

# Investor Snapshot

Stock Code: 417

## Corporate News

### The True Treasure

Given the improved conditions in Hong Kong's retail market combined with a higher number of visitors from Mainland China, Tse Sui Luen Jewellery (International) Limited ("TSL Jewellery" or the "Company", together with its subsidiaries the "Group", HKSE stock code: 417), recorded a net profit of HK\$49.4 million for the 13 months ended 31 March 2018 (the "Period"), representing a significant surge by 113.2% when compared to the 12 months ended 28 February 2017 ("Year 2016/17"). Its turnover amounted to HK\$4,137 million, up by 21.3% when compared to Year 2016/17.

Earnings per share for the Period was 20.0 HK cents. The total dividend per share for the Period amounted to 9.4 HK cents, which is equivalent to a dividend payout ratio of 47.0% on a 13-month basis.

### Promising sales performance in Hong Kong and Macau markets

Sales turnover of the retail businesses in Hong Kong and Macau for the Period rose by 19.5%, which was driven by a reinvigorated market environment and the increased number of tourists visiting from Mainland China. The same store sales growth of retail chain stores in Hong Kong, other than those at Headquarters, was 19.0%. As a result of the gold product promotions and enrichment of product assortments, the average amount per invoice increased promisingly by 20.3%.

### Mainland China market remains growth engine

In Mainland China, the Group's self-operated stores – accounting for 39.3% of its turnover – continued to be the growth engine. Due to an expansion opportunity brought by the rising demand for daily jewellery products and the continuing emergence of the middle class,

future store openings are expected to keep its pace in Chinese cities including some major ones, with further 100 stores on track to open over the next two years. Moreover, to adapt to a shift of the consumers' shopping pattern, the Group is repositioning its retail network to focus more on shopping malls instead of department stores. Encouragingly, during this transition, the Group achieved a 10.4% same store sales growth, including a 13-month effect. Meanwhile, the e-business arm also posted a revenue growth at 33.8%.

Looking ahead, **Mrs. Annie Tse, Chairman and Chief Executive Officer of the Group**, anticipated that domestic consumption and spending from visitors will maintain the steady growth momentum of the jewellery retail market in Mainland China whereas the market in Hong Kong will keep on progressing in an L-shape recovery with a positive outlook. "To grasp the opportunity arising under current market conditions, we will continue to enrich our product assortments and the customer experience in our retail stores, and to invest in developing the younger generation market," Mrs. Tse said.



(from Left) Mrs. Annie Tse, Chairman and CEO and Ms. Estella Ng, Deputy Chairman, CSO and CFO  
(左起) 主席及行政總裁謝邱安儀女士、副主席及首席策略暨財務官伍綺琴女士

### 瑰麗靈瓏 匠心經營

受惠於香港零售市場的復甦及內地訪港人數的上升，截至2018年3月31日止13個月（「本期間」），謝瑞麟珠寶（國際）有限公司（「謝瑞麟珠寶」或「公司」，連同其附屬公司「集團」，股份代號：417）之純利錄得港幣4,940萬元，較截至2017年2月28日止12個月（「2016/17年度」）大幅增長113.2%。營業額錄得港幣41.37億元，較2016/17年度上升21.3%。

本期間每股基本盈利為20.0港仙，每股股息總額為9.4港仙，以13個月計算派息比率為47.0%。

### 港澳市場取得良好銷售表現

本期間香港及澳門零售業務之整體銷售額增長19.5%，主要受惠於市況改善及內地到訪遊客人數上升的推動。除總部以外，香港零售連鎖店之同店銷售增長為19.0%。有賴黃金產品促銷及其他提升產品種類之措施，每張發票的平均銷售額增加20.3%。

### 中國內地業務繼續成為增長火車頭

集團於中國內地的自營店舖之業務佔總營業額39.3%，繼續成為增長火車頭。日用珠寶產品需求日益增長及中產階層的持續湧現，為當地業務發展持續帶來商機。集團預期未來將於中國多個城市，當中包括一些主要城市，維持開店步伐，並於未來兩年內開設100間店舖。此外，為應對消費者購物模式的轉變，集團正重整零售網絡，將焦點從百貨公司轉至購物商場。在這段過渡期內，集團的同店銷售增長為10.4%，其中包括13個月的效應，成績令人鼓舞。同時，集團電子商貿業務營業額增幅亦達33.8%。

展望未來，集團主席及行政總裁謝邱安儀女士預期中國內地之本土消費及遊客消費將保持珠寶零售市場穩定增長的勢頭，而香港之零售市場將繼續以L型發展且前景樂觀。謝太表示：「為了把握當前市場環境帶來的商機，我們將繼續加強我們零售店舖的產品組合及顧客購物體驗，同時亦將繼續投資開發年輕市場。」

## Operational Focus

**11** new stores opened from April to June 2018  
家分店於2018年4月至6月期間開設

The Group has presence in 130 cities in Mainland China  
集團於中國內地的銷售網絡遍佈 130 個城市

### Store network coverage 集團銷售網絡覆蓋

Location 地點	No. of stores 店舖數目 (As of 30 June 2018 截至2018年6月30日)
Mainland China 中國內地	387
• Self-operated 自營店	195
• Franchised 加盟店	192
Hong Kong & Macau 香港及澳門	31
Malaysia 馬來西亞	5
Japan 日本	1
<b>Total 總數</b>	<b>424</b>

## Sustainable Development

### The 12 Treasures: Brings Unconventional East-Meets-West Designs to Life

Adhering to the brand positioning of "Trendsetting Craftsmanship", TSL Jewellery is poised to bring more international perspectives into their jewellery designs and the latest attempt was the launch of its new collection – The 12 Treasures – under The Signature Collection, featuring a trendsetting reinterpretation of the Chinese zodiac that injected modern French elements into traditional Chinese designs to amalgamate the essence of Western and Chinese cultures.

The 12 Treasures are collaboratively designed by TSL Jewellery and the renowned French jewellery designer Isa Parvex who is known for her avant-garde and fashionable designs. After lots of research about the characters of animals and Chinese culture, Isa was inspired to use geometric lines to depict the different characters and symbolisms of each zodiac creature, representing unique positive energy. To demonstrate the uniqueness of the collection, the Group envisages a magical Wanderland to present the artistic 12 symbols of the Chinese zodiac from a fresh perspective.

Striving for the exquisite craftsmanship, the designs have been realized by the TSL Jewellery team with their superior skills

acquired through extensive training in craftsmanship in Switzerland. The craftsmen portrayed the features of the treasures using different techniques such as separating into different components for detailed polishing to heighten the effect of three-dimensionality in the ears, mouths, and tails. The detailed hand carving and moveable parts demonstrate the Group's uncompromising dedication to perfection in jewellery making. The designs of the collection are distinctive and extraordinary, which is perfect for both special events and daily wear, breaking preconceptions in a modernist and minimalist style.



The 12 Treasures are collaboratively designed by TSL Jewellery and renowned French jewellery designer Isa Parvex

「12靈瓏」系列由謝瑞麟珠寶誠邀著名法國珠寶設計師Isa Parvex共同創作

### 糅合中西精髓 突破傳統概念 活現12靈瓏

以堅守「非凡工藝 潮流演繹」為宗旨，謝瑞麟珠寶銳意將外國元素帶進珠寶設計，最近全新推出的The Signature Collection - 12靈瓏系列，以引領潮流的手法演繹傳統中國十二生肖動物，並加入現代法式元素於傳統中國風格設計中，糅合中、西方的文化精髓。

「12靈瓏」系列由謝瑞麟珠寶誠邀著名法國珠寶設計師Isa Parvex共同創作。Isa的作品素以設計前衛及充滿時尚感著稱，她通過對各動物特點及中國文化作出大量研究，巧妙地使用幾何線條勾勒出每隻生肖動物的形態，呈現牠們不同的象徵意義及正面能量。為了突顯系列的獨特之處，集團特別構思出「妙想世界」的奇幻國度，以嶄新的手法來展現十二生肖的藝術美態。

秉承對精湛工藝的追求，謝瑞麟珠寶團隊曾遠赴瑞士，深入學習當地工藝，並於本系列設計中充分運用了他們高水準的工藝。工藝師將靈瓏的形態分成不同的小部件，例如：耳朵、嘴巴、尾巴等，每個小部件都經過拋光從而突顯三維效果。以細緻的人手雕刻打造可靈活活動的部件，展現了集團對珠寶制作的工藝追求，力臻完美。此系列具獨特且非凡的設計，打破現代主義及時尚簡約的固有概念，適合不同特別場合及日常佩戴。

## Frequently Asked Questions

Q: What are reasons for the decrease in the Group's gross profit margin during the Period?  
集團於本期間的毛利率為何下降了？

The Group's franchising business in Mainland China expanded during the Period, lifting the proportion of wholesale business which bears lower gross profit and slightly weighting down the overall gross profit margin. In addition, the rise in the percentage of gold product in total sales was another factor behind the drop. However, the Group's gross profit margin remained higher than its peers in the market.

由於集團於本期間擴展了中國內地加盟店業務，令附帶較低毛利的批發業務佔比提升，因而輕微拉低了整體毛利率。另外，黃金產品銷售佔總銷售比例的提升也是毛利率下跌的因素之一。但整體而言，集團毛利率仍然高於市場同業。

Q: When will the new official website be launched and what will its expected effect be?  
集團的官網商城何時推出？  
預期將帶來什麼效果？

The Group has launched its new official website for mobile users in Mainland China in June 2018 to complement the existing online channels and boost the O2O effect. The Group firmly believes the online business will maintain its growth and ultimately contribute a substantial and sustainable source of new revenue. It is observed that shoppers have become more accustomed to and comfortable with the online consumption model over recent years, so the Group will continue to invest in this business to take advantage of the changing trend in consumer behaviour. Nevertheless, we expect the sales proportion of e-business to remain at its current level as the Group's total turnover will continue to grow, fuelled by organic growth through new store openings.

集團已於2018年6月在中國內地推出全新的手機版官網商城，與現有網上平台互相補充，推動O2O發展。集團相信線上業務將持續增長，並最終可望成為集團持續可觀的盈利來源。據觀察，近年來消費者越來越習慣此類網上消費模式，為了把握消費者行為變化的趨勢帶來的商機，我們將繼續投資此項業務。由於開設新店舖將促進集團業務的有機增長，帶動銷售持續提升，我們預期電子商貿業務佔比將維持現有水平。

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TSL Investor Snapshot is a business update sent to investors and media every three months.

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