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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

RETAIL SALES PERFORMANCE FOR THE FOURTH QUARTER OF FINANCIAL YEAR ENDED 31 MARCH 2021

Luk Fook Holdings (International) Limited (the “Company”), together with its subsidiaries (the “Group”), announces the retail sales performance of the Group for the fourth quarter (“4Q”) of financial year ended 31 March 2021 (“FY2021”) covering the period from 1 January 2021 to 31 March 2021.

OVERALL SAME STORE SALES GROWTH (“SSSG”)⁽¹⁾

	4Q FY2021 vs 4Q FY2020	3Q FY2021 vs 3Q FY2020	4Q FY2020 vs 4Q FY2019
Overall	+30%	-29%	-57%
Gold ⁽²⁾	+42%	-25%	-51%
Gold (by weight)	+25%	-38%	-58%
Fixed price jewellery	+17%	-35%	-64%

Due to the low base effect and the declined gold price in the last two months, the overall SSSG of the Group’s retail business in 4Q FY2021 recorded a turnaround from last quarter’s -29% to +30%. With effective pandemic control of COVID-19, the SSSG of the Mainland⁽³⁾ market was almost doubled during the quarter. Apart from that, the SSSG of Hong Kong⁽⁴⁾ and Macau⁽⁵⁾ market also turned from a decline to an increase as expected.

Remarks:

- ⁽¹⁾ Same store sales growth represented a comparison of sales of the same 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
⁽²⁾ Gold refers to gold products sold by weight based on international market price, i.e. at non-fixed price
⁽³⁾ Mainland China: Hereafter refers to as “Mainland”
⁽⁴⁾ Hong Kong SAR: Hereafter refers to as “Hong Kong”
⁽⁵⁾ Macau SAR: Hereafter refers to as “Macau”

SSSG OF HONG KONG & MACAU MARKET

	4Q FY2021 vs 4Q FY2020	3Q FY2021 vs 3Q FY2020	4Q FY2020 vs 4Q FY2019
Overall	+19%	-35%	-60%
Gold	+28%	-32%	-53%
Gold (by weight)	+14%	-44%	-60%
Fixed price jewellery	+9%	-40%	-67%

The SSSG of Hong Kong and Macau market recorded a turnaround from -35% in the last quarter to +19% in 4Q, and the SSSG of its gold products and fixed price jewellery products were +28% and +9% respectively. The SSSG of the Macau market improved from -24% in 3Q to +27% under the low base effect and the progressively relaxed border restriction, while that of the Hong Kong market improved from -42% in 3Q to +15% in 4Q. Furthermore, the retail sales amount in the Hong Kong and Macau market during the quarter increased by 36% year-on-year. However, as the border restrictions have not been fully lifted in Hong Kong and Macau, the SSSG still recorded a drop as compared with 4Q FY2019.

MAINLAND MARKET

	4Q FY2021 vs 4Q FY2020	3Q FY2021 vs 3Q FY2020	4Q FY2020 vs 4Q FY2019
<i>SSSG of Self-operated Shops</i>			
Overall	+93%	+4%	-41%
Gold	+110%	+11%	-42%
Gold (by weight)	+97%	-4%	-54%
Fixed price jewellery	+62%	-11%	-39%
<i>E-commerce Business Sales Growth</i>			
Overall	+43%	+54%	+5%
Gold	+53%	+53%	+13%
Gold (by weight)	+35%	+24%	-10%
Fixed price jewellery	+31%	+56%	-7%

Due to more effective pandemic control, together with the overseas travel restriction which helped to stimulate domestic consumption, and the progressively declining gold price, the retail sentiment of the Mainland market recovered well during the quarter. The SSSG of self-operated shops in Mainland for 4Q was +93%, and the SSSG of their gold products and fixed price jewellery products were +110% and +62% respectively. Licensed shops, which accounted for around 96% of the total number of shops there, due to a relatively higher base than self-operated shops, recorded around 70% same store sales growth during the quarter. Furthermore, the e-commerce business's sales growth in Mainland was 43% year-on year.

On the other hand, the sales amount of the overall Mainland shops including both the self-operated shops and licensed shops recorded a growth of around 140% year-on-year during the quarter, among which the retail sales amount of gold products and the fixed price jewellery products recorded a growth of around 180% and 100% respectively. When comparing with 4Q FY2019, their overall same store sales growth was a low double-digit increase while the year-on-year sales growth was around 30%.

NUMBER OF SHOPS

During 4Q, the Group had a net increase of 46 “Lukfook” licensed shops and a net decrease of 1 “Goldstyle” licensed shop in Mainland. As at 31 March 2021, the Group had a total of 2,294 shops including 2,212 “Lukfook” shops, 80 “Goldstyle” shops and 2 “Dear Q” shops in Mainland. The details of distribution network in Mainland are summarised as follows:-

MAINLAND DISTRIBUTION NETWORK

Shop number of different brands		Changes in 4Q FY2021	As at 31 March 2021
“Lukfook”	Self-operated	-	77
	Licensed	+46	2,135
	Sub-total	+46	2,212
“Goldstyle”	Self-operated	-	8
	Licensed	-1	72
	Sub-total	-1	80
“Dear Q”	Self-operated	-	2
Total	Self-operated	-	87
	Licensed	+45	2,207
	Total	+45	2,294

As at 31 March 2021, the Group had a total of 146 “Lukfook” self-operated shops worldwide including 77 in Mainland, 47 in Hong Kong, 13 in Macau, and 9 in overseas. As at the same date, together with the licensed shops of 2,135 in Mainland, 1 in Cambodia, and 2 in the Philippines, there were a total of 2,284 “Lukfook” shops worldwide. Including the 82 shops of other brands in Mainland, the Group had a total of 2,366 shops globally. The Group’s global distribution network is summarised as follows:-

GLOBAL DISTRIBUTION NETWORK

	Changes in 4Q FY2021	As at 31 March 2021
“Lukfook”: Self-operated shops		
Hong Kong	-	47
Macau	-	13
Mainland	-	77
Other Locations	-1	9
Sub-total	-1	146
Licensed shops		
Mainland	+46	2,135
Other Locations	-	3
Sub-total	+46	2,138
Total “Lukfook” shops	+45	2,284
Other brands (including “Goldstyle” & “Dear Q”):		
Mainland	-1	82
Total	+44	2,366

With the successive introduction of vaccines, it is expected that the COVID-19 pandemic will gradually be subsided, and the macro-economy and retail sentiment, especially in the Mainland market, will be further recovered. Therefore, the Group looks forward to much improved sales performance in the near future.

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, 15 April 2021

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 and Dr. CHAN So Kuen; the Non-executive Directors are Mr. WONG Ho Lung, Danny (Deputy Chairman), Mr. HUI Chiu Chung, JP and Mr. LI Hon Hung, BBS, MH, JP; the Independent Non-executive Directors are Mr. IP Shu Kwan, Stephen, GBS, JP, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina, JP and Mr. HUI King Wai.