類的專門店奠定良好基礎。

各區業務

香港及澳門

於年度內，集團的最大市場香港及澳門的營業額錄得百分之二點五的增長，達至港幣十一億一千零七十萬元。縱使全球經濟持續放緩、金融市場表現波動、地產市道疲弱及種種不利情況下使消費者信心受挫，但集團仍能錄得單位數字的增長。另外，集團於年度內共開設七間新店，包括三間La Colline專門店。截至二零零一年三月三十一日，集團在香港及澳門共有三十二間分店。

CEO'S REVIEW

行政總裁報告

Remarkable increases in sales of private-label and exclusive-distribution products were posted, largely as a consequence of strong marketing initiatives.

Taiwan

Like most retailers in Taiwan, Sa Sa has suffered, as a consequence of the Island's severely dampened retail market. An unsettled political and economic situation, as well as a high unemployment rate, has resulted in poor consumer sentiment during the year.



Our turnover from Taiwan for the period decreased by 5.3%. The closure of five Sa Sa shops in this fiscal year resulted from a strategic reduction in the number of under-performing stores. Nevertheless Sa Sa believes that Taiwan represents excellent long-term potential, and we continue to be committed to this market. By focusing

on the profitable stores, we aim to break even in the coming year. We will continue to monitor the situation and will act swiftly when the inevitable market upturn arrives.

Singapore and Malaysia

Both markets recorded strong growth in both turnover and profit. Turnover and profit in Singapore increased by 10.1% and 31.6% respectively. Three new retail outlets were opened, bringing the total number of outlets to nine at the end of March 2001.

Sales for the period in Malaysia rose 32.4%, and profit was doubled. Three new outlets were opened in Malaysia, creating a total of seven shops as of 31 March 2001.



過去一年，集團推行一連串成功的市場推廣計劃，令專有品牌及獨家分銷產品的營業額錄得顯著升幅。

台灣

如同大部分台灣零售商一樣，莎莎亦受當地低迷的零售市道大大影響。期內台灣政治及經濟形勢不明朗，失業率持續高企，當地消費意欲被大為削弱。

集團於年度內在台灣錄得的營業額下降百分之五點三。雖然莎莎推行精簡策略，關閉了五間表現未如理想的分店，但仍然相信台灣市場潛力優厚，並且會繼續發展該市場。集團將集中經營能帶來盈利的分店，且期望來年可達到收支平衡。我們將密切注視當地形勢發展，以圖在市場復甦當兒即能早著先機。

新加坡及馬來西亞

在新加坡及馬來西亞的業務上，莎莎無論在營業額及溢利方面均錄得強勁增長。新加坡業務的營業額及溢利，分別上升百分之十點一及百分之三十一點六。截至二零零一年三月底止，莎莎在新加坡共設有九間分店，包括於年度內新開設的三間新店。於年度內，馬來西亞的銷售額增加百分之三十二點

四，溢利更激增一倍，期間我們更開設了三間新店。截至二零零一年三月三十一日止，莎莎在馬來亞共有七間分店。

BEAUTY SERVICES

The Group became the major shareholder of Phillip Wain International on 30 August 2000 for a consideration of approximately HK\$110 million. The Group now has a 58.3% interest in Phillip Wain International. In seven months of the period under review, Phillip Wain contributed HK\$90.6 million to the Group's turnover.



Established in Hong Kong in 1977, Phillip Wain International now operates seven up-market beauty and health ladies' clubs in Hong Kong, Singapore, Malaysia

and Thailand. Named "The Health & Fitness Club of the Year" in November 2000 by leading regional health and fitness magazine, *Asiafit*, Phillip Wain currently employs approximately 500 professional staff and serves over 16,000 members.

Following the acquisition of Phillip Wain, the Group is building opportunities for future growth in the beauty and health club market. Three clubs were renovated and new facilities, equipment and services, including spa and Pilates Studio, were introduced. Marketing and promotional activities were intensified to boost awareness of these new services. These are intended to build a strong foundation for long-term growth.

Phillip Wain
HEALTH AND BEAUTY



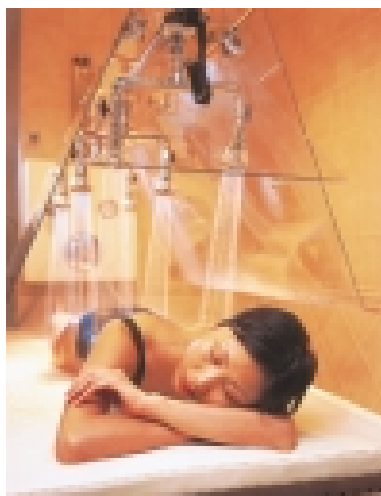
美容服務

集團於二零零零年八月三十日，以港幣約一億一千萬元收購菲力偉大多數股權，成為該公司的大股東，現時持有菲力偉百分之五十八點三股權。在計入年度內的七個月，菲力偉為集團總營業提供港幣九千零六十萬元的收益。

菲力偉於一九七七年在香港成立，現時在香港、新加坡、馬來西亞及泰國經營七間高級女子健美中心。二零零零年十一月，菲力偉獲亞洲區首屈一指的健體雜誌 *Asiafit* 選為「二千年最佳健美會所」。目前，菲力偉共僱用約五百名專業人員，為超過一萬六千名會員提供服務。



As well as cross-selling promotional campaigns, synergy was sought by leveraging Sa Sa's expertise in beauty products. For example, La Colline products and treatments were introduced to club members and were well received. However, as these initiatives were launched only in March 2001, their contribution to this year's profits is slight.



E-BUSINESS

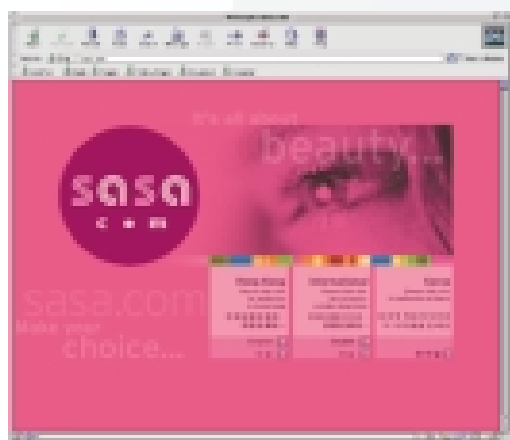
Employing a "clicks and mortar" strategy, the Group launched its e-commerce initiative - sasa.com - on 13 December 2000. The online presence aims to provide users with an additional channel to access Sa Sa's popular line of "beauty + health" products. The website, in Chinese, English, Korean, also serves as a powerful marketing tool to promote products both online and in Sa Sa retail shops. The ultimate goal for the Group's e-business is to become one of Asia's leading beauty and health e-commerce sites.

收購菲力偉後，集團已蓄勢待發，為發展美容及健美中心市場做好準備。期內三間健美中心經重新裝修，安裝了新設施和設備，為客戶提供嶄新的服務，包括水療按摩護理及Pilates運動室。市場推廣及宣傳活動亦隨之加強，務求令新服務更廣為人知。上述計劃旨在為業務長遠增長奠定基礎。

莎莎並發揮本身對美容產品專業知識，與菲力偉推行聯合推廣計劃，發揮協同優勢。例如，我們向菲力偉會員推介La Colline產品及護理服務，並深受會員的歡迎。由於有關推廣計劃於二零零一年三月才推出，故此僅為本年度溢利帶來輕微貢獻。

電子商務

集團於二零零零年十二月十三日推出電子商務網站 sasa.com，貫徹「虛實兼備」的經營策略。集團建立網上業務，目的是為客戶提供額外渠道，選購莎莎的「美容+健康」產品。網站除設有中文、英文及韓文版外，也是個很有效的推廣媒介，幫助莎莎推廣網上及零售店產品。集團sasa.com的最終目標，是要成為亞洲居領導地位的美容及健康電子商務網站。

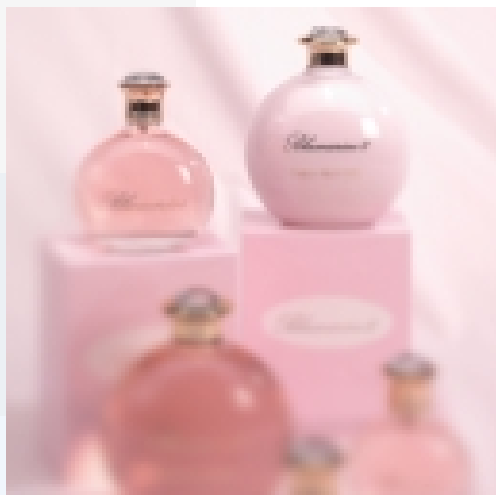


CEO'S REVIEW 行政總裁報告

The Group believes that the Internet offers a swift and capital-efficient means of entering new markets and extending services to overseas customers. Initial response has reinforced this belief, with around 50% of orders from overseas, led by Korea and the US. Orders have also been received from Australia, Europe and Africa. This was very exciting considering that not one single dollar had been spent on overseas advertising.

By leveraging Sa Sa's distinct brand position, particularly in Hong Kong, site traffic is now steadily increasing and we are confident of the site's long-term potential in the new 'Internet economy'.

The site is highly regarded by customers and media as informative, useful, user-friendly and providing excellent and speedy delivery service. In addition to increasing awareness of our products and corporate growth, sasa.com has also proven very successful in channelling additional traffic to our stores, especially in Hong Kong.



集團相信互聯網可提供快捷及符合資本效益的途徑，去開拓新市場及為海外顧客服務。市場對網站的初步反應印證了集團的想法，目前網上接獲的訂單近一半來自海外市場，其中韓國及美國均為主要市場，還有來自澳洲、歐洲及非洲的訂單。在集團未費分毫於海外宣傳推廣的情況下，如此成績實在令人鼓舞。

憑藉莎莎的知名度，尤其在香港建立的地位，網站瀏覽率一直穩步增長，令我們對網站在「新互聯網經濟」中的長遠發展潛力充滿信心。

莎莎網站獲得客戶和媒體一致好評，他們均讚賞網站資料豐富、實用、簡單易用及提供優質及快速的送貨服務。除有助提高對產品及集團發展的認識外，sasa.com亦成功令更多顧客光臨我們的店舖，尤以香港的成效最為顯著。



CUSTOMER SERVICE

The award of the "Quality Tourism Services" certificate to Sa Sa stores has been followed by the same recognition for the Group's La Colline Specialty Stores. This scheme, organised by the Hong Kong Tourism Board, honours tourism service providers judged to have achieved excellent quality in the areas of environment, products, processes, people and systems.



The Group has also participated in various external customer service monitoring schemes and introduced internal programmes to strengthen our service-oriented culture. We shall continue to uphold our tradition of excellence in customer service, looking particularly to provide extensive training for frontline staff in the area of product knowledge and service quality.

EMPLOYEES

At 31 March 2001, the Group had a total of 1,530 employees. Regular employee training programmes have enhanced customer service and management skills, and reinforce teamwork. Remuneration packages have been reviewed on a regular basis. Share options, as part of basic remuneration packages, have also been offered to key employees to strengthen loyalty to the Group.



顧客服務

莎莎的零售店及La Colline專門店相繼獲頒「優質旅遊業服務」證書。此項獎勵計劃由香港旅遊局主辦，旨在嘉許為旅遊業提供優質服務的企業，評核範圍包括環境、產品、工序、員工及制度。

集團亦參與外界多個不同的客戶服務監察計劃，對內則落實各種培訓計劃，加強服務至上的企業文化。我們將努力不懈，秉承一貫優質服務傳統，尤其注重為前線員工提供有關產品知識及服務質素的全面培訓。

員工

截至二零零一年三月三十一日止，集團共僱有一千五百三十名員工。我們定期為員工提供培訓，增強員工的顧客服務技巧、管理技能及團隊精神。此外，亦定期檢討員工薪酬及福利，主要員工除基本薪酬福利之外，更獲分配認股權，以增強員工對集團的忠誠度。



CEO'S REVIEW 行政總裁報告

LIQUIDITY AND CAPITAL RESOURCES

The Group has maintained a strong financial position and is confident that it has sufficient funds to meet its daily business operation requirements as well as to finance future expansion. At 31 March 2001, net cash and bank balances were HK\$593 million and working capital was HK\$775.1 million. The current ratio was 4.29.

The Group's general banking facilities total approximately HK\$192 million. Bank facilities amounting to HK\$27.2 million were used in the year under review. Total debt increased to HK\$316.1 million from HK\$160.5 million in 2000. The overall debt to equity ratio is 0.35, up from 0.15 in 2000.

The assets of certain subsidiaries are pledged to secure general banking facilities, of which HK\$2.26 million has been utilised as at 31 March, 2001. No such pledge of assets was made by the Group in 2000.

At March 31, 2001, the Group had contingent liabilities of HK\$25.4 million, comprised of letters of credit issued, bank guarantees issued in lieu of deposits, and forward contracts committed.

During the year under review, the Group entered into foreign exchange forward contracts to reduce exposure to exchange rate fluctuations.

“What is Sa Sa's Internet strategy?”

Sasa.com, our online presence, was launched in December 2000, building on Sa Sa's existing strengths. For us, the Internet is an integral part of our business - we operate a “clicks and mortar” strategy. It is not just an additional sales channel but also a powerful marketing tool that can be used to promote products both online and in our retail stores.

Sasa.com is an innovative, user-friendly site offering a wide selection of well known and niche brands at competitive prices with unparalleled customer service. We are already successfully leveraging the Internet to extend Sa Sa's leading position in Asia.



流動現金及 資金來源



集團保持雄厚的財政實力，並深信持有的充裕的資金，可應付日常業務運作的需要，並足可支持未來的業務擴展。於二零零一年三月三十一日，集團持有之淨現金及銀行結餘為港幣五億九千三百萬元，營運資金為港幣七億七千五百一十萬元，流動比率為四點二九。

集團的一般銀行信貸總額約為港幣一億九千二百萬元。年度內已動用銀行信貸額為港幣二千七百二十萬元。集團總負債上升至港幣三億一千六百一十萬元，而去年為一億六千零五十萬元。整體資產負債比率為零點三五，而二零零零年則為零點一五。

集團轄下若干附屬公司提供資產作為銀行一般信貸額的抵押。於二零零一年三月三十一日，已使用有關之信貸額為港幣二百二十六萬。集團於二零零零年並沒有提供資產作信貸額之抵押。

於二零零一年三月三十一日，集團之或然負債為港幣二千五百四十萬元。或然負債包括銀行發出之信用證、各樣按金之銀行擔保及已承諾之期貨合約等。

年度內，集團簽訂了若干遠期外匯合約，以減低匯率波動的風險。

莎莎採取什麼互聯網策略？

在莎莎現有的業務優勢上建立的sasa.com已於二零零零年十二月推出。互聯網是莎莎業務不可或缺的一部分，以貫徹我們「虛實兼備」的經營策略。互聯網不僅為我們增添銷售渠道，更是有效的市場推廣工具，有助我們同時在網上及零售店內推銷貨品。

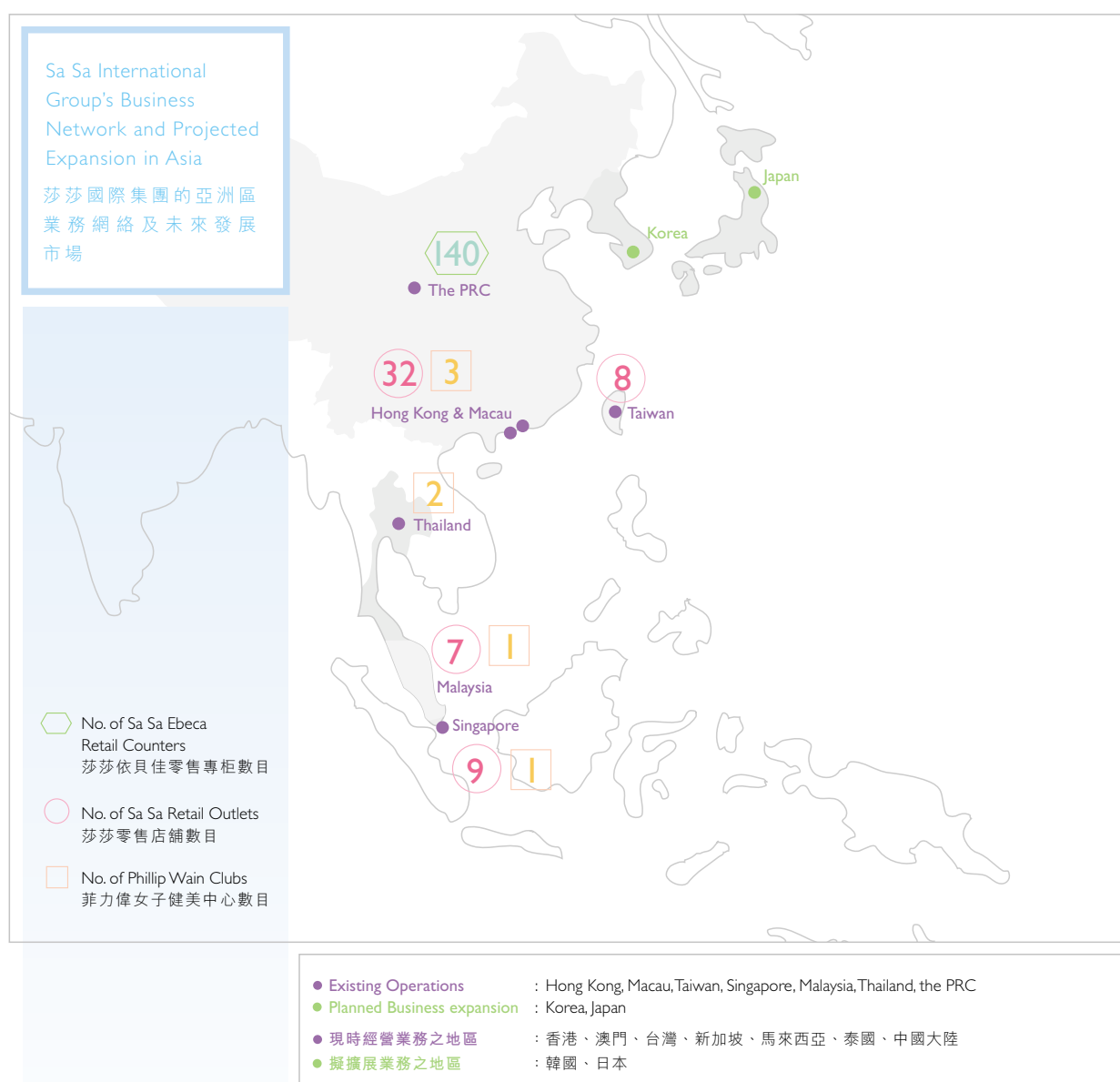
Sasa.com是個富有創意及方便易用的網站，以相宜的價錢為顧客提供一系列著名品牌及家喻戶曉的優質產品。透過互聯網渠道，莎莎已成功加強其在亞洲區的領導地位。

PROSPECTS

The Group is working closely with Phillip Wain to maximise synergy with a view to achieving accelerated growth. Two new clubs, in Kuala Lumpur and Singapore, will be opened later this year. Leveraging the expertise of Phillip Wain in beauty salons, the Group is looking into further expansion opportunities in this sector.

未來展望

集團現正與菲力偉緊密合作，以充分發揮協同效應，致力加速業務增長。兩間新健美中心將於年底在吉隆坡及新加坡投入服務。藉著菲力偉經營美容中心的專業知識，集團正研究在這方面，進一步擴展業務。





The Group plans to enrich its “beauty + health” business through specialist partners whose expertise and experience in health foods and nutritional products can help Sa Sa take advantage of this high-potential market.

In July 2001, sasa.com launched its Korean language site to further penetrate this important new market of over 22 million Internet users— of which close to 50% are women and 60% made purchases online. Almost 60% of Internet households in Korea have a broadband connection. Korean government statistics indicated that online cosmetics sales for the first quarter of 2001 were US\$13.6 million. We also established cross-promotional alliances with various partners, including LG Capital, Korea's largest domestic credit card issuer with over 9 million members, and the leading US-based e-tailer of Asian entertainment products, YesAsia.com. Sa Sa will continue its efforts create value value from its e-commerce operation under the Group's “clicks and mortar” strategy.

集團將積極物色在健康食品及營養產品方面具專業知識及經驗的合作夥伴，以進一步擴展「美容+健康」的業務，協助莎莎發展這個潛力優厚的市場。

二零零一年七月，sasa.com推出韓文版網站，進一步拓展這個網上購物率很高的新市場。韓國現有超過二千二百萬互聯網用戶，其中近半數為女性及有六成用戶曾在網上購物。在韓國，上網的家庭有近六成使用寬頻接駁服務。根據韓國政府的統計資料，韓國二零零一年首季化妝品網上銷售額達一千三百六十萬美元。莎莎亦與多家企業組成合作夥伴，推出聯合推廣計劃，這些夥伴包括韓國最大本地信用卡發咭機構，擁有逾九百萬名會員的LG Capital，以及總部設於美國，穩踞市場領導地位的亞洲娛樂產品電子零售商YesAsia.com。莎

莎將繼續推動電子商務發展，發揮「虛實兼備」的策略以帶來很大的收益。



CEO'S REVIEW 行政總裁報告

Expansion into China with Sa Sa Ebeca

Sa Sa has moved into the rapidly developing PRC market by entering into a joint venture agreement with Shenzhen Ebeca Enterprise Company Limited ("Ebeca") to set up Shenzhen Sa Sa Ebeca Enterprise Limited ("Sa Sa Ebeca") on 1 July 2001. Sa Sa owns a 55% stake in Sa Sa Ebeca, at a consideration of approximately HK\$27.4 million, with the remaining 45% stake held by Ebeca. Sa Sa injected a further HK\$11 million and Ebeca HK\$9 million resulting in the new joint venture holding aggregate cash of HK\$20 million.



EBECA



成立莎莎依貝佳進軍中國

莎莎透過與深圳依貝佳實業有限公司（「依貝佳」），達成合營協議，於二零零一年七月一日成立深圳莎莎依貝佳實業有限公司（「莎莎依貝佳」），進軍發展迅速的中國內地市場。莎莎以港幣約二千七百四十萬元代價，取得莎莎依貝佳百分之五十五股權，其餘百分之四十五則由依貝佳持有。其後，莎莎及依貝佳將分別再注資港幣一千一百萬元及港幣九百萬元，為新合營公司提供總數達港幣二千萬元的現金。

What our customers say about us: 顧客來函

"Sasa.com is the best among the Hong Kong web sites. I have used other cosmetic sites but you are far better. Your Korean translation is great. I especially like the pictures you post with each product. I will be using this site frequently."

So-Yang Lee, Seoul, South Korea
Sasa.com customer

「Sasa.com是香港最好的網站之一，我曾經用過其他化妝品網站，但至今仍覺得你們的最好。網站內容的韓文翻譯很好，我特別喜歡你們每項產品都附有照片。我將會經常使用這網站。」

南韓漢城的So-Yang Lee
Sasa.com客戶

"Very nice! Excellent service and personal attention from your store employees."

Dr Theodore Clark, Associate Professor at HKUST, Hong Kong
Customer at Sa Sa Cosmetics Store

「很棒！你們店舖員工服務一流，對待顧客細心周到。」
香港科技大學副教授郭泰德博士
莎莎化粧品店舖顧客

"We received a very warm welcome at La Colline store. Your beauty consultant was very courteous and was knowledgeable about your products."

James Ng and family, Hong Kong
Customer at La Colline Store

「我們在La Colline專門店獲得很熱情的招待，你們的美容顧問態度誠懇，對產品的認識瞭如指掌。」

香港的James Ng及其家人
La Colline專門店顧客

CEO'S REVIEW 行政總裁報告

With the formation of the joint venture, Sa Sa gains immediate access to Ebeca's extensive sales and distribution network in the PRC, through which Sa Sa can introduce its own house-brand products to the PRC market. In the next two years, Sa Sa will increase the number of Sa Sa Ebeca sales counters from 140 to 200. Of these, 50 will be under direct management and the remainder operated under franchise agreements.

Ebeca also runs three beauty salons and a beautician-training centre. The existing salons will be upgraded and four new salons will also be opened, probably in Chengdu, Dalian, Shanghai and Guangzhou.

合營公司成立後，莎莎可透過依貝佳龐大的內地銷售及分銷網絡，將莎莎的獨家品牌產品引進內地市場。於未來兩年，集團將增加莎莎依貝佳的銷售櫃位數目，由原來的一百四十個增至二百個，其中五十個由公司直接管理，另外一百個則以特許經營方式營運。

莎莎依貝佳另外還經營三間美容院及一間美容師培訓中心。新合營公司將提升現有美容院的設備規模，並計劃在成都、大連、上海和廣州，增設四間新的美容院。

Sa Sa Ebeca's Existing Sales Network in the PRC

莎莎依貝佳現時在中國的銷售網絡

- over 40 cities in China
- over 140 sales counters located in major department stores and shopping arcades

Directly-managed sales counters in Beijing, Shanghai, Suzhou, Shenzhen, Guangzhou, Chengdu, Dalian.

- 覆蓋中國超過40個城市
- 逾140個銷售專櫃，分設於各大主要百貨公司及商場

直接管理的銷售專櫃：
北京、上海、蘇州、深圳、廣州、成都、大連



Others cities: Nanjing, Tianjin, Qingdao, Xiamen, Kunming, Xian, Nanning, Haerbin, Zhengzhou, Handan, Jilin, Changchun, Wulumuqi, Hangzhou, Fuzhou, Jinan, Wuhan, Wuxi, Hainan, Anshan, Shijiazhuang, Ningbo, Wenzhou, Shenyang, Chongqing, Daxian, Nanchong, Luzhou, Neijiang, Suining, Guangan, Tongjiang, Bazhong, Luoyang, Changsha, Datong, Nanchang, Guizhou.

其他經銷城市：南京、天津、青島、廈門、昆明、西安、南寧、哈爾濱、鄭州、邯鄲、吉林、長春、烏魯木齊、杭州、福州、濟南、武漢、無錫、海南、鞍山、石家莊、寧波、溫州、沈陽、重慶、達縣、南充、瀘州、內江、寧州、廣安、通江、巴中、洛陽、長沙、大同、南昌、貴州

CEO'S REVIEW 行政總裁報告

With the extensive PRC retail network that this new venture brings, Sa Sa is empowered to partner with internationally-renowned brands for exclusive distribution rights in the region. Moreover, the joint venture will provide Sa Sa with a better understanding of the PRC market and help us explore opportunities to set up dedicated Sa Sa stores in China in the near future. Looking ahead, the PRC offers excellent business opportunities, particularly as a result of China's accession to the World Trade Organization. The Group is committed, therefore, to focusing on PRC expansion in the years ahead.

新合營公司在中國內地的龐大零售網絡，將有助莎莎日後與國際知名品牌締結合作關係，爭取更多名牌產品在亞州區內的獨家分銷權。此外，莎莎亦可借助合營公司深入了解內地市場，探討未來在中國開設莎莎專門店的機會。放眼未來，內地提供了極佳的營商機會，尤其中國加入世界貿易組織之後更是商機無限。在未來的歲月裡，集團將集中力量拓展中國內地業務。



What our customers say about us:

顧客來函

"Sasa.com is great! And the customer service is very good and reliable. Sasa.com has a great selection, pictures of every product, accurate translation and very helpful customer service ... I am so happy!"

Yumi Choi, Ulsan, South Korea
Sasa.com customer

「Sasa.com捧極了！客戶服務非常好，而且很可靠。Sasa.com提供的產品種類齊全，每項產品均有圖片介紹，內容翻譯得很準確，而且客戶服務十分周到.....令我開心極了！」

南韓釜山的Yumi Choi
Sasa.com客戶

"I am so glad that your company is now online. I've been waiting for this day for a long time. No longer will I have to purchase my favourite brands on my vacation to HK, now I can purchase online!"

Amy Lau, California, U.S.
Sasa.com customer

「真高興知道你們的公司已經上網，我等待這一天很久了，因為我再不需要來香港渡假才能買到我最愛的品牌，上網購買就行了！」

美國加州的Amy Lau
Sasa.com客戶

CEO'S REVIEW 行政總裁報告

Looking Ahead

Asian economies are still recovering very slowly and the retail sentiment may not fully turn around in the region in this year. However, with our industry expertise and experience, solid revenue base, sound financial strength and strong management, Sa Sa is well positioned to build value and seek further growth, even in this difficult environment. The Group will continue to improve the efficiency and competitiveness of its operations in order to meet the challenges of the coming years. Looking ahead, Sa Sa will continue to be a growth-oriented company. Solid operations will form the foundation for the Group's future expansion and development through organic and acquisition growth.

Roger King

President & CEO

前瞻

集團預期，亞洲經濟的復甦步伐仍將十分緩慢，區內零售業未必能於今年扭轉劣勢。然而，莎莎將憑藉業內的專業知識和經驗、穩固的收入基礎、雄厚的財政實力及富經驗的管理層，在困難的市場環境中追求價值和進一步發展。集團將繼續努力提高營運效率，增強競爭力，以應付未來的挑戰。展望來年，莎莎將繼續擴展業務。在穩健的業務基礎上，集團將透過業務增長及收購計劃，促進企業未來的發展。

金樂琦

行政總裁



Q&A

“What will Sa Sa look like in five years' time?”

Our vision is to be the dominant provider of “beauty + health” products and services in Asia, and in five years we expect to be well on the way to achieving this. We will have strengthened our existing operations, notably in China, and expanded into Japan, Korea, Thailand and the Philippines. Our cosmetics business will still account for more than 50% of revenue and profit but our extended “beauty + health” business lines will be adding very significant value. In addition we will be the leading player in “beauty + health” e-sales.

莎莎五年後會是怎樣？

我們的目標，是成為亞洲首要的「美容 + 健康」產品及服務供應商，並預期可在五年內逐步實現。我們將會進一步鞏固現有的業務，尤其是中國業務，並將進軍日本、韓國、泰國及菲律賓等市場。我們的化妝品業務仍會佔整體收益一半以上，而進一步擴展的「美容 + 健康」業務亦會帶來重大的貢獻。莎莎更會成為「美容 + 健康」產品電子銷售市場的翹楚。