



**Tse Sui Luen Jewellery (International) Limited
Announces 2013/14 annual results**

*Turnover and net profit grew 13.9% and 9.4% respectively to
HK\$4,057 million and HK\$74.5 million*

Financial Highlights

<i>For the year ended 28 February</i>	2014 HK\$ Mil (Audited)	2013 HK\$ Mil (Audited) (Restated)	Change
Turnover	4,057	3,563	+13.9%
Gross profit	1,774	1,668	+6.4%
Profit attributable to owners of the Company	74.5	68.1	+9.4%
Basic earnings per share (HK cents)	35.4	32.4	+9.4%
Total dividend per share (HK cents)	9.2	8.0	+15.0%
- Interim dividend per share (HK cents)	2.2	1.0	
- Final dividend per share (HK cents)	7.0	7.0	

(30 May 2014, Hong Kong) **Tse Sui Luen Jewellery (International) Limited** (“**TSL Jewellery**” or the “**Company**”, together with its subsidiaries the “**Group**”, HKSE stock code: 417), one of the largest jewellers in Asia, today announced its annual results for the year ended 28 February 2014 (“year under review”).

For the year under review, the Group’s turnover increased by 13.9% to HK\$4,057 million. The growth was mainly driven by rapid increase in sales of 24-karat gold during the “Gold Rush” period between April and June 2013 and enhanced brand image brought forth by its continuous brand building efforts. Profit attributable to owners of the Company grew by 9.4% to HK\$74.5 million. Basic earnings per share rose to 35.4 HK cents. The Board of Directors recommended a final dividend of 7.0 HK cents per share, and together with the interim dividend of 2.2 HK cents per share, total dividend per share for the year under review will amount to 9.2 HK cents.

Commenting on the annual results 2013/14, **Mrs. Annie Yau Tse**, Chairman and Chief Executive Officer of the Group said, “We are pleased to deliver solid growth in the year under review against an ever-changing operating environment. The Group has continued to realize pleasing benefits from the ongoing investment that we have made into our sales network, the refinement of our product assortments, our brand revitalization and the strengthening of the capability of our management team over the last few years. These have laid a strong foundation for sustainable growth going forward.”

Sales in Hong Kong and Macau in the first half of the year substantially benefited from the buying spree for 24-karat gold that followed the sudden drop in the gold price in April 2013. On the other hand, the Group’s Travel Trade business for tourists was inevitably affected by the new Tourism Law of Mainland China implemented in October 2013. The sales gap was closed by growth in other business units that enabled the Group to deliver continued increase in overall turnover. Thanks to the Gold Rush, the strengthened product offerings including an increased range of 24-karat gold products, and the enhanced brand image brought forth by the Group’s brand building program, the sales in Hong Kong and Macau grew by 16% year-on-year.

Sales in China rose by 7% during the year under review and accounted for 34% of the Group’s turnover. The Group expects the demand for self-consumption by the growing middle class in Mainland China will continue to provide a solid base for market growth, thus more focus has been given to the development of products for the end-user market.

The Group has made a strategic move in its sales network expansion plan by opening franchised stores in Mainland China. This new franchise operation was started with a pilot run of three franchised stores for the year under review. These stores have been well received by both the franchisees and customers alike. As of today, 30 May 2014, the total number of self-operated and franchised stores increased to 224 and 4 respectively. It will continue to look for local business partners who believe in the synergies of such cooperation and a more rapid sales network growth is expected in coming financial years.

To further strengthen its brand positioning of “Trend-setting Craftsmanship”, other new initiatives such as the Group’s new e-commerce platform, to be initially hosted at T-Mall, will be launched in 2014/15. International business including CORE JEWELS will also be developed.

Mrs. Tse concluded, “Looking ahead, notwithstanding that the current operating environment remains challenging for the Group, I believe that the mid- to long-term investments being made will pay off. The sales network expansion through franchising in Mainland China will enable the Group to grow more rapidly and to increase its brand exposure there, while the development of new sales channels will expand the Group’s overall market presence, penetration and reach. Nevertheless, due to continuing global economic uncertainties, the slowdown of economic growth and the change in business environment brought about by the new Tourism Law in Mainland China, we shall continue to take a cautious approach and mitigate our risks as and when required. The Group is committed to investing in its brand, inventory, store network and human resources which will deliver ongoing benefits to our customers and shareholders.”

- End -

About TSL Jewellery (HKSE stock code: 417)

TSL Jewellery is currently one of the largest jewellers in Asia, principally engaged in jewellery design, retailing, export and manufacturing. TSL Jewellery was established in 1971, and was listed on the Hong Kong Stock Exchange in 1987. The Company operates over 200 jewellery boutiques spanning major cities in Asia, including Beijing, Shanghai, Guangzhou, Hong Kong, Macau, Kuala Lumpur and Japan.

For more information on TSL Jewellery, please visit: <http://www.tsj.com>.