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# 六福集團(國際)有限公司

## LUK FOOK HOLDINGS (INTERNATIONAL) LIMITED

(於百慕達註冊成立之有限公司)  
(Incorporated in Bermuda with Limited Liability)  
Stock Code 股份代號 : 0590

### RETAIL SALES PERFORMANCE FOR THE THIRD QUARTER<sup>(1)</sup> OF FINANCIAL YEAR ENDING 31 MARCH 2024

#### Highlights

- The Group's overall retailing revenue<sup>(2)</sup>, experienced a substantial growth of 75% during the third quarter and rose by approximately 20% when compared to the pre-pandemic year level of 3Q FY2018/19 ("FY2019").
- The Group's overall RSV<sup>(3)</sup>, increased by 46% year-on-year during the third quarter and exceeded the level of 3Q FY2019 by 40%
- The Hong Kong SAR<sup>(4)</sup>, China and Macau SAR<sup>(5)</sup>, China market has been the main growth driver for the Group's retailing business. In the third quarter, its same store sales<sup>(6)</sup> (SSS) was +80%, and surpassing by over 10% of 3Q FY2019's level.
- The overall SSS of self-operated shops in the Mainland China<sup>(7)</sup> market was +18% during the third quarter under the low base effect.
- The overall RSV mix of gold<sup>(8)</sup> products increased by 1 p.p. to 79% year-on-year, and a 15 p.p. increase from 3Q FY2019, which served as the key growth engine for the Group's retailing business.

	Group Overall	Hong Kong and Macau	Mainland
SSS	+67%	+80%	+18%
Retailing Revenue	+75%	+97%	+39%
RSV	+46%	+97%	+37%
Product Mix :	Gold and Platinum : 79% Fixed Price Jewellery : 21%	Gold and Platinum : 78% Fixed Price Jewellery : 22%	Gold and Platinum : 80% Fixed Price Jewellery : 20%
Net Shop Additions	+64	0	+62

#### Remarks:

- (1) The third quarter: Hereafter refers to as "3Q" or the "Quarter", covers the period from 1 October to 31 December
- (2) Retailing revenue included retail sales amount of self-operated shops and e-commerce business
- (3) Retail sales value ("RSV") is calculated using the final retail price of products sold to customers in self-operated shops, licensed shops and the platforms of e-commerce business
- (4) Hong Kong SAR, China: Hereafter refers to as "Hong Kong"
- (5) Macau SAR, China: Hereafter refers to as "Macau"
- (6) Same store sales ("SSS") represented a comparison of sales of the same self-operated shop having full day operations in the comparable periods and such data did not include sales of licensed shops and Mainland China's e-commerce business
- (7) Mainland China: Hereafter refers to as "Mainland"
- (8) Gold refers to gold products sold by weight basing on international market price, i.e. at non-fixed price

Luk Fook Holdings (International) Limited (the “Company”), together with its subsidiaries (the “Group”), announces the retail sales performance of the Group for 3Q of the financial year ending 31 March 2024 (“FY2024”) covering the period from 1 October 2023 to 31 December 2023.

## Group Overall

	3Q FY2024 vs 3Q FY2023	2Q FY2024 vs 2Q FY2023	3Q FY2023 vs 3Q FY2022
<b>SSS</b>			
<b>Overall</b>	<b>+67%</b>	<b>+31%</b>	<b>-10%</b>
• Gold	+80%	+30%	-5%
- Gold (by Weight)	+55%	+15%	-1%
• Fixed Price Jewellery	+37%	+36%	-21%
- Diamond	+18%	+19%	-26%
- Fixed Price Gold	+70%	+76%	-11%
<b>Retailing Revenue - Year-on-Year</b>			
<b>Overall</b>	<b>+75%</b>	<b>+47%</b>	<b>-11%</b>
<b>RSV - Year-on-Year</b>			
<b>Overall</b>	<b>+46%</b>	<b>+9%</b>	<b>-28%</b>
<b>RSV - Product Mix</b>	<b>3Q FY2024</b>	<b>2Q FY2024</b>	<b>3Q FY2023</b>
• Gold and Platinum	79%	78%	76%
• Fixed Price Jewellery	21%	22%	24%

Following the complete reopening of borders amongst Hong Kong, Macau and Mainland since 4Q FY2023, the Hong Kong and Macau market have shown a sustained recovery. Furthermore, leveraging the low base effect in November and December, the Group maintained a strong growth momentum with an overall SSS of +67%. Despite an annual rise of over 14% in the average international gold price in USD per ounce during the Quarter, the SSS for gold products still displayed a significant growth of +80%, while fixed price jewellery products was +37%. The SSS of diamond and fixed price gold products included in fixed price jewellery products were +18% and +70% respectively, with the Hong Kong and Macau market as the main driver of such growth.

Compared to the pre-pandemic year of 3Q FY2019, the Group’s overall SSS was +16%, with a primary focus on the sales of gold products, notwithstanding a 61% increase in the average international gold price compared to 3Q FY2019.

The average exchange rate of RMB to HKD in the Quarter depreciated by 2% compared to the same period last year and 4% for FY2019.

The Group’s overall retailing revenue, including self-operated shops and e-commerce business, surged by 75% during the Quarter and rose by approximately 20% when compared to 3Q FY2019.

Moreover, the Group’s overall RSV, including self-operated shops, licensed shops and e-commerce business, increased by 46% year-on-year during the Quarter and exceeded the level of 3Q FY2019 by 40%.

## Hong Kong and Macau Market

	3Q FY2024 vs 3Q FY2023	2Q FY2024 vs 2Q FY2023	3Q FY2023 vs 3Q FY2022
<b>SSS</b>			
<b>Overall</b>	+80%	+41%	-8%
• Gold	+94%	+39%	-1%
- Gold (by Weight)	+65%	+22%	+3%
• Fixed Price Jewellery	+46%	+52%	-23%
- Diamond	+25%	+32%	-26%
- Fixed Price Gold	+88%	+103%	-15%
<b>Retailing Revenue - Year-on-Year</b>			
<b>Overall</b>	+97%	+63%	-6%
<b>Retailing Revenue - Product Mix</b>	<b>3Q FY2024</b>	<b>2Q FY2024</b>	<b>3Q FY2023</b>
• Gold and Platinum	78%	78%	73%
• Fixed Price Jewellery	22%	22%	27%

The number of visitors to the Hong Kong and Macau market showed sustained recovery since the reopening of borders. Coupled with the lower baseline, the Group's SSS in the Hong Kong and Macau market maintained remarkable growth of +80% in 3Q. Macau demonstrated an outstanding performance with a SSS of +165%, and +55% for Hong Kong. The Group's SSS in the Hong Kong and Macau market has exceeded the level of 3Q FY2019, mainly driven by gold products. Particularly noteworthy is the Macau market, which stood out with its impressive double-digit growth in SSS when compared to 3Q FY2019.

By product, SSS of the Hong Kong and Macau market's gold products was +94%, and +46% for fixed price jewellery products. The significant growth in fixed price jewellery products was primarily driven by the sales of fixed price gold products, which is +88% in terms of SSS and +25% for diamond products.

The Group's overall retailing revenue in the Hong Kong and Macau market nearly doubled year-on-year in 3Q and outperformed 3Q FY2019 by approximately 10%.

## Mainland Market

	3Q FY2024 vs 3Q FY2023	2Q FY2024 vs 2Q FY2023	3Q FY2023 vs 3Q FY2022
<b>SSS</b>			
Overall	+18%	-8%	-35%
• Gold	+22%	-5%	-33%
- Gold (by Weight)	+3%	-21%	-38%
• Fixed Price Jewellery	-2%	-20%	-38%
- Diamond	-35%	-47%	-48%
- Fixed Price Gold	+23%	+4%	-30%
<b>Sales Amount of E-commerce Business</b>			
Overall	+36%	+43%	-2%
• Gold	+43%	+56%	+1%
• Fixed Price Jewellery	-11%	-13%	-20%
<b>Retailing Revenue - Year-on-Year</b>			
Overall	+39%	+26%	-18%
<b>RSV - Year-on-Year</b>			
Overall	+37%	+5%	-26%
<b>RSV – Product Mix</b>			
	3Q FY2024	2Q FY2024	3Q FY2023
• Gold and Platinum	80%	78%	77%
• Fixed Price Jewellery	20%	22%	23%

Despite the lackluster macroeconomic conditions in the Mainland market, benefitted from the low base effect, the overall SSS of self-operated shops in Mainland was +18% during the Quarter, in which the SSS of gold products was +22% and -2% for fixed price jewellery products. E-commerce business in the Mainland market continue to show buoyant sales growth of +36% in 3Q. Consequently, the retailing revenue in Mainland, including the sales amount of self-operated shops and e-commerce business, increased by 40% year-on-year during the Quarter and surpassed 3Q FY2019's level by over 50%.

Licensed shops, which accounted for over 97% of the total shop count in Mainland, experienced a +19% in same store sales growth during the Quarter, with +24% and +4% for gold products and fixed price jewellery products respectively. For fixed price jewellery products, same store sales growth of fixed price gold products was +27% and -33% for diamond products. When compared to 3Q FY2019, same store sales growth of licensed shops was only behind by a high single-digit.

Furthermore, the overall RSV in Mainland, including self-operated shops, licensed shops and e-commerce business, increased by 37% year-on-year during the Quarter, in which the RSV of gold products and fixed price jewellery products recorded 44% and 17% growth respectively. RSV of fixed price gold products, which is in the fixed price jewellery category, recorded a 43% growth year-on-year, while diamond products had a 25% decline. In comparison to 3Q FY2019, the overall RSV in Mainland increased by 60%, which was mainly contributed by sales of gold products.

## Number of Shops

As at 31 December 2023, the Group had a total of 146 “Lukfook” self-operated shops worldwide including 68 in Mainland, 50 in Hong Kong, 16 in Macau, and 12 in overseas. As at the same date, together with 2,959 licensed shops in Mainland and 9 in overseas, there were a total of 3,114 “Lukfook” shops worldwide. Including 239 shops of other sub-brands and/or product lines in Mainland, the Group had a total of 3,353 shops globally.

The Group had a net addition of 62 shops in Mainland in 3Q, of which 44 were “Lukfook” shops and 18 were “Heirloom Fortune” shops, 2 “Lukfook Joaillerie” shops, and 4 “Love LUKFOOK JEWELLERY” shops, and reduced 6 “Goldstyle” shops. As at 31 December 2023, the Group had a total of 3,266 shops including 3,027 “Lukfook” shops, 56 “Goldstyle” shops, 139 “Heirloom Fortune” shops, 28 “Lukfook Joaillerie” shops and 16 “Love LUKFOOK JEWELLERY” shops in Mainland. The Group’s global distribution network is summarised as follows:

## Global Distribution Network

		Countries and Regions	Changes in 3Q FY2024	As at 31 Dec 2023
“Lukfook” Shops	Self-operated Shops	• Mainland	+1	68
		• Hong Kong	0	50
		• Macau	0	16
		• Other Regions	+2	12
		<b>Sub-total</b>	<b>+3</b>	<b>146</b>
	Licensed Shops	• Mainland	+43	2,959
		• Other Regions	0	9
		<b>Sub-total</b>	<b>+43</b>	<b>2,968</b>
	<b>Total</b>		<b>+46</b>	<b>3,114</b>
Sub-brands/ Product Lines in Mainland	Self-operated Shops	• “Goldstyle”	0	1
		• “Lukfook Joaillerie”	+1	3
		• “Heirloom Fortune”	0	13
	Licensed Shops	• “Goldstyle”	-6	55
		• “Lukfook Joaillerie”	+1	25
		• “Heirloom Fortune”	+18	126
		• “Love LUKFOOK JEWELLERY”	+4	16
	<b>Total</b>		<b>+18</b>	<b>239</b>
<b>Worldwide Total</b>		<b>+64</b>	<b>3,353</b>	

## **Outlook**

Since the demand for diamond products remain subdued in the Mainland, the Group will continue to actively promote non-diamond fixed price jewellery products, especially fixed price gold products, in order to enhance the performance of fixed price jewellery products. Moreover, the Group is optimistic about the immense growth potential in the overseas markets and intends to proactively allocate more resources to expand its footprint across the world. With the continuous improvement in the tourism industry and macroeconomic conditions, a strong growth momentum is expected to maintain in the Hong Kong and Macau market. Coupled with anticipated benefits from operating leverage, the Group is looking forward to exceeding pre-pandemic performance and strive to a new height.

## **Caution Statement**

The board of directors of the Company wishes to remind investors that the above operational data is based on the Company's internal records which have not been audited by auditors. **Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Luk Fook Holdings (International) Limited**  
**WONG Wai Sheung**  
*Chairman & Chief Executive Officer*

Hong Kong, 18 January 2024

*As at the date of this announcement, the Company's Executive Directors are Mr. WONG Wai Sheung (Chairman and Chief Executive Officer), Ms. WONG Hau Yeung, Ms. WONG Lan Sze, Nancy and Dr. CHAN So Kuen; the Non-executive Directors are Mr. WONG Ho Lung, Danny (Deputy Chairman), Mr. TSE Moon Chuen, Mr. HUI Chiu Chung, JP and Mr. LI Hon Hung, BBS, MH, JP; the Independent Non-executive Directors are Mr. IP Shu Kwan, Stephen, GBS, JP, Mr. MAK Wing Sum, Alvin, Ms. WONG Yu Pok, Marina, JP and Mr. HUI King Wai.*