

**[For Immediate Release]**



## **Sa Sa Celebrates 40<sup>th</sup> Anniversary Announces Collaboration with Taobao Global to Create New Retail Model with Integration of Online and Offline Platforms**

(22 August 2018 – HONG KONG) – **Sa Sa International Holdings Limited** ('Sa Sa' or the 'Group', stock code: 0178) announced its collaboration with Taobao Global to develop a complete loop retail ecosystem with the integration of online and offline platform with the goal to encourage local buyers to start selling as an important role in retail industry. This collaboration will enhance shopping experience for mainland Chinese customers. In celebration of the Group's 40<sup>th</sup> anniversary, Sa Sa also revamped its store image to offer customers a more comfortable and fashionable shopping environment.

Sa Sa will join hands with Taobao Global in order to develop a new collaboration model for retail industry. The new collaboration will connect Taobao Global buyers, who are familiar with consumption trends, have a unique taste in merchandise selection and able to motivate their followers by adopting innovative retail technology inclusive of Taobao's marketing tools such as live broadcast to Chinese consumers with diverse characteristics who crave for overseas products. Buyers from Taobao Global promote products of Sa Sa's Hong Kong retail stores on Taobao's online platform, while mainland customers will be able to purchase Sa Sa' products through the buyers on the platform. This enhances Sa Sa's brand exposure and boosts its sales by absorbing the online purchasing power.

Taobao Global will promote the most popular products in the first-ever "Taobao Global Counter" to be opened in five of Sa Sa's stores located in Tsim Sha Tsui, Mong Kok and Causeway Bay. The first batch of approximately 70 Taobao Global buyers will be doing in-store live broadcast shopping and recommending the selected products to mainland consumers. Mainland consumers can watch the live broadcast and do online shopping at the same time. Taobao Global Counter will be gradually set up in the next batch of around 100 Sa Sa's stores in Hong Kong, offering shopping convenience and discounts to mainland consumers.

**Dr Simon Kwok, SBS, JP, Chairman and Chief Executive Officer of the Group**, said, "Being the leading cosmetics and retail group in Hong Kong, Sa Sa possesses a strong physical retail network. Combining the strengths of Sa Sa's retail stores and Taobao Global's huge base of influential buyers, we will broaden our customer base through developing a new retail operation model of online-to-offline collaboration, which will bring more overseas cosmetics and beauty brands to the vast group of Chinese consumers. The Group is looking forward to bringing new cross-border online-to-offline shopping experience to customers, with an aim of catering customers' purchasing preferences under the trend of "New Retail". Through strengthening its brand management capabilities and expanding new marketing channels, Sa Sa's leading position will be strengthened as the best choice of sole agent for overseas cosmetics and beauty brands entering the mainland China. This cooperation also brings more diversified products to the Group and gives impetus to its business growth."

**Ms Wei Meng, General Manager of Taobao Global**, said, “Taobao Global connects active buyers across the globe to mainland consumers and offer different array of unique oversea goods. Through Taobao Global buyers' online recommendations, Sa Sa's diversified and trendy products will be able to swiftly meet Chinese customer's demands for customized goods. We expect that Taobao Global and Sa Sa can develop a new retail model with the joining of online and offline platforms and bring a more personalized and advanced shopping experience to users. The shopping model provides quality merchandise and offers an official regulated place in hope of encouraging more local residents to pursue the role of being buyers and realise their dreams of owning a business.”

In celebration of the Group's 40<sup>th</sup> anniversary, Sa Sa is going to revamp image of its stores, including the 5,300 sq. ft. Grand Plaza Store in Mong Kok, 3,600 sq. ft. Grandmark Store in Tsim Sha Tsui, 1,200 sq. ft. Metro Town Store in Tseung Kwan O, 1,300 sq. ft. Tuen Mun Town Plaza Store and 1,500 sq. ft. San Hong Street Store in Sheung Shui. Six new stores in Hong Kong slated for opening in the second half of 2018 will also adopt the new design. Sa Sa's staff will have new uniform, providing professional and attentive services to our customers in a brand new image.

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### **About Taobao Global**

Taobao founded Taobao Global in 2007 to enhance overseas shopping experiences, connecting active buyers and consumers across the globe to offer Chinese consumers with unique arrays of overseas products. Taobao Global buyers living abroad excel in exploring local quality brands and are familiar with running social media and have a loyal fan base. Promoting products through live broadcast and video clips on social media, they bring a brand-new shopping experience to consumers. Buyers play a key role in incubating the brands at Taobao Global. Certain brands recommended by the buyers have already become the bestselling items on Taobao Global. Being the first overseas shopping gateway in China, Taobao Global brings overseas small- to medium-sized brands to the enormous market of mainland China.

Taobao Global has a scale of over 20,000 buyers, spanning across 70 countries and regions all over the world including Hong Kong, and works with around 200,000 brands. Cosmetics and beauty products is the significant product category on Taobao. According to the “2018 Overseas Cosmetics Trend Report” published by Taobao Global, over 13,000 cosmetic and beauty brands are from abroad and more than 500 million cosmetic and beauty products were sold last year.

**Photo Captions**

**Sa Sa's 40th Anniversary Ceremony and Collaboration with Taobao Global**



**New Uniform Design**

Sa Sa has invited renowned couture designer Mr. Barney Cheng to design a new uniform for our beauty consultants, creating a vivid “making life beautiful” image. Similar to the uniform launched for the Group’s 35<sup>th</sup> anniversary, the new uniform will continue to adopt black as the major color to maintain Sa Sa’s elegant style and incorporate the latest “athleisure” elements into the chic and stylish 40<sup>th</sup> anniversary new uniform.

The outer coat collar and sleeves are in pink, adorned with gold and silver that project an energetic and charming image with hospitality. A pair of black trousers highlights the brand’s nobility. The color contrast will surely draw more young customers by injecting color dynamics to the brand.



**New Store Image**

With its morale of “making life beautiful”, Sa Sa is in the hope of making every generation pretty and everyone precious eternally. Sa Sa’s stores will feature a brand new image, demonstrating modernity and simplicity with black and white to be the theme colors. In the counters of skin care, fragrance, make-up, hair care and body care products, counter edges will be painted in dark and gold-brass colors to have a touch of elegance and uniqueness. To enrich the visual, a stark color contrast and simple lines can create a sense of spaciousness and brightness in soft and warm lighting while products presented in vertical style allows a clear view at a glance.

In the spatially widened new stores, customers can slow down their pace and purchase their favorites in this cozy environment, from selecting the most fashionable cosmetic products to testing their skin by using the 3-in-1 skin analysis system to enjoy the ease of beauty technology. Our professional beauty consultants will provide customers with analysis service and assist them to pursue beauty, health and joy in life.



**About Sa Sa International Holdings Limited (莎莎國際控股有限公司)**

Sa Sa is a leading cosmetics retailing group in Asia. The Group currently operates more than 260 stores and counters in Asia that sell more than 700 brands of make-up, skin care, fragrance and hair care products including its own-brands and other exclusive international brands. The Group employs approximately 4,800 staff in Asia Pacific. Sa Sa is a constituent member of the Hang Seng Composite MidCap Index and has been a constituent member of Hang Seng Corporate Sustainability Benchmark Index since 2011. On 8 June 2015, the Group was included in the Hang Seng High Dividend Yield Index. It has also been an eligible stock for Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect since 2014 and 2016 respectively.