

T S L | 謝瑞麟

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

Rejuvenating for the Next Era

Financial Highlights

For the year ended 31 March	2023 HK\$ Mil	2022 HK\$ Mil
Turnover	2,590.9	2,767.8
Gross profit	908.8	1,062.8
Gross profit margin (%)	35.1	38.4
(Loss)/profit attributable to owners of the Company	(71.4)	15.5
Basic (loss)/earnings per share (HK cents)	(28.7)	6.2

(21 June 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 annual results for the year ended 31 March 2023 (the “**Year**”).

The turnover of the Group for the Year decreased by 6.4% to HK\$2,590.9 million from HK\$2,767.8 million for the year ended 31 March 2022 (the “**FY2021/22**”). The Group recorded a loss attributable to owners of the Company for the Year of HK\$71.4 million as compared to a profit attributable to owners of the Company of HK\$15.5 million for **FY2021/22**. The loss per share for the Year was 28.7 HK cents.

“The world continued to grapple with the adverse effects of the COVID-19 crisis, in particular, Mainland China’s economic growth slowed down due to the frequent lockdowns in major cities. As the Group’s businesses in Mainland China are significant contributors to its profitability, the Group’s sales performance during the Year was inevitably affected. Although the Group observed signs of recovery in retail sales in early 2023 following the end of China’s zero-COVID policy, it was insufficient to meaningfully offset the Group’s accumulated losses and the comparatively lower gross profit margin due to changes in sales mix and business contributions during the Year. While the reopening of borders and increased tourist numbers should bode well for retail sales performance going forward, the Group believes that the resulting recovery will be gradual as it will take some time to restore consumer confidence and for overall market activities to return to pre-pandemic levels,” said **Mrs. Annie Tse, Chairman and Chief Executive Officer of the Group**.

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With the gradual lifting of anti-pandemic measures in Hong Kong and Macau during the Year, local consumption and tourist footfall recovered to some extent. Benefitted from the influx of tourists following the resumption of cross border travel with Mainland China in February 2023, which helped to boost both economies, especially in Macau, the Group's Hong Kong and Macau retail business recorded an encouraging increase in turnover with same-store sales growth. Tthe Group strengthened its retail network in Macau by opening a new store at the Shoppes at Londoner in October 2022. 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 notable year-on-year decrease in the turnover and negative same-store sales growth during the Year, since the prolonged and tightened social distancing restrictions adversely impacted consumer psychology and purchasing behavior, especially, the already subdued retail business activities were further dampened by the sudden and frequent lockdowns in certain regions across Mainland China throughout 2022. As at the end of the Year, the Group's total number of stores in Mainland China, including self-operated stores and franchised stores, amounted to 471.

For the E-Business, it maintained promising growth in turnover and accounted for an increasing proportion of the Group's profit during the Year. The Group has put more focus on the continual development of its e-business and established a comprehensive e-business model through the ongoing enhancement of its official e-Shops and cooperation with e-commerce platforms. Moreover, the Group successfully revamped TSL official e-Shops in Hong Kong and Mainland China with more refined interfaces; and opened TSL online flagship stores on both Douyin and Pinduoduo to speed up the expansion of its online channels. In addition, The Group has strengthened its cooperation with various popular e-commerce platforms in Mainland China and HKTVmall in Hong Kong.

"Following the governments' implementation of measures to stimulate local consumption and the recovery of international tourism after the reopening of borders, countries moving forward along the path to normalcy are performing better in terms of retail sales. Despite these positive signs, consumers still retain some anxiety and are prone to hold back on non-essential spending, so the Group expects recovery to be at times patchy but not sudden. The Group will follow through to review and reinforce its online and offline retail network prudently, but at the same time seize the opportunities arising from the new era.," **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.