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CHOW TAI FOOK JEWELLERY GROUP LIMITED

周大福珠寶集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1929

THE UNAUDITED KEY OPERATIONAL DATA FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2019

Chow Tai Fook Jewellery Group Limited (the “Company”), together with its subsidiaries (the “Group”), hereby announce certain unaudited key operational data of the Group for the three months ended 30 September 2019 (the “Second Quarter”, or the “Quarter”). The unaudited key operational data in this announcement should be read in conjunction with the Company’s FY2019 annual report.

KEY OPERATIONAL DATA

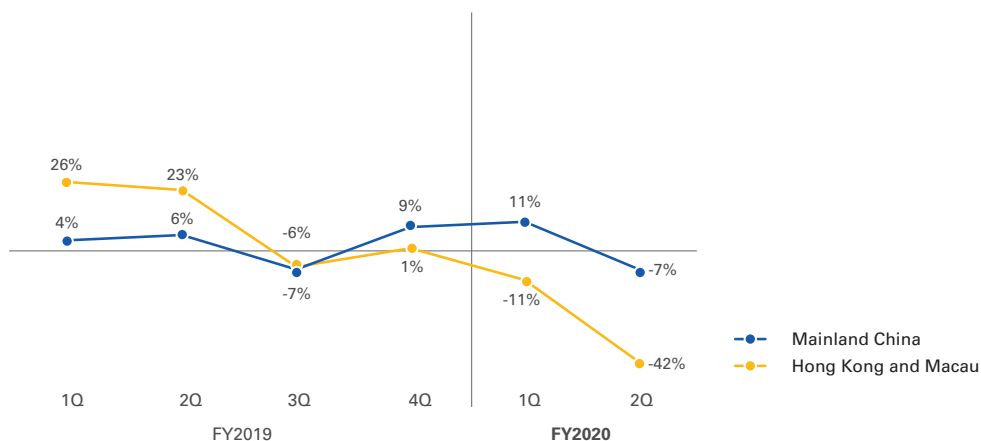
For the three months ended 30 September 2019

	(% change compared to the same period last year)	
	Mainland China	Hong Kong and Macau
Retail Sales Value ⁽¹⁾ (“RSV”) growth	4%	-35%
Same Store Sales ⁽²⁾ (“SSS”) growth	-7%	-42%
Same Store Sales volume growth	-21%	-44%
Same Store Sales growth by product		
— Gem-set jewellery	0%	-35%
— Gold products	-15%	-49%

⁽¹⁾ “Retail Sales Value” measures the sales at the ending price (VAT inclusive, if any), in respective functional currencies, of products sold to customers in the POS network and other channels.

⁽²⁾ “Same Store Sales” for the Second Quarter is the revenue from the self-operated POS existing as at 30 September 2019 and which have been opened prior to 1 April 2018. Revenue from wholesale and other channels are excluded.

Same Store Sales Growth

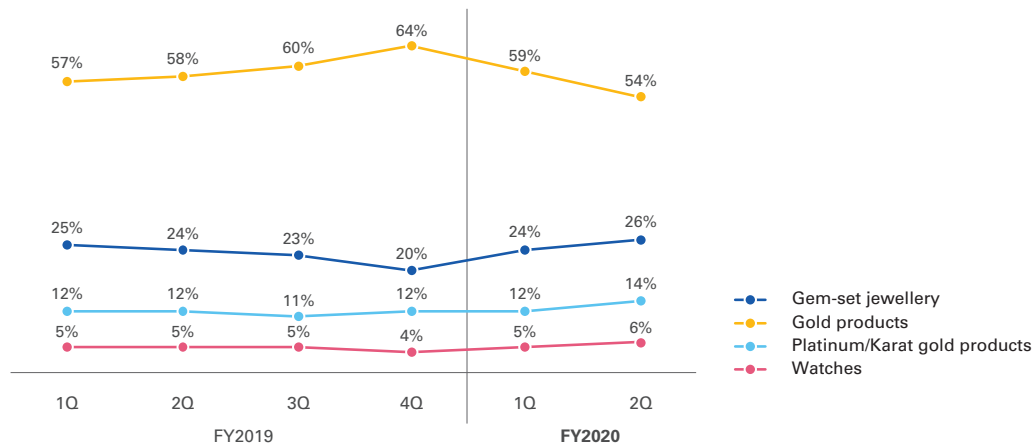


- Sales performance in both Mainland China and Hong Kong and Macau markets during the Quarter were negatively impacted by the uncertain macro environment and a surge in international gold price. SSSG in Mainland China recorded a drop of 7% in the Quarter. Performance in Hong Kong and Macau was also affected by a tough base of comparison and the situation in Hong Kong, leading to a notable decline in SSS.
- In Mainland China, SSSG of gem-set jewellery was flat. Yet, new POS opened in the past 12 months boosted the RSV growth of gem-set jewellery to 12% during the Quarter. SSS of gem-set jewellery in Hong Kong and Macau decreased by 35% during the Quarter as consumers held back spending. In Mainland China, same store Average Selling Price (“ASP”) of gem-set jewellery was HK\$6,400 (2QFY2019: HK\$6,100) while that of Hong Kong and Macau was HK\$10,800 (2QFY2019: HK\$9,700).
- Both markets recorded a drop in SSS of gold products as dragged by volume decline. Yet, ASP of gold products jumped to HK\$4,900 (2QFY2019: HK\$3,900) in Mainland China and HK\$9,200 (2QFY2019: HK\$8,500) in Hong Kong and Macau during the Quarter. The average international gold price in the Quarter was 21% higher when compared to the same period last year.

Analysis by Market

Mainland China

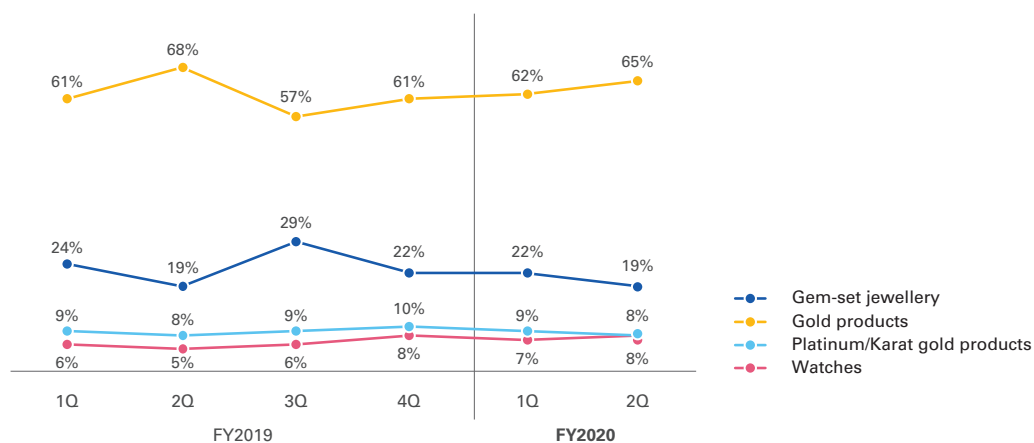
% of respective RSV by product



— RSV of e-commerce business in Mainland China rose 9% year-on-year while volume decreased by 4% in the Quarter.

Hong Kong and Macau

% of respective RSV by product



Note: The percentages calculated are subject to minor rounding differences

— The percentage of RSV settled by China UnionPay, Alipay, WeChat Pay or RMB to the total RSV of Hong Kong and Macau market, a proxy for sales contribution from Mainland tourists, declined to 35% in the Quarter as compared to 44% in both the previous quarter and the same period last year.

POS Network

- The Group opened a net of 237 POS in Mainland China during the Quarter, including a net opening of 222 CHOW TAI FOOK JEWELLERY POS in which there was a net closing of 9 self-operated stores and a net opening of 231 franchise stores, 7 MONOLOGUE POS, 6 SOINLOVE POS, 3 CTF WATCH POS, and a closing of 1 HEARTS ON FIRE POS.
- In Hong Kong, Macau and other markets, the Group opened 4 CHOW TAI FOOK JEWELLERY POS, in which 3 in Hong Kong and 1 in Korea, and 1 MONOLOGUE POS.
- As at 30 September 2019, the Group had 3,490 POS in total.

CAUTION STATEMENT

The Board wishes to remind investors that the above information is based on preliminary operational data of the Group and has not been reviewed or audited by auditors of the Company. **Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board
Chow Tai Fook Jewellery Group Limited
Dr. Cheng Kar-Shun, Henry
Chairman

Hong Kong, 15 October 2019

As at the date of this announcement, the executive directors are Dr. Cheng Kar-Shun, Henry, Mr. Wong Siu-Kee, Kent, Dr. Cheng Chi-Kong, Adrian, Mr. Cheng Chi-Heng, Conroy, Mr. Cheng Ping-Hei, Hamilton, Mr. Chan Sai-Cheong, Mr. Suen Chi-Keung, Peter, Mr. Chan Hiu-Sang, Albert, Mr. Liu Chun-Wai, Bobby and Mr. Cheng Kam-Biu, Wilson; the non-executive director is Ms. Cheng Chi-Man, Sonia; and the independent non-executive directors are Dr. Fung Kwok-King, Victor, Dr. Or Ching-Fai, Raymond, Mr. Kwong Che-Keung, Gordon, Mr. Cheng Ming-Fun, Paul, Mr. Lam Kin-Fung, Jeffrey and Ms. Cheng Ka-Lai, Lily.