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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 30 SEPTEMBER 2018

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 30 September 2018 (the “Second Quarter”, or the “Quarter”). The unaudited key operational data in this announcement should be read in conjunction with the Company’s FY2018 annual report.

KEY OPERATIONAL DATA

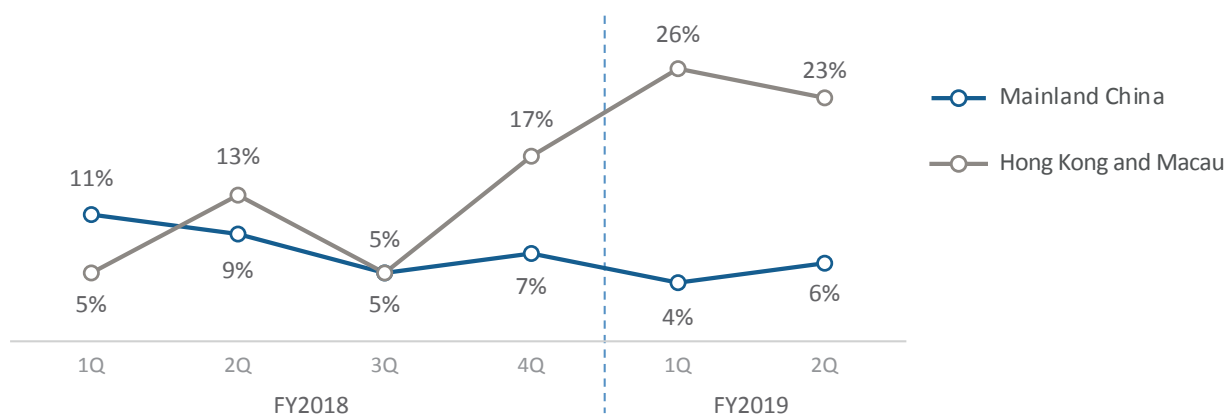
For the three months ended 30 September 2018

	(% change compared to the same period last year)	
	Mainland China	Hong Kong and Macau
Retail Sales Value ⁽¹⁾ (“RSV”) growth	15%	25%
Same Store Sales ⁽²⁾ (“SSS”) growth	6%	23%
Same Store Sales volume growth	-2%	13%
Same Store Sales growth by product		
— Gem-set jewellery	1%	-2%
— Gold products	11%	41%

⁽¹⁾ “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.

⁽²⁾ “Same Store Sales” for the Second Quarter is the revenue from the self-operated POS existing as at 30 September 2018 and which have been opened prior to 1 April 2017. Revenue from wholesale and other channels are excluded.

Same Store Sales Growth

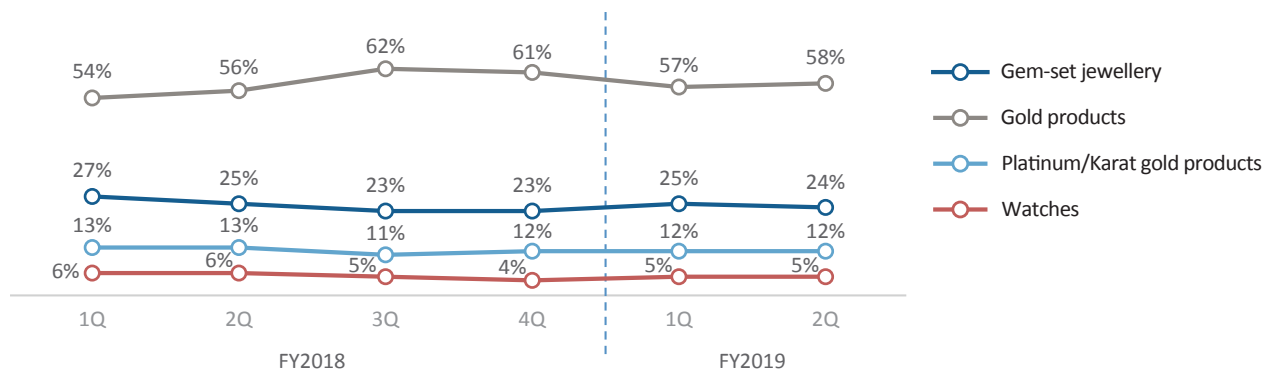


- RSV and SSS performance of both Mainland China and Hong Kong and Macau markets in the Second Quarter continued to improve year-on-year. Hong Kong and Macau market recorded an impressive growth during the Quarter, benefitting from a buoyant consumer spending and resilient Mainland visitation. In Mainland China, SSSG, inclusive of e-commerce business, was 5% with a flattish volume growth.
- In Mainland China, SSSG of gem-set jewellery returned to positive at 1% and its respective RSV growth recorded an encouraging growth at 12%. Same store Average Selling Price (“ASP”) remained at HK\$6,400 (2QFY2018: HK\$6,400). In Hong Kong and Macau, the decline in SSSG of gem-set jewellery was due to a relatively stronger high-end luxury jewellery sales recorded in the same period last year that dragged the ASP to HK\$9,700 (2QFY2018: HK\$10,700) during the Quarter. Yet, same store volume growth stayed positive.
- SSS performance of gold products in both markets was driven by the increase in weight per piece sold. Same store ASP was HK\$4,000 (2QFY2018: HK\$3,600) in Mainland China while HK\$8,500 (2QFY2018: HK\$7,100) in Hong Kong and Macau during the Quarter. The average international gold price in the Quarter declined by 5% when compared to the same period last year.

Analysis by Market

Mainland China

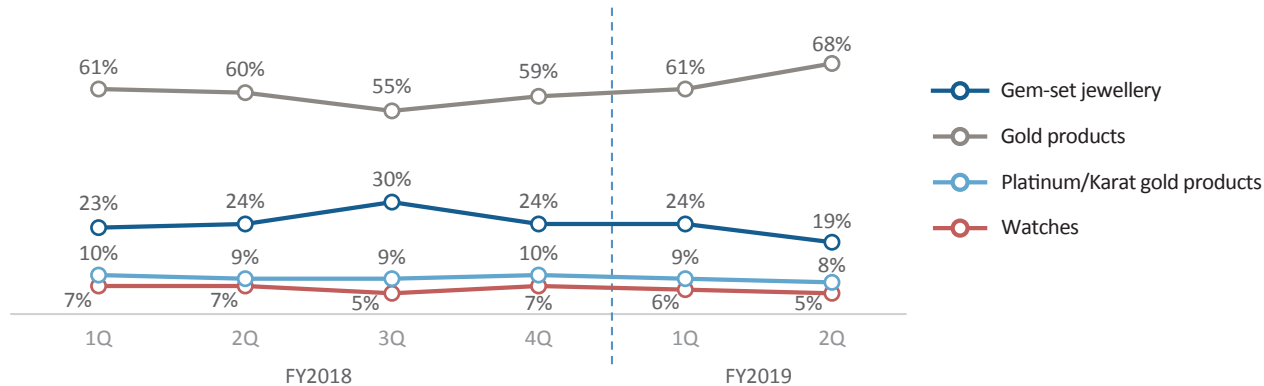
% of respective RSV by product



— RSV of e-commerce business in Mainland China grew at 2% year-on-year accompanied by a volume increase of 8% in the Second Quarter.

Hong Kong and Macau

% of respective RSV by product



Note: The percentages calculated are subject to minor rounding differences

— 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, remained at 44% in the Quarter, same as the same period last year.

POS Network

- The Group opened a net of 162 POS in Mainland China during the Quarter, which included a net opening of 158 Chow Tai Fook Jewellery POS, 3 SOINLOVE POS and 1 CHOW TAI FOOK T MARK POS. While in Hong Kong, Macau and other markets, the Group opened 1 Hearts On Fire POS and closed 2 CTF Watch POS in Hong Kong, and opened 1 Chow Tai Fook Jewellery POS in Korea. As at 30 September 2018, the Group had 2,822 POS in total.

CAUTION STATEMENT

The Board wishes to remind investors that the above operational update is based on the Company's internal records and management accounts for the three months ended 30 September 2018 which have 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, 18 October 2018

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 and Mr. Liu Chun-Wai, Bobby; the non-executive director is Mr. Cheng Kam-Biu, Wilson; and the independent non-executive directors are Mr. Cheng Ming-Fun, Paul, Dr. Fung Kwok-King, Victor, Mr. Kwong Che-Keung, Gordon, Mr. Lam Kin-Fung, Jeffrey and Dr. Or Ching-Fai, Raymond.