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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 JUNE 2022

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 June 2022 (the “First Quarter”, or the “Quarter”). The unaudited key operational data in this announcement should be read in conjunction with the Company’s FY2022 annual report.

KEY OPERATIONAL DATA

For the three months ended 30 June 2022

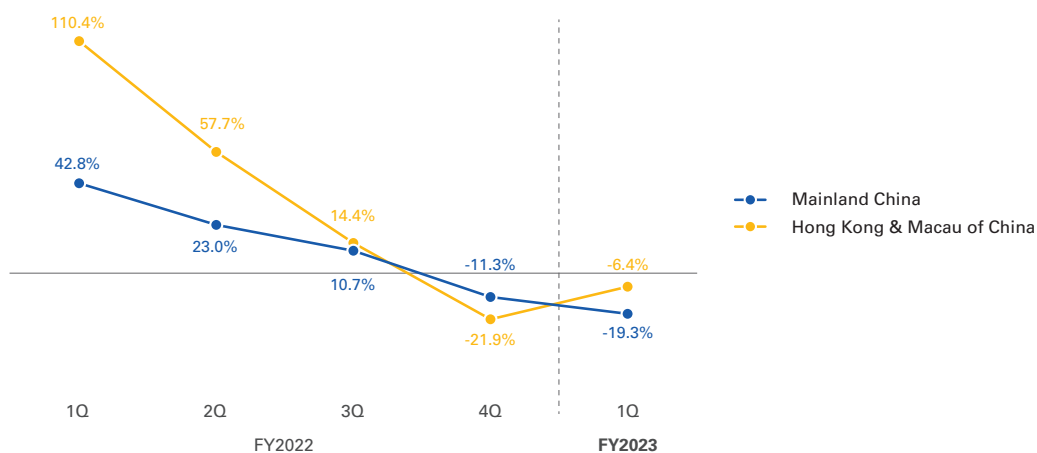
(% change compared to the same period last year)

	Group	
	Mainland China	Hong Kong & Macau of China and other markets
Retail Sales Value ⁽¹⁾ (“RSV”) growth	-3.7%	
RSV growth	-2.8%	-11.0%
Contribution to Group RSV	89.9%	10.1%
	Mainland China	Hong Kong & Macau of China
Same Store Sales ⁽²⁾ (“SSS”) growth	-19.3%	-6.4%
SSS volume growth	-22.8%	-8.4%
SSSG by product		
— Gem-set, Platinum and K-gold jewellery	-17.2%	-18.4%
— Gold jewellery and products	-17.0%	+1.0%

⁽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 First Quarter is the RSV from the self-operated POS of CHOW TAI FOOK JEWELLERY existing as at 30 June 2022 and which have been opened prior to 1 April 2021. RSV from franchised POS and other channels are not included.

Same Store Sales Growth

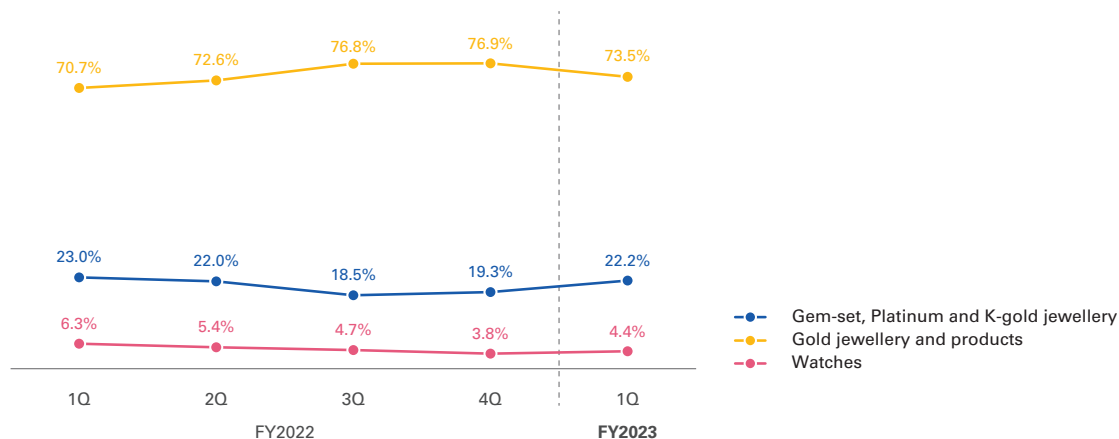


- During the First Quarter, both Mainland China (the “Mainland”) and Hong Kong and Macau recorded negative SSSG due to the resurgence of the pandemic and a high base of comparison. As a result, SSS in the Mainland dropped by 19.3% year-on-year during the Quarter. Yet, sequential improvement was seen with June SSSG returned to positive. In Hong Kong and Macau, SSS declined by 6.4%. Hong Kong’s SSSG was 7.3% in the Quarter whereas Macau registered a negative SSS of 34.3% as tourist traffic reduced due to the pandemic in the Mainland.
- In the Mainland, SSS of gem-set, platinum and k-gold jewellery category dropped by 17.2%, while its RSV decreased 6.3% during the Quarter. SSS of gem-set, platinum and k-gold jewellery category in Hong Kong and Macau declined by 18.4% during the Quarter. Same Store Average Selling Price (“ASP”) trend of gem-set jewellery was stable in both markets during the Quarter. In the Mainland, Same Store ASP remained at HK\$7,300 (1QFY2022: HK\$7,300) while that of Hong Kong and Macau increased to HK\$16,500 (1QFY2022: HK\$14,000).
- Gold jewellery and products category includes those selling by weight and at fixed price. In the Mainland, SSS of the product category decreased by 17.0% during the Quarter, yet its ASP was lifted to HK\$5,600 (1QFY2022: HK\$5,200). In Hong Kong and Macau, SSS of the product category slightly increased by 1.0% and ASP was HK\$6,100 (1QFY2022: HK\$6,000). The average international gold price in the Quarter was 3.0% higher when compared to the same period last year.

RSV Analysis

Mainland China

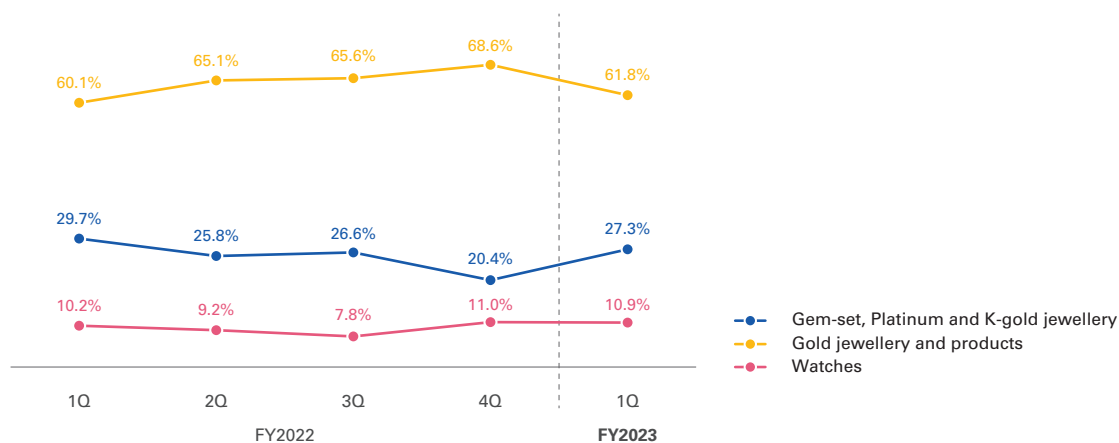
% of respective RSV by product



- With our retail expansion strategy leveraging franchisees' local knowledge, RSV of the franchised portion in CHOW TAI FOOK JEWELLERY increased by 9.4% year-on-year and its contribution to the RSV of CHOW TAI FOOK JEWELLERY increased to 63.8% (1QFY2022: 57.6%) in the Mainland during the Quarter.
- Smart retail RSV⁽³⁾ in Mainland China decreased by 23.9% year-on-year yet its volume recorded an increase of 6.7% in the First Quarter. Its contribution to Mainland China's RSV was 7.5% in the Quarter of which 1.6% 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. Major e-commerce platforms included Chow Tai Fook eShop, Tmall, JD.com, Vipshop; Smart retail applications refer to the use of digital tools, such as CloudSales 365, Cloud Kiosk, Smart Tray, etc.

POS Network

- The Group added a net of 312 POS in Mainland China during the Quarter, including 338 net POS openings of CHOW TAI FOOK JEWELLERY (24 self-operated stores and 314 franchised stores). As at 30 June 2022, 74.7% of our CHOW TAI FOOK JEWELLERY POS in the Mainland were in franchised format.
- In Hong Kong & Macau of China and other markets, the Group closed 1 MONOLOGUE POS in Hong Kong while opened 1 CHOW TAI FOOK JEWELLERY POS in other markets during the Quarter.
- As at 30 June 2022, the Group had 5,931 CHOW TAI FOOK JEWELLERY POS and 283 POS for other brands 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 June 2022 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 July 2022

As at the date of this announcement, the executive directors are Dr. Cheng Kar-Shun, Henry, Mr. Cheng Chi-Heng, Conroy, Ms. Cheng Chi-Man, Sonia, Mr. Wong Siu-Kee, Kent, Mr. Chan Sai-Cheong, Dr. Cheng Chi-Kong, Adrian, 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.