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T S L | 謝 瑞 麟

TSE SUI LUEN JEWELLERY (INTERNATIONAL) LIMITED

謝瑞麟珠寶(國際)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 417)

DISCLOSEABLE TRANSACTION ACQUISITION OF LAND USE RIGHTS IN PANYU, THE PRC

ACQUISITION OF LAND USE RIGHTS

The Board is pleased to announce that TSL Guangzhou, an indirect wholly-owned subsidiary of the Company, has won the Listing-for-Sale held on 25 July 2019 to acquire the land use rights of the Land for industrial use at a cash consideration of RMB26,559,300 (equivalent to approximately HK\$30,174,021). The Agreement is expected to be entered into between TSL Guangzhou and Guangzhou Bureau by mid-August 2019 in accordance with the terms and conditions of the Acquisition.

LISTING RULES IMPLICATIONS

As one applicable percentage ratio in respect of the consideration of the Acquisition under the Listing Rules exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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** For identification purpose only*

The principal terms of the Acquisition based on the Agreement to be entered into between TSL Guangzhou and Guangzhou Bureau are summarized below.

Location of the Land:	中國廣州市番禺區沙灣鎮福涌村 (Fuchong Village, Shawan Town, Panyu District, Guangzhou City, the PRC [#])
Total site area:	34,467 square meters (including constructible area of 14,577 square meters)
Gross floor area:	29,154 square meters
Term of land use rights:	50 years for industrial use
Consideration:	The consideration for the Acquisition is RMB26,559,300 (equivalent to approximately HK\$30,174,021) in cash. TSL Guangzhou has paid RMB5,320,000 as the security deposit, which will be applied to the consideration for the Acquisition but will be forfeited in the event that it does not enter into the Agreement with Guangzhou Bureau in accordance with the terms and conditions of the Acquisition. The remaining balance of the consideration for the Acquisition, being RMB21,239,300, shall be payable within 30 days of the signing of the Agreement.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The consideration for the Acquisition, representing TSL Guangzhou's successful bid through the Listing-for-Sale, took into account the minimum bid price, prevailing market conditions, location and potential development of the Land. It is being financed out of the Group's internal resources.

As the Land is located near to the Group's PRC headquarters in Guangzhou, it will provide valuable space for constructing a new factory together with ancillary facilities for the Group's own use. The Board considers that the Acquisition is in line with the overall development strategy of the Group.

Given the open nature of the Listing-for-Sale, the Directors' satisfaction with the bid price and the reasons for and benefits of the Acquisition, all the Directors believe that the terms of the Acquisition are fair and reasonable and in the interests of the Company and its shareholders as a whole. The Board also considers that the Acquisition is on normal commercial terms and in the ordinary and usual course of business of the Group.

GENERAL INFORMATION

The Company is an investment holding company with its principal subsidiaries engaged in the manufacturing, design, trading and retailing of jewellery products.

TSL Guangzhou is an indirect wholly-owned subsidiary of the Company with the manufacturing, distribution, trading and franchising of jewellery as its principal activities.

Guangzhou Bureau is a governmental body of the PRC responsible for, among other things, the grant of state-owned resources and town planning in Guangzhou. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Guangzhou Bureau and its ultimate beneficial owner(s) are third parties independent of the Group and its connected persons (as defined in the Listing Rules).

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions have the following meanings:

“Acquisition”	the acquisition of land use rights of the Land by TSL Guangzhou from Guangzhou Bureau;
“Agreement”	國有建設用地使用權出讓合同 (Agreement for Grant of Land Use Rights of State-owned Construction Land [#]), which is expected to be entered into between TSL Guangzhou and Guangzhou Bureau by mid-August 2019;
“Board”	the board of Directors;
“Company”	Tse Sui Luen Jewellery (International) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Guangzhou Bureau”	廣州市規劃和自然資源局 (Guangzhou Municipal Planning and Natural Resources Bureau [#]);
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;

“Land”	A piece of land located at 中國廣州市番禺區沙灣鎮福涌村 (Fuchong Village, Shawan Town, Panyu District, Guangzhou City, the PRC#);
“Listing-for-Sale”	the public online listing-for-sale through which the land use rights of the Land was listed for sale by Guangzhou Bureau;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“TSL Guangzhou”	謝瑞麟(廣州)珠寶有限公司 (Tse Sui Luen (Guangzhou) Jewellery Company Limited [#]), a company incorporated under the laws of the PRC as a limited liability company and an indirect wholly-owned subsidiary of the Company.

Amounts denominated in RMB in this announcement have been converted into HK\$ at the rate of RMB1 = HK\$1.1361 for illustration purpose only. No representation is made that any amounts have been, could have been or could be converted at the above rate or any other rates at all.

By order of the Board
Tse Sui Luen Jewellery (International) Limited
YAU On Yee, Annie
Chairman

Hong Kong, 25 July 2019

At the date of this announcement, the Board comprises:

Executive Directors:

Ms. YAU On Yee, Annie

Ms. NG Yi Kum, Estella

Non-executive Director:

Mr. HUANG Erwin Steve

Independent Non-executive Directors:

Mr. CHUI Chi Yun, Robert

Mr. CHAN Yue Kwong, Michael

Mr. CHOW Chee Wai, Christopher

Unofficial translation