

T S L | 謝瑞麟

Tse Sui Luen Jewellery (International) Limited Announces 2023/24 Interim Results

Constant Improvements to Stay the Course

Financial Highlights

For the six months ended 30 September	2023 HK\$ Mil	2022 HK\$ Mil
Turnover	1,346.5	1,248.2
Gross profit	470.0	445.8
Gross profit margin (%)	34.9	35.7
(Loss)/profit attributable to owners of the Company	(58.2)	1.9
Basic (loss)/earnings per share (HK cents)	(23.4)	0.8

(22 November 2023, 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 2023 (the “**Period**”).

The turnover of the Group for the Period increased by 7.9% to HK\$1,346.5 million from HK\$1,248.2 million for the six months ended 30 September 2022 (“**IR2022/23**”). The Group recorded a loss attributable to owners of the Company for the Period of HK\$58.2 million as compared to a profit attributable to owners of the Company of HK\$1.9 million for IR2022/23. The loss per share for the Period was 23.4 HK cents.

“In 2023, the post-pandemic global economy has been on a path paved with challenges as various downside risks loom large. The Group is not immune from this global situation and has been required to face the adverse consequences of the rising interest rates and the depreciation of the Renminbi. With gold being a reliable store of value, the demand for gold jewellery has strongly outperformed those of natural diamonds and other kinds of gem set jewellery in times of macroeconomic uncertainty. The Group responded to the change in consumer buying behavior by placing more emphasis on its gold jewellery business across all operating regions during the Period. Fueled by the steady recovery of tourism and shopping traffic, the turnover of the Group in Hong Kong and Macau and Malaysia has gradually improved during the Period, but the performance in Mainland China has fallen short of expectations,” said **Mrs. Annie Tse, Chairman and Chief Executive Officer of the Group**.

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Following the lifting of travel restrictions in early 2023, the number of visitors to Hong Kong and Macau has steadily rebounded, despite being slowed to a certain extent by the gloomy global economic outlook. The Hong Kong Government has successively introduced large-scale campaigns to encourage local consumption, with the ultimate goal of revitalizing the retail and catering industries and stimulating the overall economy. In the meantime, the Macau Government has implemented diverse promotional campaigns to rejuvenate the tourism and leisure industry and spur economic revival in Macau. These government initiatives helped the Group to achieve a notable increase in the turnover of its Hong Kong and Macau retail business with same-store sales growth during the Period. The Group strengthened its retail network in Hong Kong by opening two new TSL | 謝瑞麟 stores located at Harbour City and The Wai in July 2023. The sales network in Hong Kong and Macau shall continue to be adjusted to maximize operational efficiency and return on investment.

For the operation in Mainland China, the Group recorded a slight increase in the turnover of its self-operated stores with same-store sales growth. The demand of pure gold has outperformed due to international economic concerns and China's property sector challenges. The Group has focused more on its pure gold business to partially compensate for the loss of sales caused by the sharp decline in diamond demand. During the Period, the Group opened its first DUO by TSL store in Shenzhen to much fanfare.

For the E-Business, the Group recorded a moderate decrease in e-business turnover during the Period. The Group has been exploring different online sales channels, and upgrading its official e-Shops periodically, striving to deliver a personalized online customer experience. Meanwhile, the Group has successfully reached a wider customer base through close collaboration with several well-known e-commerce platforms in Mainland China and Hong Kong. The Group has further strengthened its brand awareness and credibility by featuring celebrities in social media advertising and marketing campaigns. The Group will continue to refine its e-business model to enhance its e-commerce conversion rate, ensuring improved customer engagement and satisfaction.

"As the global economy is still clouded by uncertainties, consumers are more conservative in their spending. The Group will remain committed to upholding quality in design and craftsmanship as well as optimizing the sales mix and retail network in all operating regions, ensuring that it takes advantage of any new opportunities that may come in this post-pandemic era. Going forward, the Group will stay cautious and adaptive while keeping a watchful eye on market developments to overcome the headwinds and achieve sustainable long-term growth," **Mrs. Tse** added.

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