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SA SA INTERNATIONAL HOLDINGS LIMITED

莎莎國際控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 178)

Profit Warning

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong).

The board of directors of Sa Sa International Holdings Limited (the “Company”) announces that based on its preliminary assessment of the unaudited consolidated management accounts of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2021 (the “Year”), excluding the impairment losses on right-of-use assets and property, plant and equipment, the Group expects to record a loss of approximately HK\$300 million to HK\$340 million from its continuing operations during the Year, compared with a loss of HK\$205 million last year. After taking into account the impairment losses on right-of-use assets and property, plant and equipment of HK\$50 million to HK\$80 million, the Group expects to record a loss of approximately HK\$350 million to HK\$420 million for the financial year as compared to a loss of HK\$516 million last year.

The Group has sufficient cash on hand to meet its current business needs. As of 31 March 2021, the Group’s cash and bank balances were approximately HK\$530 million.

In the face of the COVID-19 pandemic, the management has responded swiftly to take effective actions, including short-term cost reduction measures and long-term cost structure optimization plans, with a focus on rationalizing the store network to restore profitability as soon as possible. The Group has also been actively investing in the development of online business, so as to accelerate the integration of online and offline operations and capture the growing online consumer base, laying a solid foundation for the Group’s long-term growth in the future.

The information contained in this announcement is a preliminary assessment by the board of directors of the Company based on information currently available, including the unaudited consolidated management accounts of the Group for the Year, which have not been reviewed or audited by the auditors of the Company.

The annual results announcement for the year ended 31 March 2021 will be published before 30 June 2021.

The board of directors wishes to remind shareholders and potential investors that the above information is based on the unaudited management accounts of the Group which have not been reviewed nor audited by the auditors of the Company.

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, 10 May 2021

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

Executive Directors

Dr KWOK Siu Ming Simon, *SBS, JP* (Chairman and Chief Executive Officer)

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

Dr LOOK Guy (Chief Financial Officer)

Ms KWOK Sze Wai Melody

Non-executive Director

Ms LEE Yun Chun Marie-Christine

Independent non-executive Directors

Ms KI Man Fung Leonie, *GBS, SBS, JP*

Mr TAN Wee Seng

Mr CHAN Hiu Fung Nicholas, *MH*