



## Sa Sa Announces Unaudited Sales Updates for the First Quarter (April to June 2018) of FY2018/19

### Highlights

#### Group - Retail and Wholesale

|                         | <b>3 months ended<br/>30 June 2018</b> |
|-------------------------|--|
| Turnover (HK\$ million) | 2,114.3                                |
| YoY % change            | +24.8%                                 |

#### HK and Macau - Retail and Wholesale

|                                      |         |
|--------------------------------------|---------|
| Turnover (HK\$ million)              | 1,800.0 |
| YoY % change                         | +27.7%  |
| Same store sales YoY % change        | +25.3%  |
| Average sales per transaction (HK\$) | 359     |
| YoY % change                         | +11.7%  |
| Total no. of transactions (million)  | 5.0     |
| YoY % change                         | +14.5%  |

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

(16 July 2018 – HONG KONG) – **Sa Sa International Holdings Limited** ('Sa Sa' or the 'Group', stock code: 0178) announced today the unaudited sales updates of the Group for the first quarter from 1 April to 30 June 2018.

For the first quarter from 1 April to 30 June 2018, the Group's retail and wholesale turnover increased by 24.8% on a year-on-year basis. Attributing to the continuing growth momentum of mainland tourist arrivals, the retail and wholesale turnover in Hong Kong and Macau markets increased by 27.7%, while the same store sales increased by 25.3%. Such growth was mainly driven by 27.5% increase in the number of transactions from mainland tourists, which also led to 14.5% growth in the overall transaction volume. The average sales per transaction of local consumers and mainland tourists increased by 8.1% and 7.0% respectively. During the period, the Group's growth rate in transaction volume outperformed the average growth rate of mainland tourist arrivals from April to May, of 12.9%, according to the Hong Kong Tourism Board. The overall sales performance was in line with the Group's expectation.

The Group's retail and wholesale turnover in other markets outside Hong Kong and Macau (including Mainland China, Singapore, Malaysia and E-commerce) increased by 10.5%.

**Number of Stores / Counters by Market**

|                     | <b>As at 30 June 2018</b> | <b>As at 31 March 2018</b> | <b>As at 30 June 2017</b> |
|---------------------|---------------------------|----------------------------|---------------------------|
| Hong Kong and Macau | 117*                      | 118*                       | 116*                      |
| Mainland China      | 54                        | 55                         | 53                        |
| Singapore           | 22                        | 20                         | 20                        |
| Malaysia            | 75                        | 72                         | 72                        |
| <b>Total</b>        | <b>268</b>                | <b>265</b>                 | <b>261</b>                |

\* Include one single-brand store

**Dr Simon Kwok, SBS, JP, Chairman and Chief Executive Officer of the Group**, said, “The consumer sentiment was affected by unstable weather in June, the fluctuations in both stock market and RMB exchange rate under uncertainties of Sino-US Trade War as well as the 2018 FIFA World Cup, resulting in slower sales growth in late June. Looking beyond the immediate effect of the above factors, the Group remains optimistic towards the outlook of Hong Kong and Macau markets, especially after the Hong Kong Section of the Express Railway Link begins to run in the second half of this calendar year which is expected to further boost mainland tourist arrivals to Hong Kong. Furthermore, the favourable policies and infrastructure development in the Greater Bay Area will drive the flow of people and long term economic prosperity within the region, while the retail industry will be amongst the first to benefit. The Group will continue to seize the opportunities, develop strategies to enhance competitiveness and proactively improve operational and logistics efficiencies. Moreover, the Group will also enhance customer shopping experience through information technology to cater for consumer demand in the ever-changing market.”

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