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## **CHOW TAI FOOK JEWELLERY GROUP LIMITED**

**周大福珠寶集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

Stock Code: 1929

### **THE UNAUDITED KEY OPERATIONAL DATA FOR THE THREE MONTHS ENDED 31 DECEMBER 2019**

Chow Tai Fook Jewellery Group Limited (the “Company”), together with its subsidiaries (the “Group”), hereby announce certain unaudited key operational data of the Group for the three months ended 31 December 2019 (the “Third Quarter”, or the “Quarter”). The unaudited key operational data in this announcement should be read in conjunction with the Company’s FY2019/20 interim report.

#### **KEY OPERATIONAL DATA**

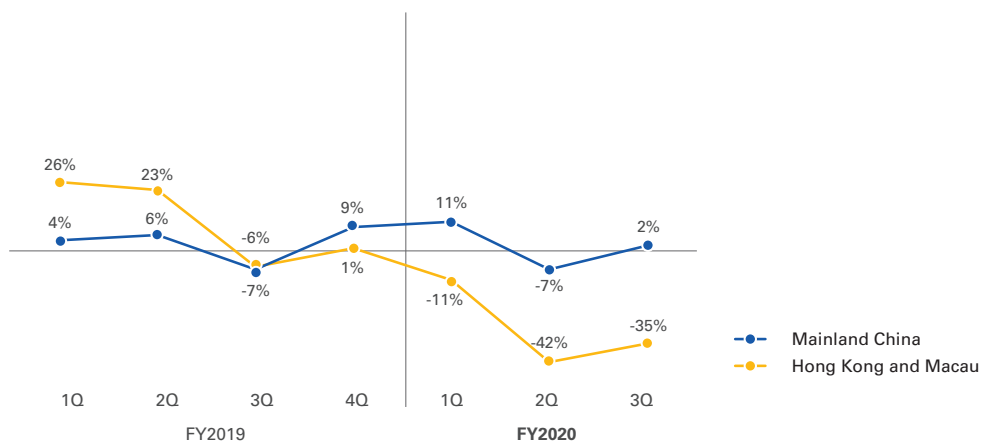
**For the three months ended 31 December 2019**

	<b>(% change compared to the same period last year)</b>	
	<b>Mainland China</b>	<b>Hong Kong and Macau</b>
Retail Sales Value <sup>(1)</sup> (“RSV”) growth	17%	-38%
Same Store Sales <sup>(2)</sup> (“SSS”) growth	2%	-35%
Same Store Sales volume growth	-9%	-47%
<b>Same Store Sales growth by product</b>		
— Gem-set jewellery	1%	-53%
— Gold products	-1%	-26%

<sup>(1)</sup> “Retail Sales Value” measures the sales at the ending price (VAT inclusive, if any), in respective functional currencies, of products sold to customers in the POS network and other channels.

<sup>(2)</sup> “Same Store Sales” for the Third Quarter is the revenue from the self-operated POS existing as at 31 December 2019 and which have been opened prior to 1 April 2018. Revenue from wholesale and other channels are excluded.

## Same Store Sales Growth

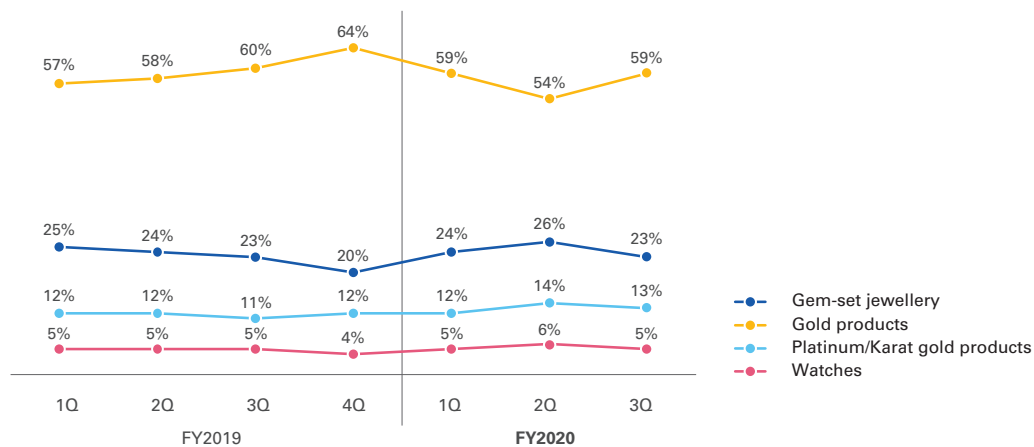


- SSS in Mainland China delivered a positive growth of 2% during the Quarter, improving from -7% in 2QFY2020. Yet, the performance in Hong Kong and Macau was negatively affected by weak consumer sentiment and stagnant customer traffic, leading to a notable decline in SSS.
- In Mainland China, SSSG of gem-set jewellery was 1%. New POS opened in the past 12 months boosted the RSV growth of gem-set jewellery to 14% during the Quarter. SSS of gem-set jewellery in Hong Kong and Macau decreased by 53% during the Quarter as consumers held back spending. In Mainland China, same store Average Selling Price (“ASP”) of gem-set jewellery was HK\$6,700 (3QFY2019: HK\$6,400) while that of Hong Kong and Macau was HK\$11,200 (3QFY2019: HK\$11,400).
- Gold products recorded a volume decline as a result of gold price volatility, dragging down SSS of gold products in both markets. Yet, ASP of gold products surged to HK\$5,000 (3QFY2019: HK\$4,200) in Mainland China and HK\$10,200 (3QFY2019: HK\$7,400) in Hong Kong and Macau during the Quarter. The average international gold price in the Quarter was 21% higher when compared to the same period last year.

## Analysis by Market

### Mainland China

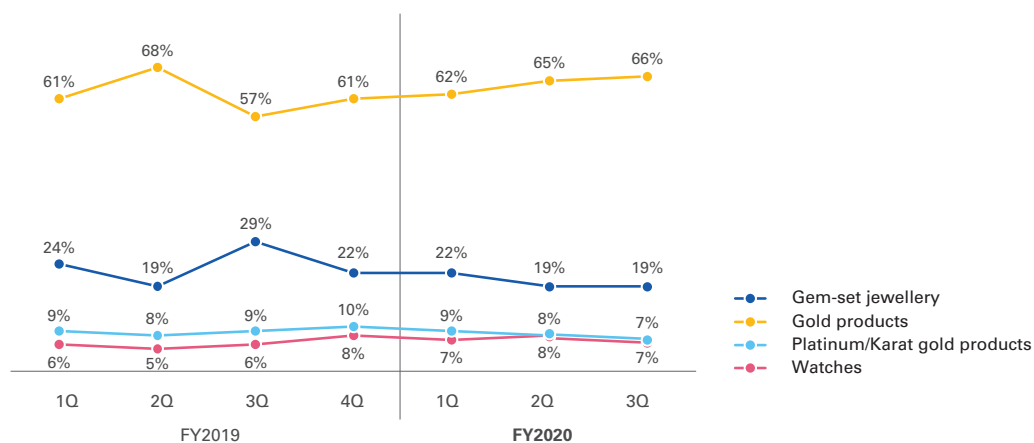
*% of respective RSV by product*



— RSV of e-commerce business in Mainland China rose 26% year-on-year while volume increased by 10% in the Quarter.

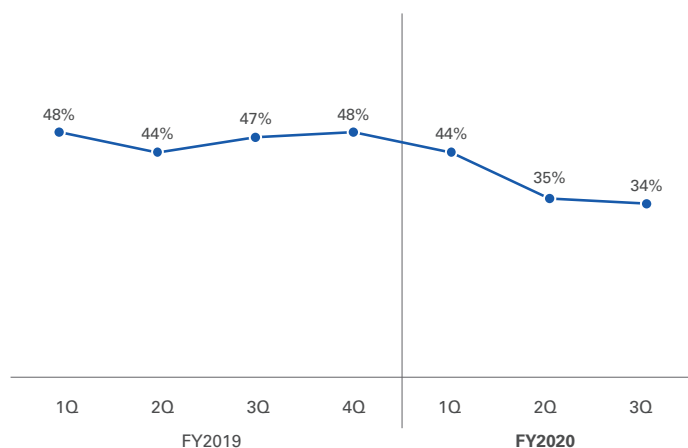
### Hong Kong and Macau

*% of respective RSV by product*



*Note:* The percentages calculated are subject to minor rounding differences

*% of RSV settled by China UnionPay, Alipay, WeChat Pay or RMB*



- The percentage of RSV settled by China UnionPay, Alipay, WeChat Pay or RMB to the total RSV of Hong Kong and Macau market, a proxy for sales contribution from Mainland tourists, declined to 34% in the Quarter.

### **POS Network**

- The Group opened a net of 296 POS in Mainland China during the Quarter, including 279 net POS openings of CHOW TAI FOOK JEWELLERY (15 net closings of self-operated store and 294 net openings of franchised store), in addition to a net opening of 9 SOINLOVE POS, 4 MONOLOGUE POS and 4 CTF WATCH POS.
- In Hong Kong, Macau and other markets, the Group opened a net of 2 CHOW TAI FOOK JEWELLERY POS (4 net openings with 1 each in Hong Kong, Macau, Singapore and Thailand and 2 closings in Korea), in addition to openings of 1 MONOLOGUE POS, 1 SOINLOVE POS, and a closing of 1 HEARTS ON FIRE POS.
- As at 31 December 2019, the Group had 3,789 POS in total.

### **CAUTION STATEMENT**

The Board wishes to remind investors that the above information is based on preliminary operational data of the Group and has not been reviewed or audited by auditors of the Company. **Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Chow Tai Fook Jewellery Group Limited**  
**Dr. Cheng Kar-Shun, Henry**  
*Chairman*

Hong Kong, 10 January 2020

*As at the date of this announcement, the executive directors are Dr. Cheng Kar-Shun, Henry, Mr. Wong Siu-Kee, Kent, Dr. Cheng Chi-Kong, Adrian, Mr. Cheng Chi-Heng, Conroy, Mr. Cheng Ping-Hei, Hamilton, Mr. Chan Sai-Cheong, Mr. Suen Chi-Keung, Peter, Mr. Chan Hiu-Sang, Albert, Mr. Liu Chun-Wai, Bobby and Mr. Cheng Kam-Biu, Wilson; the non-executive director is Ms. Cheng Chi-Man, Sonia; and the independent non-executive directors are Dr. Fung Kwok-King, Victor, Dr. Or Ching-Fai, Raymond, Mr. Kwong Che-Keung, Gordon, Mr. Cheng Ming-Fun, Paul, Mr. Lam Kin-Fung, Jeffrey and Ms. Cheng Ka-Lai, Lily.*