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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 2021

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 2021 (the “Second Quarter”, or the “Quarter”). The unaudited key operational data in this announcement should be read in conjunction with the Company’s FY2021 annual report.

KEY OPERATIONAL DATA

For the three months ended 30 September 2021

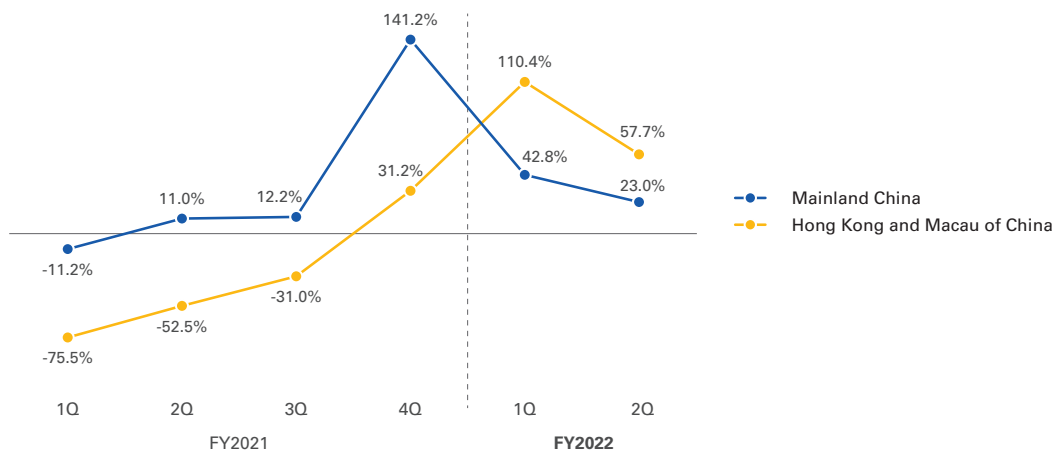
(% change compared to the same period last year)

	Group	
Retail Sales Value ⁽¹⁾ (“RSV”) growth	+55.8%	
	Mainland China	Hong Kong & Macau of China and other markets
RSV growth	+58.0%	+38.5%
Contribution to Group RSV	89.9%	10.1%
	Mainland China	Hong Kong & Macau of China
Same Store Sales ⁽²⁾ (“SSS”) growth	+23.0%	+57.7%
SSS volume growth	+22.7%	+61.7%
SSSG by product		
— Gem-set, Platinum and K-gold jewellery	–8.0%	+15.4%
— Gold jewellery and products	+48.9%	+106.2%

⁽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 RSV from the self-operated POS of CHOW TAI FOOK JEWELLERY existing as at 30 September 2021 and which have been opened prior to 1 April 2020. RSV from franchised POS and other channels are not included.

Same Store Sales Growth

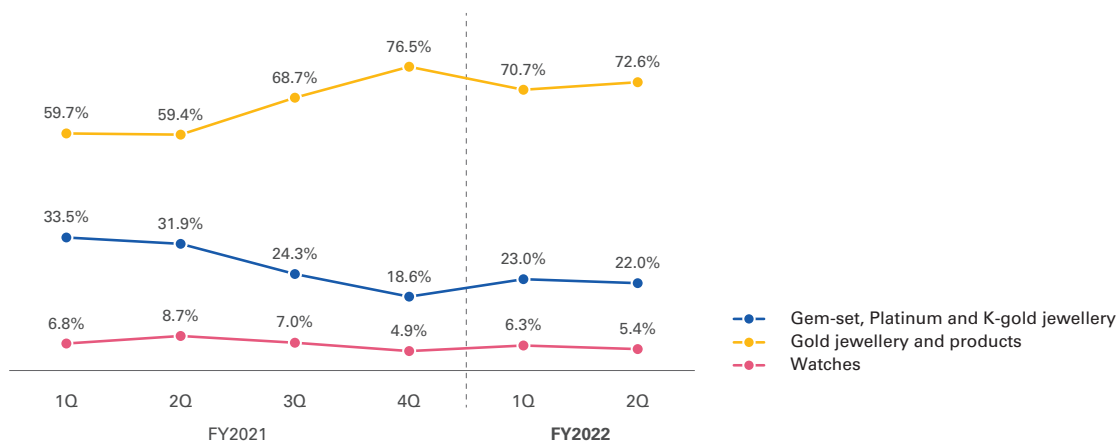


- During the Second Quarter, both Mainland China (the “Mainland”) and Hong Kong and Macau continued with an encouraging positive SSSG trend. SSSG of the Mainland was 23.0% in the Quarter supported by a steady consumer sentiment. In Hong Kong and Macau, business continued to improve with a robust SSSG of 57.7%, thanks to a solid local consumer demand and a low comparison base. Hong Kong’s SSSG was 35.1% in the Quarter whereas Macau’s SSSG was 232.5%, driven by tourist spending as border reopened.
- In the Mainland, SSS of gem-set, platinum and k-gold jewellery category was down by 8.0% due to the effect of comparison base, yet its RSV increased 8.7% during the Quarter, thanks to a healthy contribution from new openings. SSS of gem-set, platinum and k-gold jewellery category in Hong Kong and Macau has sustained a positive growth since 3QFY2021 and delivered a growth of 15.4% during the Quarter. Same store Average Selling Price (“ASP”) trend was favourable in both markets during the Quarter. In the Mainland, same store ASP of gem-set jewellery was HK\$7,400 (2QFY2021: HK\$7,300) while that of Hong Kong and Macau increased to HK\$14,000 (2QFY2021: HK\$13,600).
- Gold jewellery and products category includes those selling by weight and at fixed price. In the Mainland, retail demand in gold jewellery and products remained resilient, driving SSS of the product category to a growth of 48.9% during the Quarter. Its ASP stayed at HK\$5,400 (2QFY2021: HK\$5,400). In Hong Kong and Macau, ASP improved to HK\$6,700 (2QFY2021: HK\$6,200). The average international gold price in the Quarter was 6.2% lower when compared to the same period last year.

RSV Analysis

Mainland China

% of respective RSV by product

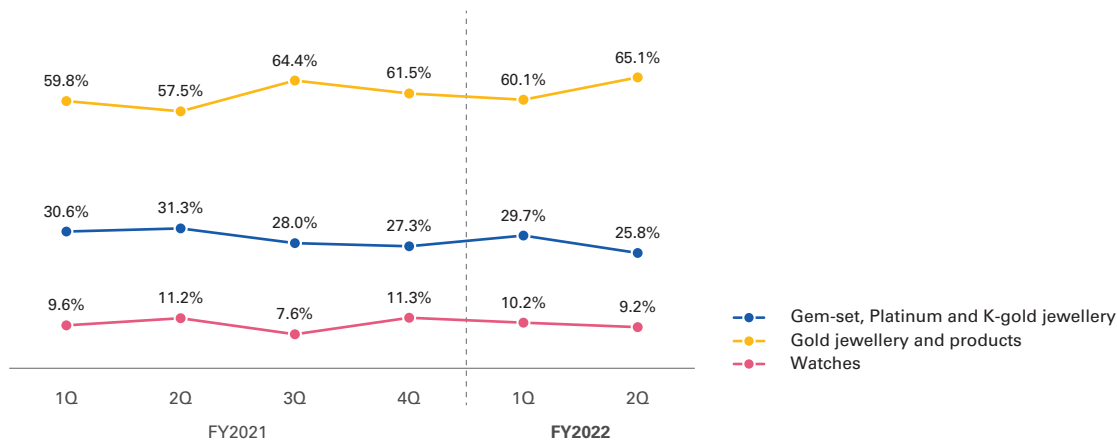


— With our retail expansion strategy leveraging franchisees’ local knowledge, RSV of franchised portion in CHOW TAI FOOK JEWELLERY rose strongly by 99.3% year-on-year and its contribution to the RSV of CHOW TAI FOOK JEWELLERY increased to 59.1% (2QFY2021: 48.3%) during the Quarter.

— Smart retail RSV⁽³⁾ in Mainland China rose strongly by 157.2% and by 102.7% in volume year-on-year. Its contribution to Mainland China’s RSV was 8.5% in the Quarter, of which 3.7% was contributed by smart retail applications.

Hong Kong & Macau of China and other markets

% of respective RSV by product

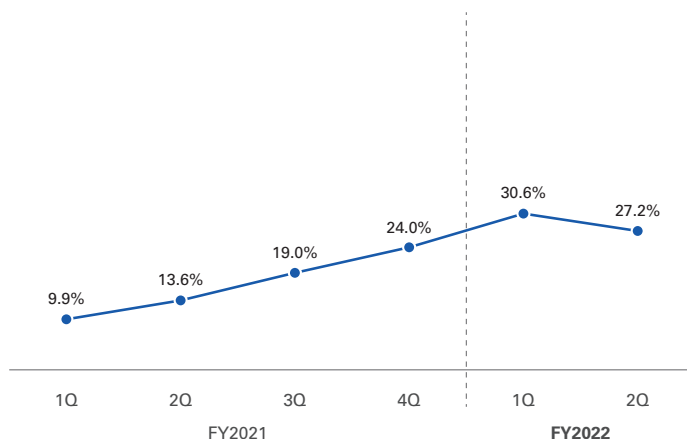


Note: The percentages calculated are subject to minor rounding differences

⁽³⁾ Smart retail RSV includes RSV contributed from e-commerce and smart retail applications. Smart retail applications refer to the use of digital tools, such as CloudSales 365, Cloud Kiosk, Smart Tray, etc., in enhancing customer experience and offering customers wider array of product options and greater convenience.

Hong Kong & Macau of China

% of RSV settled by China UnionPay, Alipay, WeChat Pay or RMB



- The percentage of RSV settled by China UnionPay, Alipay, WeChat Pay or RMB to the total RSV of Hong Kong and Macau market declined to 27.2% from 30.6% last quarter.

POS Network

- The Group added a net of 366 POS in Mainland China during the Quarter, including 385 net POS openings of CHOW TAI FOOK JEWELLERY (2 net openings of self-operated store and 383 net openings of franchised store). As at 30 September 2021, 69.5% of our CHOW TAI FOOK JEWELLERY POS in Mainland China were in franchised format.
- In Hong Kong & Macau and other markets, the Group net closed 3 CHOW TAI FOOK JEWELLERY POS in Hong Kong and opened 1 CHOW TAI FOOK JEWELLERY POS in other markets during the Quarter.
- As at 30 September 2021, the Group had 5,214 POS in total.

CAUTION STATEMENT

The Board wishes to remind investors that the above operational update is based on the Company's internal records and management accounts for the three months ended 30 September 2021 which have 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, 12 October 2021

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