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(於百慕達註冊成立之有限公司)
(Incorporated in Bermuda with Limited Liability)
Stock Code 股份代號 : 0590

**SALES PERFORMANCE OF RETAIL BUSINESS
FOR THE THIRD QUARTER OF FINANCIAL YEAR
ENDING 31 MARCH 2019**

Luk Fook Holdings (International) Limited (the “Company”), together with its subsidiaries (the “Group”), announces the sales performance of retail business of the Group’s self-operated shops for the third quarter (“3Q”) of financial year ending 31 March 2019 (“FY2019”) covering the period from 1 October 2018 to 31 December 2018.

SAME STORE SALES GROWTH (“SSSG”)* FOR 3Q OF FY2019

| | 3Q FY2019 vs 3Q FY2018 | 2Q FY2019 vs 2Q FY2018 | 3Q FY2018 vs 3Q FY2017 |
|------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Overall | -10% | +14% | +1% |
| Gold | -9% | +23% | -3% |
| Gold (by weight) | -7% | +30% | -9% |
| Gem-set jewellery | -8% | +5% | +10% |
| Hong Kong & Macau | -9% | +17% | +1% |
| Gold | -8% | +30% | -4% |
| Gold (by weight) | -5% | +36% | -9% |
| Gem-set jewellery | -8% | +4% | +11% |
| Mainland China | -14% | +4% | -4% |
| Gold | -16% | 0% | -2% |
| Gold (by weight) | -18% | +4% | -4% |
| Gem-set jewellery | -5% | +18% | -7% |

Remarks:

* Same store sales growth of the period represented a comparison of sales of the same Lukfook self-operated shop having full day operations in the comparable periods and such data did not include sales of licensed shops and Mainland China’s e-commerce business.

The recent market sentiment was adversely impacted by the US-China trade war, the depreciation of Renminbi, and the downward pressure in the stock and property markets. Therefore, the same store sales of the Group's retail business for 3Q FY2019 recorded a decline of 10%. The overall SSSG of gold products and gem-set jewellery products were -9% and -8% respectively.

The SSSG of Hong Kong and Macau markets for 3Q FY2019 was -9%. The SSSG of both gold and gem-set jewellery products were -8%. Renminbi depreciation led to higher tendency for customers to purchase lower-value items, resulting in a double-digit drop in the average selling price ("ASP") of gem-set jewellery products.

The growth of SSSG of Mainland China ("Mainland") market for 3Q FY2019 was -14%. Its SSSG of gold products and gem-set jewellery products were -16% and -5% respectively. Attributed by the excellent sales performance of lower-value new product collection, the ASP of its gem-set jewellery products recorded a double-digit drop during the period. The SSSG of Mainland licensed shops was still single-digit better than that of the self-operated shops during the period.

NUMBER OF SHOPS

During 3Q FY2019, there was a net addition of 72 Lukfook shops in Mainland (which included a net addition of 73 licensed shops and net reduction of 1 self-operated shop). As at 31 December 2018, the Group had a total of 221 Lukfook self-operated shops including 150 in Mainland, 49 in Hong Kong, 11 in Macau and 11 overseas. As at the same date, together with licensed shops of 1,573 in Mainland, 1 in Cambodia and 1 in the Philippines, there were a total of 1,796 Lukfook shops worldwide, of which 1,723 shops were located in Mainland, and are summarised as follows:-

| | 31 December 2018 | Changes in 3Q FY2019 |
|----------------------------|-------------------------|---------------------------------|
| Self-operated shops | | |
| Hong Kong | 49 | -1 |
| Macau | 11 | - |
| Mainland | 150 | -1 |
| Other Locations | 11 | - |
| Sub-total | 221 | -2 |
| Licensed shops | | |
| Mainland | 1,573 | +73 |
| Other Locations | 2 | - |
| Sub-total | 1,575 | +73 |
| Total Lukfook shops | 1,796 | +71 |

CAUTION STATEMENT

The board of directors of the Company wishes to remind investors that the above operational data is based on the Company's internal records which have not been audited by auditors. **Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board

Luk Fook Holdings (International) Limited

WONG Wai Sheung

Chairman & Chief Executive Officer

Hong Kong, 17 January 2019

As at the date of this announcement, the Company's Executive Directors are Mr. WONG Wai Sheung (Chairman and Chief Executive), Mr. TSE Moon Chuen (Deputy Chairman), Ms. WONG Hau Yeung, Ms. WONG Lan Sze, Nancy, Ms. CHUNG Vai Ping and Dr. CHAN So Kuen; the Non-executive Directors are Mr. WONG Ho Lung, Danny (Deputy Chairman), Ms. YEUNG Po Ling, Pauline, Mr. HUI Chiu Chung, JP and Mr. LI Hon Hung, BBS, MH, JP; the Independent Non-executive Directors are Mr. TAI Kwok Leung, Alexander, Mr. IP Shu Kwan, Stephen, GBS, JP, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina, JP and Mr. HUI King Wai.