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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 2023

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 2023 (the “Second Quarter”, or the “Quarter”). The unaudited key operational data in this announcement should be read in conjunction with the Company’s FY2023 annual report.

KEY OPERATIONAL DATA

For the three months ended 30 September 2023

(% change compared to the same period last year)

	Group	
Retail Sales Value ⁽¹⁾ (“RSV”) growth	+5.8%	
	Mainland China	Hong Kong & Macau of China and other markets
RSV growth	+0.6%	+54.1%
Contribution to Group RSV	85.9%	14.1%
	Mainland China	Hong Kong & Macau of China
Same Store Sales ⁽²⁾ (“SSS”) growth	-12.5%	+55.7%
SSS volume growth	-20.3%	+52.0%
SSSG by product		
— Gem-set, Platinum and K-gold jewellery	-27.7%	-4.3%
— Gold jewellery and products	-9.6%	+89.0%

⁽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 Second Quarter is the RSV from the self-operated POS of CHOW TAI FOOK JEWELLERY existing as at 30 September 2023 and which have been opened prior to 1 April 2022. RSV from franchised POS and other channels are not included.

Same Store Sales Growth

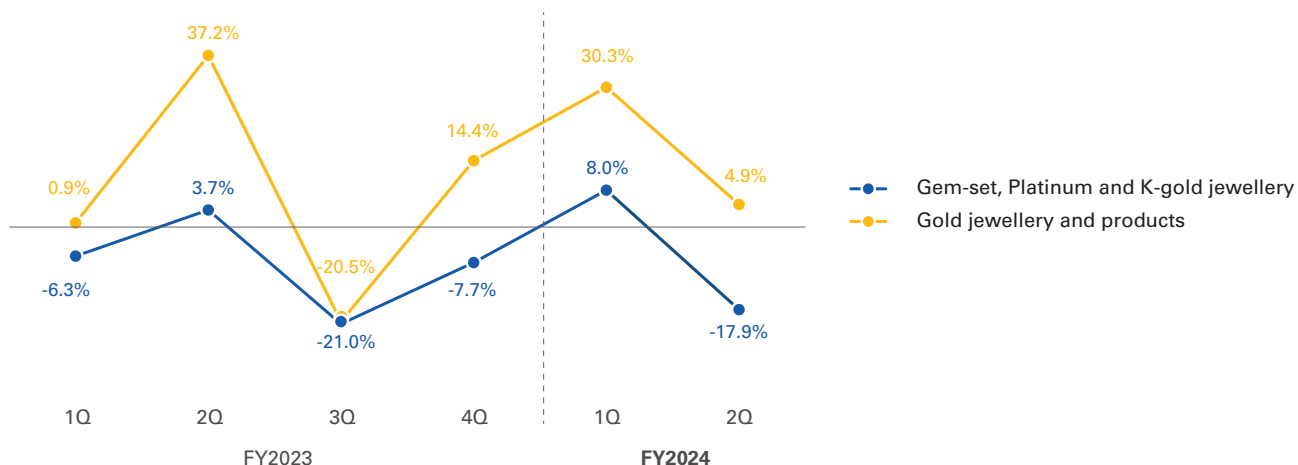


- During the Second Quarter, we observed a continued improvement in mobility and retail activity in Mainland China (the “Mainland”) and Hong Kong and Macau. SSS in the Mainland nonetheless dropped by 12.5% year-on-year during the Quarter due to the high base of comparison. In Hong Kong and Macau, the progressive return of Mainland tourists has been supportive to our business and SSS increased by 55.7%. SSSG grew by 43.0% and 116.7% for Hong Kong and Macau respectively.
- In the Mainland, SSS of gem-set, platinum and k-gold jewellery category declined by 27.7% whereas its RSV dropped 17.9% during the Quarter as weakened macro environment weighed on discretionary purchases in general. SSS of the product category in Hong Kong and Macau decreased by 4.3% during the Quarter. The trend of Same Store Average Selling Price (“ASP”) remained resilient, benefitting from the continued pricing strategy optimisation. In the Mainland, ASP was lifted to HK\$8,200 (2QFY2023: HK\$7,300), while that of Hong Kong and Macau was HK\$16,900 (2QFY2023: HK\$16,200).
- 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 9.6% during the Quarter owing to high base of comparison. ASP was further elevated to HK\$5,600 (2QFY2023: HK\$5,200). In Hong Kong and Macau, SSS of the product category surged by 89.0%, benefitting from the Mainland tourist influx. Its ASP also ascended to HK\$8,700 (2QFY2023: HK\$7,900).
- The average international gold price in the Quarter was 11.5% higher when compared to the same period last year.

RSV Analysis

Mainland China

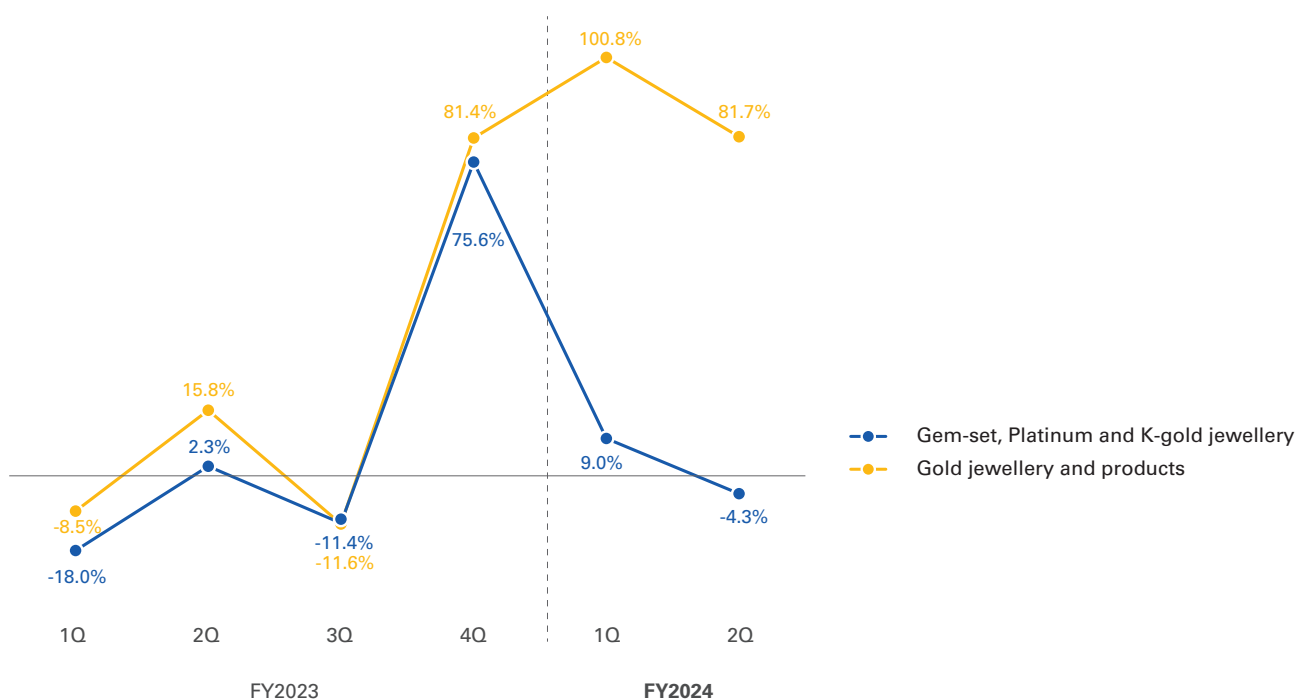
YoY change of respective RSV by product



- RSV contribution of gem-set, platinum and k-gold jewellery was 14.5% while that of gold jewellery and products was 81.3%.
- RSV of franchised CHOW TAI FOOK JEWELLERY stores increased by 5.2% during the Quarter, supported by store opening over the past 12 months and the overall ramp up of store productivity. Franchised POS' contribution to the respective RSV expanded to 69.8% (2QFY2023: 66.5%) in the Mainland during the Quarter.
- E-commerce's contribution in Mainland China remained stable at 4.5% in RSV and 11.4% in volume in the Quarter.

Hong Kong & Macau of China and other markets

YoY change of respective RSV by product



Note: The percentages calculated are subject to minor rounding differences.

— RSV contribution of gem-set, platinum and k-gold jewellery was 14.7% and that of gold jewellery and products was 80.0%.

POS network

As at	30.6.2023			Net	30.9.2023	
	Total	Addition	Reduction		Total	Total
CHOW TAI FOOK JEWELLERY	7,500	174	(75)	99	7,599	
Mainland China ⁽¹⁾	7,364	168	(74)	94	7,458 ⁽²⁾	
Hong Kong & Macau of China	85	2	(1)	1	86	
Other markets	51	4	—	4	55	
Other brands	240	8	(9)	(1)	239	
Mainland China	230	8	(9)	(1)	229	
Other markets	10	—	—	—	10	
Total	7,740	182	(84)	98	7,838	

⁽¹⁾ CTF Watch excluded

⁽²⁾ 76.9% of CHOW TAI FOOK JEWELLERY POS were in franchised format

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 2023 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 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, 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.