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Tse Sui Luen Jewellery (International) Limited Announces 2021/22 Annual Results

Steadily Onwards for Take-off at the Opportune Time

Financial Highlights

For the year ended 31 March	2022 HK\$ Mil	2021 HK\$ Mil
Turnover	2,767.8	2,648.6
Gross profit	1,062.8	959.7
Gross profit margin (%)	38.4	36.2
Profit/(loss) attributable to owners of the Company	15.5	(44.0)
Basic earnings/(loss) per share (HK cents)	6.2	(17.6)
Proposed final dividend per share (HK cents)	2.0	Nil

(21 June 2022, 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 31 March 2022 (the “**Year**”).

The turnover of the Group for the Year increased by 4.5% to HK\$2,767.8 million from HK\$2,648.6 million for the year ended 31 March 2021 (the “**FY2020/21**”). The profit attributable to owners of the Company for the Year was HK\$15.5 million, as compared to the loss attributable to owners of HK\$44.0 million for FY2020/21. The earnings per share attributable to owners of the Company for the Year was 6.2 HK cents. The Board of Directors recommended a final dividend of 2.0 HK cents per share for the year ended 31 March 2022.

"Driven by the reviving economy and rising consumer sentiment, the Group's business has gradually recovered during the first three quarters of the Year. However, Mainland China retail sales declined in the last quarter due to the local flare-ups in some domestic regions, and the retail sales in Hong Kong have also sharply plunged since the outbreak of the fifth wave of pandemic. While facing all challenges brought by the pandemic, the Group has been moving progressively in brand building, customer experience management and technology advancements for adapting to the post-pandemic new normal and new generation trends," said **Mrs. Annie Tse, Chairman and Chief Executive Officer of the Group**.

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In view of the retail market revival during 2021, despite the negative impact posed by the fifth wave outbreak to the Group's retail business in Hong Kong since the start of 2022, the turnover of the Group's Hong Kong and Macau retail businesses increased during the Year. Same-store sales growth was recorded for the Group's stores in these regions. In November 2021, the Group launched a new brand "DUO by TSL" that targets couples. The first DUO by TSL concept store was opened to great fanfare in Tsim Sha Tsui a month later. During the Year, the Group has also strategically closed two underperforming stores to consolidate the store network in Hong Kong. On the other hand, hinging on the relaxed travel restrictions for the visitors from Mainland China to Macau, Macau's economy had been recovering in the first three quarters of the Year, but then was impacted by the rebound of infected cases in some regions of Mainland China.

The economic recovery of Mainland China has also been interrupted by the implementation of stringent social restrictions to curb the sporadic outbreaks in different regions since the beginning of 2022, which hindered the rebound of the retail industry. In spite of the recovered Mainland China economy during the first three quarters of the Year, the Group recorded a slight year-on-year decrease in the turnover of its self-operated stores. The Group had a gently negative same-store sales growth in our operations in Mainland China during the Year. To achieve effective demographic segmentation, the Group has launched another new brand "TSL TOSI" with a new product portfolio tapping into the youth market. The first concept store of TSL TOSI was opened in Suzhou in September 2021, subsequently another two in Guangzhou, making a total of three TSL TOSI stores as at the end of the Year. During the Year, the Group's total number of stores in Mainland China increased from 450 to 465, including self-operated stores and franchised stores.

For the E-Business, the Group has a continuous and impressive high double-digit growth in turnover during the Year with improved sales attributable to the enhanced product assortments and seasonal promotions. The Group has also successfully revamped the Mainland China official eShop during the Year for improved omnichannel customer experience. In Hong Kong, besides having the TSL eShop opened in Tmall Hong Kong during the Year, a major revamp of the official eShop is on its way. Going forward, the Group will continue to upgrade its digital platforms and strengthen the collaboration with online marketplaces in order to capture more online sales and provide customers with exceptional experience.

Looking ahead, the outlook for the global and local economies is still uncertain. "While there might be uncertainties emerging, we are cautiously optimistic about the apparent growth of the retail market in the near to mid-term provided that the spread of infection is contained and the consumer sentiment improved. The Group will keep adopting prudent cost-effective measures, maintaining healthy inventory level, optimizing both retail stores and e-channels network, and fine-tuning our business strategies in a farsighted and judicious manner in this challenging time," **Mrs. Tse** added.

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About TSL Jewellery (HKSE stock code: 417)

Tse Sui Luen Jewellery (International) Limited (“TSL Jewellery”, incorporated in Bermuda with limited liability) is one of the largest jewellers in Asia that principally engaged in jewellery design, manufacturing, trading, retailing, and wholesaling. TSL Group was founded by Mr. Tse Sui Luen, a legend in the Hong Kong jewellery industry, in 1960. Tse Sui Luen Jewellery Company Limited was then incorporated in 1971 and TSL Jewellery was listed on The Stock Exchange of Hong Kong Limited in 1987. With the headquarters established in Hong Kong, TSL Jewellery currently operates over 500 jewellery boutiques spanning over 120 cities in Asia besides Hong Kong, including but not limited to Beijing, Shanghai, Chengdu, Guangzhou, Shenzhen, Macau and Kuala Lumpur.

For more information on TSL Jewellery, please visit: <https://corporate.tslj.com> or email to ir@tslj.com.