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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)

PROFIT WARNING

This announcement is made by Tse Sui Luen Jewellery (International) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the Board’s preliminary review of the latest unaudited consolidated management accounts of the Group for the eleven months ended 29 February 2020 and other information currently available, it is expected that the Group will record a consolidated net loss attributable to owners of the Company of not less than approximately HK\$80 million for the year ending 31 March 2020 as compared to the consolidated net profit attributable to owners of approximately HK\$54 million for the year ended 31 March 2019. Such expected loss is mainly attributable to the sluggish retail sales since July 2019.

The coronavirus outbreak in January 2020 has taken a heavy toll on the retail industry, dealing a severe blow to the Hong Kong and Mainland China economies already hampered by the prolonged local social unrest in Hong Kong and escalated US-Sino trade tensions. The Group’s turnover was deteriorated further by the weakest overall sales in February 2020 (the traditional peak season of the retail industry) recorded during the period under review, which is expected to drop by approximately 88% year-on-year.

* For identification purpose only

To mitigate the economic fallout from the social unrest in Hong Kong and the global coronavirus epidemic, the Group has already imposed various measures since August 2019 and continues to apply proactive operating and cost saving tactics. Ongoing negotiations with landlords for further rental relief or reduction have helped improve the Group's cost effectiveness to a large extent. We have also streamlined our business operation to minimize all costs and expenses, and are restructuring our retail store network including store closures for maintaining profit contribution at a sustainable level. The Board believes that we are well-positioned to weather the current unfavourable environment.

The Company has yet to finalize the annual results of the Group for the year ending 31 March 2020. The information contained in this announcement is only based on the Board's preliminary review of the latest unaudited consolidated management accounts of the Group for the eleven months ended 29 February 2020 and other information currently available, but not on any data or information which has been audited or reviewed by the Company's auditor or the audit committee of the Company and may be subject to adjustments. Shareholders and potential investors should read carefully the financial information of the Group disclosed in the audited annual results announcement of the Company for the year ending 31 March 2020, which is expected to be published by the end of June 2020.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 31 March 2020

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