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Tse Sui Luen Jewellery (International) Limited Announces 2022/23 Interim Results

Pragmatism and Adaptability in Times of Change

Financial Highlights

For the six months ended 30 September	2022 HK\$ Mil	2021 HK\$ Mil
Turnover	1,248.2	1,397.8
Gross profit	445.8	510.9
Gross profit margin (%)	35.7	36.5
Profit attributable to owners of the Company	1.9	2.7
Basic earnings per share (HK cents)	0.8	1.1

(23 November 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 interim results for the six months ended 30 September 2022 (the “**Period**”).

The turnover of the Group for the Period decreased by 10.7% to HK\$1,248.2 million from HK\$1,397.8 million for the six months ended 30 September 2021 (the “**IR2021/22**”). The profit attributable to owners of the Company for the Period was HK\$1.9 million, as compared to the profit attributable to owners of HK\$2.7 million for IR2021/22. The earnings per share for the Period was 0.8 HK cents.

“With the global economy taking another hit at the beginning of 2022 following a new wave of COVID-19 driven by the Omicron variant, China’s economy inevitably slowed down as strict containment measures were re-imposed during the Period. On the positive side, the local economies in Hong Kong and Macau were boosted by the implementation of the new phases of consumption voucher schemes, as well as the advent of a robust post-COVID economic recovery in Malaysia subsequent to the vaccination drives and the lifting of restrictions. During the challenging times, the Group managed to offset some of the negative impacts on its sales performance by achieving e-business growth,” said **Mrs. Annie Tse, Chairman and Chief Executive Officer of the Group**.

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Riding on the fall of gold prices, an encouraging growth in the demand of gold products was recorded during the Period, which in turn led to the increase in turnover of Hong Kong and Macau retail businesses with same-store sales growth. As the Hong Kong Government gradually relaxed quarantine and testing arrangements for inbound visitors, coupled with the launch of the Employment Support Scheme and the new phase of the Consumption Voucher Scheme, the local business environment has improved. In Macau, although retail sales performance was affected by the cross-border travel restrictions, the business has been boosted by the recovery in tourist arrivals since September 2022. In addition, the Group strengthened its retail network in Macau by opening a new flagship store at the Shoppes at Londoner in October 2022.

For the operation in Mainland China, the Group recorded a decline in turnover in its self-operated stores and negative same-store sales growth during the Period, since the domestic demand and consumer sentiment in Mainland China have plunged significantly due to the implementation of stringent social restrictions to curb the sporadic COVID-19 outbreaks across major Chinese cities. The Group has enhanced the product portfolio and carried out effective cost control to alleviate the adverse impacts of the economic downturn. During the Period, the Group's total number of stores in Mainland China increased from 465 to 474, including self-operated stores and franchised stores.

For the E-Business, the Group recorded an encouraging double-digit increase in turnover during the Period. Customer behavior has changed significantly since the onset of the pandemic, which has accelerated the growth of e-business in recent years. Consequently, the Group has continuously revamped its Hong Kong and Mainland China official eShops to tap into the market and boost sales. Interactions between online and offline channels have been stimulated by creating live streams to interact with younger consumers, strengthening collaboration with Key Opinion Leaders and Key Opinion Consumers, as well as enhancing customer experience with improved online ordering and payment systems, which create synergy between the channels for the Group.

Going forward, the outlook of the global and local economies is still clouded by uncertainties. "In response to the gloomy economic outlook and the decline in consumer sentiment caused by resurgent outbreaks, the Group would maintain prudent management and keep a close track of the market situation in order to be able to quickly adjust its business strategies as and when the circumstances require. We will also capture business opportunities brought by the relaxation of quarantine policies, cautiously explore new creative ideas and continue the development of our online business," **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. TSL Jewellery was then 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.