

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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 IN RELATION TO RENEWAL OF TENANCY IN MACAU

RENEWAL OF TENANCY

On 19 November 2020, TSL Jewellery Retailing (Macau) Limited (a subsidiary of the Company) as the tenant and the Landlord entered into the Macau Tenancy Agreement in respect of the Premises for a further term of 3 years from 1 February 2020 to 31 January 2023 (both days inclusive).

IMPLICATIONS UNDER THE LISTING RULES

In accordance with HKFRS 16 “Leases”, the Company is required to recognise the value of the right-of-use asset on its consolidated statement of financial position in connection with the lease of the Premises under the Macau Tenancy Agreement. Accordingly, the lease transaction under the Macau Tenancy Agreement is regarded as an acquisition of asset by the tenant (i.e. lessee) for the purpose of the Listing Rules.

As one applicable percentage ratio (as defined in the Listing Rules) in respect of the value of the right-of-use of the Premises under the Macau Tenancy Agreement exceeds 5% but is less than 25%, the lease transaction contemplated thereunder constitutes a discloseable transaction for the Company and is subject to the announcement requirement but exempt from Shareholders’ approval requirement under Chapter 14 of the Listing Rules.

MACAU TENANCY AGREEMENT

On 19 November 2020, TSL Jewellery Retailing (Macau) Limited (a subsidiary of the Company) as the tenant and the Landlord entered into the Macau Tenancy Agreement in respect of the Premises for a further term of 3 years from 1 February 2020 to 31 January 2023 (both days inclusive). The tenant received a copy of the signed Macau Tenancy Agreement on 25 November 2020.

* For identification purpose only

Key Terms of the Macau Tenancy Agreement

Date	:	19 November 2020
Parties	:	(i) TSL Jewellery Retailing (Macau) Limited (a subsidiary of the Company) as the tenant; and (ii) the Landlord
Premises	:	Shops No. 2015 & 2017, Level 3, Shoppes at Venetian in Macau
Term	:	3 years from 1 February 2020 to 31 January 2023 (both days inclusive)
Payable Term	:	Monthly rent is payable by TSL Jewellery Retailing (Macau) Limited to the Landlord on the first day of each month during the lease term under the Macau Tenancy Agreement.
Deposit	:	A rental deposit of six months' rent has been paid by TSL Jewellery Retailing (Macau) Limited to the Landlord.

The unaudited value of the right-of-use asset recognised by the Company under the Macau Tenancy Agreement amounted to approximately HK\$21,351,134, which is the present value of total consideration payable plus initial direct costs and estimated reinstatement cost with the lease at the inception of the lease term under the Macau Tenancy Agreement in accordance with HKFRS 16.

REASONS FOR AND BENEFITS OF THE MACAU TENANCY AGREEMENT

The Premises, which is located at a prime location in Macau, has been used by the Group as a jewellery retail outlet. The Directors believe that the renewal of tenancy at the same location would provide the Group with continuity and stability to its retail operation in Macau. The terms of the Macau Tenancy Agreement were arrived at after arm's length negotiation and the monthly rent for the lease of the Premises was determined with reference to the prevailing market rents of similar comparable properties located in nearby areas.

The Directors consider that the Macau Tenancy Agreement was entered into on normal commercial terms and in the ordinary and usual course of business of the Group. The Directors also believe that the terms of the Macau Tenancy Agreement are fair and reasonable and in the interests of the Company and Shareholders as a whole.

GENERAL INFORMATION OF THE PARTIES

The Company is an investment holding company with its principal subsidiaries engaged in the manufacturing, design, trading and retailing of jewellery products. TSL Jewellery Retailing (Macau) Limited is an indirect wholly-owned subsidiary of the Company incorporated in Macau with limited liability. Its principal business activity is jewellery retailing.

The Landlord is a company incorporated in Macau and a wholly-owned subsidiary of Sands China Ltd. (a company listed on the Main Board of the Stock Exchange, stock code: 1928). The Landlord is principally engaged in operation of hotels, restaurants, shopping mall, and conference and convention.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Landlord and its ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

IMPLICATIONS UNDER THE LISTING RULES

In accordance with HKFRS 16 "Leases", the Company is required to recognise the value of the right-of-use asset on its consolidated statement of financial position in connection with the lease of the Premises under the Macau Tenancy Agreement. Accordingly, the lease transaction under the Macau Tenancy Agreement is regarded as an acquisition of asset by the tenant (i.e. lessee) for the purpose of the Listing Rules.

As one applicable percentage ratio (as defined in the Listing Rules) in respect of the value of the right-of-use of the Premises under the Macau Tenancy Agreement exceeds 5% but is less than 25%, the lease transaction contemplated thereunder constitutes a discloseable transaction for the Company and is subject to the announcement requirement but exempt from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"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;
"HKFRS"	Hong Kong Financial Reporting Standards;
"HK\$"	Hong Kong dollar, the lawful currency of Hong Kong;
"Landlord"	Venetian Cotai Limited;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Macau Tenancy Agreement”	the tenancy agreement entered into between TSL Jewellery Retailing (Macau) Limited (a subsidiary of the Company) as the tenant and the Landlord dated 19 November 2020;
“Premises”	the premises situated at Shops No. 2015 & 2017, Level 3, Shoppes at Venetian in Macau;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

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

Hong Kong, 27 November 2020

At the date of this announcement, the Board comprises:

Executive Directors:

Ms. YAU On Yee, Annie

Ms. NG Yi Kum, Estella

Independent Non-executive Directors:

Mr. CHUI Chi Yun, Robert

Mr. CHAN Yue Kwong, Michael

Mr. CHOW Chee Wai, Christopher