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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 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 31 December 2018 (the “Third Quarter”, or the “Quarter”). The unaudited key operational data in this announcement should be read in conjunction with the Company’s FY2018/19 interim report.

#### **KEY OPERATIONAL DATA**

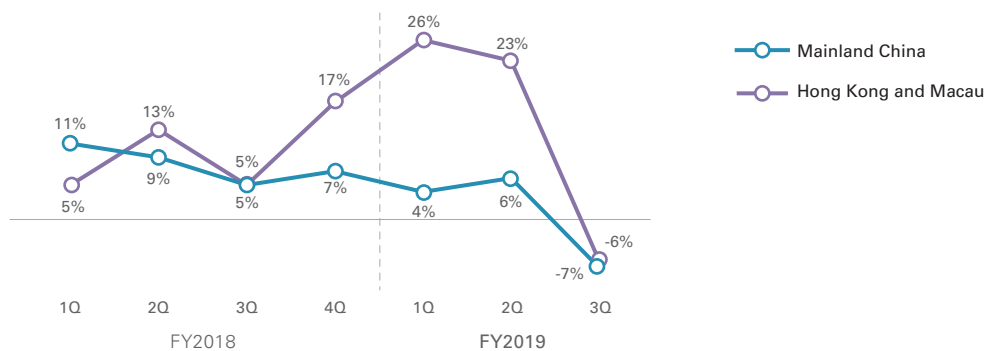
**For the three months ended 31 December 2018**

	<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	1%	-1%
Same Store Sales <sup>(2)</sup> (“SSS”) growth	-7%	-6%
Same Store Sales volume growth	-11%	-11%
<b>Same Store Sales growth by product</b>		
— Gem-set jewellery	-5%	-8%
— Gold products	-11%	-6%

<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 2018 and which have been opened prior to 1 April 2017. Revenue from wholesale and other channels are excluded.

## Same Store Sales Growth

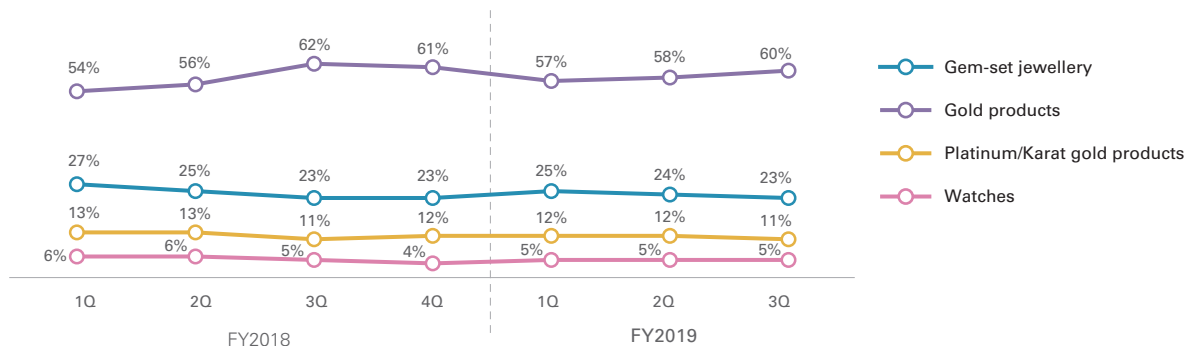


- A decline in SSS was recorded for both Mainland China and Hong Kong and Macau markets in the Third Quarter amid uncertain macro environment. Yet, same store Average Selling Price (“ASP”) continued to exhibit a positive growth in both markets during the Quarter.
- In Mainland China, SSS of gem-set jewellery declined by 5%, while its respective RSV recorded a growth at 3%. Same store ASP decreased to HK\$6,600 (3QFY2018: HK\$6,900). In Hong Kong and Macau, SSS of gem-set jewellery decreased by 8% during the Quarter, with ASP of HK\$11,500 (3QFY2018: HK\$11,800).
- SSS performance of gold products in both markets was affected by a decline in volume growth as gold price strengthened. Yet, ASP at same store level improved in the Quarter due to an increase in average weight per gold product sold. ASP of gold products jumped to HK\$4,300 (3QFY2018: HK\$3,900) in Mainland China while HK\$7,400 (3QFY2018: HK\$7,000) in Hong Kong and Macau during the Quarter. The average international gold price in the Quarter dropped by 4% when compared to the same period last year.

## Analysis by Market

### Mainland China

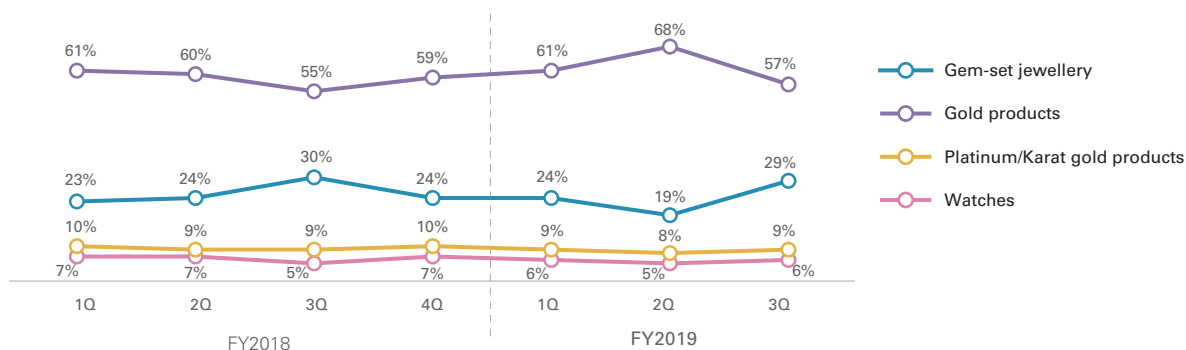
*% of respective RSV by product*



— RSV of e-commerce business in Mainland China dropped by 7% year-on-year while volume recorded an increase of 12% in the Third 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, improved to 47% in the Quarter as compared to 42% of the same period last year.

## POS Network

- The Group opened a net of 259 POS in Mainland China during the Quarter, which included a net opening of 227 CHOW TAI FOOK JEWELLERY POS, 18 MONOLOGUE POS, 9 SOINLOVE POS, 4 CTF WATCH POS and 2 T MARK POS, and a closing of 1 HEARTS ON FIRE POS. While in Hong Kong, Macau and other markets, the Group net opened 4 CHOW TAI FOOK JEWELLERY POS, which included 5 openings in Hong Kong, Korea and Malaysia, as well as a closing in Korea. As at 31 December 2018, the Group had 3,085 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 31 December 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, 14 January 2019

*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.*