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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 FIRST QUARTER OF FINANCIAL YEAR
ENDED 31 MARCH 2020**

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 first quarter (“1Q”) of financial year ended 31 March 2020 (“FY2020”) covering the period from 1 April 2019 to 30 June 2019.

SAME STORE SALES GROWTH (“SSSG”)* FOR 1Q OF FY2020

	1Q FY2020 vs 1Q FY2019	4Q FY2019 vs 4Q FY2018	1Q FY2019 vs 1Q FY2018
Overall	-10%	-6%	+22%
Gold	-19%	-6%	+26%
Gold (by weight)	-19%	-4%	+21%
Gem-set jewellery	+4%	-4%	+18%
Hong Kong & Macau	-10%	-6%	+26%
Gold	-20%	-7%	+34%
Gold (by weight)	-20%	-5%	+28%
Gem-set jewellery	+6%	-4%	+19%
Mainland China	-7%	+2%	-2%
Gold	-4%	+4%	-6%
Gold (by weight)	-12%	-1%	-3%
Gem-set jewellery	-7%	+3%	+10%

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.

With a relatively higher base and the continuing impact of US-China trade war on market sentiment, the SSSG of the Group's retail business for 1Q FY2020 was -10%. The overall SSSG of gold products and gem-set jewellery products were -19% and +4% respectively.

Having a much higher base than Mainland China ("Mainland") market in terms of gold products particularly, the SSSG of Hong Kong and Macau market for 1Q FY2020 was -10%. The SSSG of gold products and gem-set jewellery products were -20% and +6% respectively. The favorable sales performance of lower-value items resulted in a double-digit drop in the average selling price of gem-set jewellery products. However, due to the remarkable increase in sales volume, the SSSG of gem-set jewellery products still recorded positive growth given a high base.

The SSSG of Mainland market for 1Q FY2020 was -7%, its SSSG of gold products and gem-set jewellery products were -4% and -7% respectively. On the other hand, Mainland licensed shops recorded a low single-digit same store sales growth. Its same store sales of gold products and gem-set jewellery products were a low single-digit drop and a low double-digit growth respectively.

NUMBER OF SHOPS

During 1Q FY2020, there was a net addition of 35 Lukfook shops in Mainland (which included a net addition of 37 licensed shops and net reduction of 2 self-operated shops). As at 30 June 2019, the Group had a total of 208 Lukfook self-operated shops including 139 in Mainland, 47 in Hong Kong, 11 in Macau and 11 overseas. As at the same date, together with licensed shops of 1,651 in Mainland, 1 in Cambodia and 1 in the Philippines, there were a total of 1,861 Lukfook shops worldwide, of which 1,790 shops were located in Mainland, and are summarised as follows:-

	30 June 2019	Changes in 1Q FY2020
Self-operated shops		
Hong Kong	47	-2
Macau	11	-
Mainland	139	-2
Other Locations	11	-
Sub-total	208	-4
Licensed shops		
Mainland	1,651	+37
Other Locations	2	-
Sub-total	1,653	+37
Total Lukfook shops	1,861	+33

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, 18 July 2019

As at the date of this announcement, the Company's Executive Directors are Mr. WONG Wai Sheung (Chairman and Chief Executive Officer), 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.