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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 31 DECEMBER 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 31 December 2022 (the “Third Quarter”, or the “Quarter”). The unaudited key operational data in this announcement should be read in conjunction with the Company’s interim report 2022/2023.

KEY OPERATIONAL DATA

For the three months ended 31 December 2022

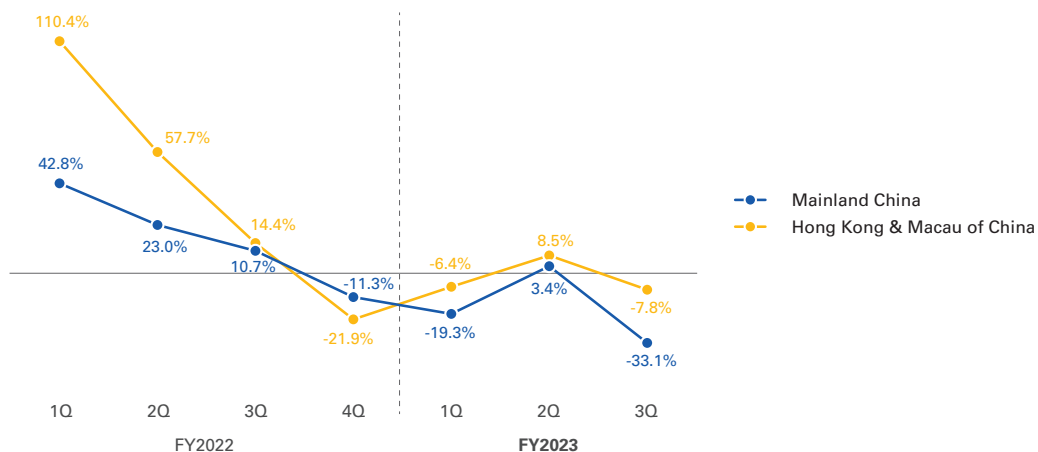
(% change compared to the same period last year)

	Group	
	Mainland China	Hong Kong & Macau of China and other markets
Retail Sales Value ⁽¹⁾ (“RSV”) growth	-19.3%	
RSV growth	-20.4%	-11.1%
Contribution to Group RSV	86.6%	13.4%
	Mainland China	Hong Kong & Macau of China
Same Store Sales ⁽²⁾ (“SSS”) growth	-33.1%	-7.8%
SSS volume growth	-37.4%	-35.1%
SSSG by product		
— Gem-set, Platinum and K-gold jewellery	-31.8%	-2.9%
— Gold jewellery and products	-35.8%	-11.4%

⁽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 Third Quarter is the RSV from the self-operated POS of CHOW TAI FOOK JEWELLERY existing as at 31 December 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

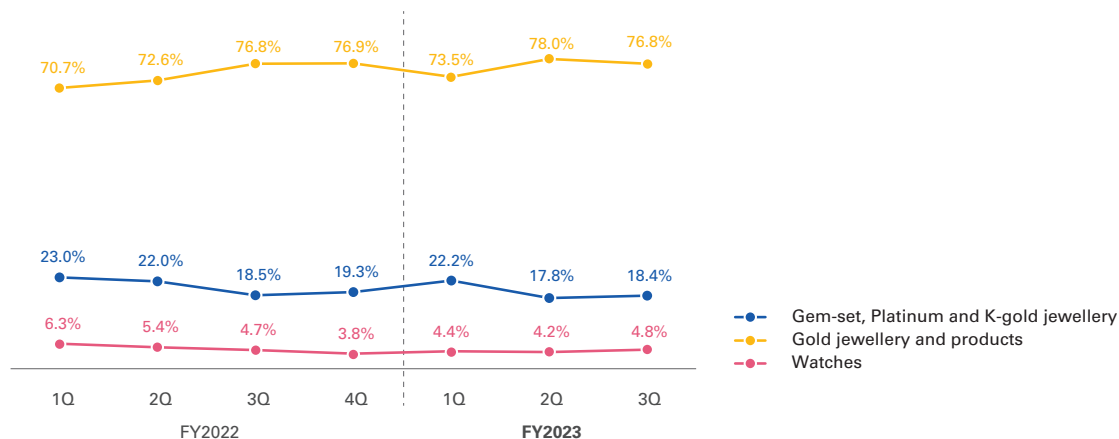


- During the Third Quarter, both Mainland China (the “Mainland”) and Hong Kong and Macau recorded a negative SSSG, due to the near-term impact of the pandemic which affected consumption behaviour. SSS in the Mainland dropped by 33.1% year-on-year during the Quarter, due to lower levels of mobility across different parts of the Mainland. SSS in Hong Kong and Macau decreased by 7.8%. Separately, Hong Kong’s SSSG rose by 6.4% in the Quarter whereas Macau registered a negative SSSG of 40.0% as a result of reduced tourist traffic amid the pandemic in the Mainland.
- In the Mainland, SSS of gem-set, platinum and k-gold jewellery category dropped by 31.8%, while its RSV decreased by 21.0% during the Quarter. SSS of the product category in Hong Kong and Macau was down by 2.9% during the Quarter. In the Mainland, the Same Store Average Selling Price (“ASP”) of gem-set jewellery was HK\$8,200 (3QFY2022: HK\$7,300) while that of Hong Kong and Macau was HK\$15,000 (3QFY2022: HK\$16,800).
- Gold jewellery and products category includes gold products sold by weight and at fixed price. In the Mainland, SSS of the product category was down by 35.8% during the Quarter. Its ASP was steady at HK\$5,100 (3QFY2022: HK\$5,100). In Hong Kong and Macau, SSS of the product category decreased by 11.4% and its ASP was lifted to HK\$6,600 (3QFY2022: HK\$4,600), mainly attributable to an increased share of the gold products sold by weight, which generally carry a higher ASP than the fixed price gold product. The average international gold price in the Quarter was 3.7% lower when compared to the same period last year.

RSV Analysis

Mainland China

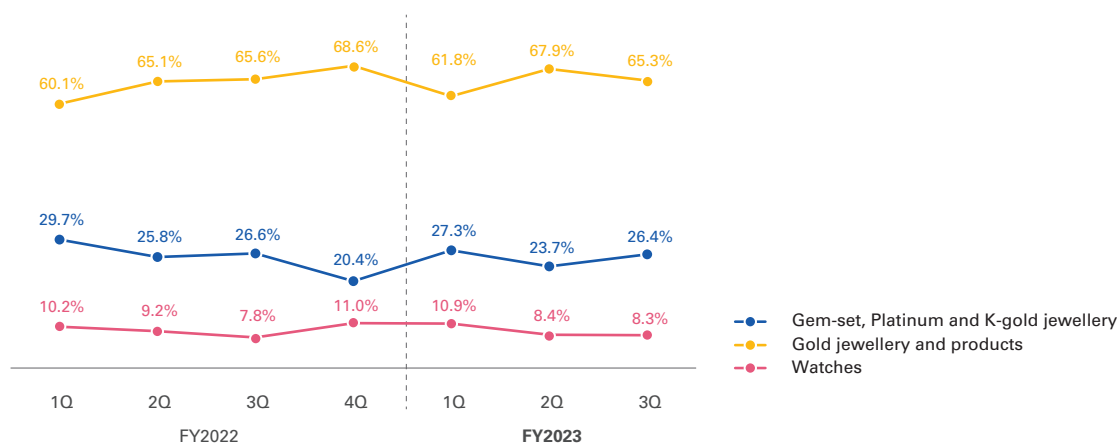
% of respective RSV by product



- Weighed by the pandemic, RSV of the franchised portion in CHOW TAI FOOK JEWELLERY decreased by 11.3% year-on-year. Its contribution to the RSV of CHOW TAI FOOK JEWELLERY expanded to 66.3% (3QFY2022: 60.0%) in the Mainland during the Quarter, supported by the steady opening of franchised stores.
- RSV of e-commerce in Mainland China declined by 29.3% as the volume dropped by 40.2% year-on-year as online demand, in particular the lower ASP products, and logistics were affected by the pandemic. However, ASP increased by 21.9% year-on-year. E-commerce's contribution to Mainland China's RSV amounted to 6.0% in this period.

Hong Kong & Macau of China and other markets

% of respective RSV by product



Note: The percentages calculated are subject to minor rounding differences

POS Network

- The Group added a net of 433 POS in Mainland China during the Quarter, including 448 net POS openings of CHOW TAI FOOK JEWELLERY (51 self-operated stores and 397 franchised stores). As at 31 December 2022, CHOW TAI FOOK JEWELLERY POS in the Mainland were totaled at 7,016 and 76.0% of them were in franchised format.
- In Hong Kong & Macau of China and other markets, the Group net closed 2 CHOW TAI FOOK JEWELLERY POS in Hong Kong and Macau while opened 5 CHOW TAI FOOK JEWELLERY POS in other markets during the Quarter.
- As at 31 December 2022, the Group had 7,151 CHOW TAI FOOK JEWELLERY POS and 253 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 31 December 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, 13 January 2023

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 Mr. Kwong Che-Keung, Gordon, Mr. Lam Kin-Fung, Jeffrey, Dr. Or Ching-Fai, Raymond, Ms. Cheng Ka-Lai, Lily, Mr. Chia Pun-Kok, Herbert and Ms. Fung Wing-Yee, Sabrina.