

# T S L | 謝瑞麟

## Tse Sui Luen Jewellery (International) Limited Announces 2018/19 Interim Results

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*Robust Development with Extraordinary Refinement*

### Financial Highlights

	2018* HK\$ Mil	2017** HK\$ Mil	Change
Turnover	1,910.0	1,733.5	+10.2%
Gross profit	743.2	712.2	+4.3%
Gross profit margin (%)	38.9	41.1	-2.2pts
Profit attributable to owners of the Company	24.3	17.5	+38.9%
Basic earnings per share (HK cents)	9.8	7.1	+38.0%
Financial Cost	20.9	21.5	-2.9%
Effective tax rate (%)	39.1	40.7	-1.6pts
Interim dividend per share (HK cents)	4.8	2.1	128.6%

\* For the 6 months ended 30 September 2018

\*\* For the 6 months ended 31 August 2017

(20 November 2018, 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 2018 (the “**Period**”).

The Group’s turnover for the Period increased by 10.2% from HK\$1,733 million (for the six-month period ended 31 August 2017) to HK\$1,910 million. The profit attributable to owners of the Company increased by 38.9% from HK\$17.5 million (for the six-month period ended 31 August 2017) to HK\$24.3 million. Earnings per share attributable to owners of the Company were 9.8 HK cents (for the six-month period ended 31 August 2017: 7.1 HK cents per share). The board of directors of the Company declared an interim dividend of 4.8 HK cents per share.

“In light of the improved retail sentiment in Hong Kong since September 2017 primarily due to the year-on-year increase in the number of incoming tourists and the growing consumption appetite of the local customers, the retail market in Hong Kong has continued to revive. Overall speaking, the Group’s performance for the Period was in line with our expectations,” said **Mrs. Annie Tse, Chairman and Chief Executive Officer of the Group**. “As we continue to benefit from our business strategies and efficient cost saving measures, we are pleased to report satisfactory growth in the Group’s turnover and net profit margin for the Period as compared to that in the first half of the financial year of 2017/18.”

Coupling the effects of the growing number of tourists visiting Hong Kong and Macau from Mainland China with the results of the “store-for-store strategy” implemented over the past years, the Group’s retail businesses in Hong Kong and Macau recorded an increase of 15.3% in turnover and the same store sales growth for all businesses in this region was up by 14.8% during the Period. In view of the retail rentals during the Period remaining static and at a more reasonable level, the Group has continued to capitalise on this trend to expand its retail business in Hong Kong and by enlarging the existing shop area of some of its retail chain stores, such as in Times Square in Causeway Bay and Plaza Hollywood in Diamond Hill. In addition, the steady rise in the number of tourists with strong spending power from Mainland China visiting Macau also brought notable result, with the Group’s business in Macau achieving an increase of 8.7% in turnover during the Period.

The Group’s retail business in Mainland China via self-operated stores continued to play a significant role in its overall performance as well as in its future development and direction, which accounted for 37.3% of its total turnover during the Period. The retail business in Mainland China maintained an upward trend and recorded a modest increase of 4.2% in turnover for the Period. By continuously putting efforts in network optimisation in this region, the Group is optimistic that the same store sales growth for the Period would be further improved. Apart from its self-operated stores, the Group continued to expand its retail network in Mainland China through its franchise network. As of today, the Group’s number of self-operated and franchised shops in Mainland China reached 203 and 211, respectively, amounting to a total of 414 shops, covering 130 cities. In the field of e-business, the Group recorded a year-on-year growth in turnover of 12.8% by capturing the trend and putting effort in promoting its e-business platforms during the Period.

Looking ahead, **Mrs. Tse** anticipated the growing middle class to continue to be the key driver of rising consumption for luxury jewellery for personal use in Mainland China as they seek more expensive and premium brands and spend more on high-quality goods and services. “Although the uncertainties caused by a complex international environment have cast doubt on the market, as a slowdown in the industry could be seen since the beginning of second half of 2018, the completion of major infrastructure projects in the second half of the year shall create a catalyst for the Hong Kong retail market to progress in an L-shape. While the effect of the projects takes time to emerge, we are confident of the Group’s future development and will take a cautiously optimistic approach in our major operating regions, namely, Hong Kong and Mainland China,” she said.

“In addition to the launch earlier this year of our Signature Collection, The 12 Treasures, we will continue to focus on improving our sales by enriching our products assortments and customer experience, introducing limited-time offers and developing new products with Trendsetting Craftsmanship, and invest in developing the younger generation’s market to better serve our customers,” said **Mrs. Tse**, adding that the Group would keep on identifying other suitable high-traffic shopping arcades and on-street stores to further penetrate tourist and residential precincts as applicable, as well as stringently seeking appropriate business partners who share the same values with the Group to contribute to the Group’s business development, so as to create better returns to its shareholders.

**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 is 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. Tse Sui Luen Jewellery Company Limited was then incorporated in 1971 and TSL Jewellery was listed on The Stock Exchange of Hong Kong Limited in 1987. With the headquarters established in Hong Kong, TSL Jewellery currently operates over 450 jewellery boutiques spanning over 130 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: [www.tslj.com](http://www.tslj.com) or email to [ir@tslj.com](mailto:ir@tslj.com).