TSL | 謝瑞麟

Investor Snapshot

Stock Code: 0417.HK

Corporate News

Overcome challenges against global headwinds

Tse Sui Luen Jewellery (International) Limited ("TSL Jewellery" or the "Company", together with its subsidiaries the "Group") has announced its results for the year ended 31 March 2020 (the "Year"). The Group's turnover for the Year was approximately HK$2,913.8 million, representing a decrease of 28.3% from HK$4,064.9 million for the year ended 31 March 2019 (the "FY2018/19"). The Group recorded a loss attributable to owners of the Company for the Year of HK$89.7 million as compared to a profit attributable to owners of the Company of HK$54.2 million for FY2018/19.

The Year has been exceptionally tough for the Group. Clouded by external challenges including the aggravated tensions between the US and China, socio-political unrest in Hong Kong and the worldwide COVID-19 outbreak, the Group's results of the Year have been negatively and significantly impacted. The turnover of the Hong Kong and Macau retail businesses decreased by 44.6% as compared to FY2018/19 with minus 41.6% same store sales growth. The Group also recorded a year-on-year decrease of 20.8% in the turnover of its self-operated stores in Mainland China, with same store sales growth being minus 21.3%.

In response to the turbulent retail market, the Group has acted swiftly and implemented stringent cost control and manpower restructuring measures including negotiations with landlords for rental relief or reduction, and minimization of administrative expenses. In addition, the Group has streamlined its business operations and rationalized its retail network to maintain sustainable profitability. The above measures have achieved remarkable results as the Group's total operating expenses have decreased notably by 19.5% during the Year compared to FY2018/19.

Looking ahead, with uncertainties continuing to blight the prospect, Mrs. Annie Tse, Chairman and Chief Executive Officer of the Group expected that extra caution would still be required. The worldwide economy in the coming financial year is likely to stay under the shadow of further trade negotiations between the US and China. "In this challenging time, the Group will continue to adopt a prudent approach and reinforce cost control measures to weather such a tough business environment, which may potentially impede our performance for an extended period of time. Nevertheless, we will strengthen our solid base in Hong Kong while sustaining brand presence to capture emerging growth opportunities in the Greater Bay Area", she said.

靈活銳變　逆風前行

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」)宣佈其截至2020年3月31日止年度(「本年度」)之全年業績。集團本年度營業額約為港幣2,913,800,000元，較截至2019年3月31日止年度(「2018/19財政年度」)之營業額港幣4,064,900,000元下跌28.3%。集團於本年度錄得港幣89,700,000元的本公司擁有人應佔虧損，而2018/19財政年度則錄得港幣54,200,000元的本公司擁有人應佔盈利。

對集團而言，本年度的經營環境十分嚴峻。中美關係緊張、香港社會政治動盪及全球爆發新冠病毒等多項不明朗因素，令集團本年度的業績明顯受到負面影響。

(From left) Mrs. Annie Tse, Chairman and CEO of the Group and Ms. Estella Ng, Deputy Chairman, Chief Strategy Officer and CFO of the Group

（左起）集團主席及行政總裁謝邱安儀女士及集團副主席、首席策略暨財務官伍綺琴女士

年內，集團港澳零售業務營業額與2018/19財政年度相比下跌44.6%，同店銷售則下跌41.6%；中國內地的自營店營業額按年錄得幅20.8%跌，同店銷售亦下降21.3%。

面對惡劣的零售環境，集團迅速採取應對策略，並嚴格實行一系列的成本控制及人力資源重組措施，包括積極與業主商討豁免租金或調減租金、減低行政成本、精簡營運架構及調整分店網絡以維持店舖的可持續盈利能力。上述措施取得成果，本年度集團的經營成本較2018/19財政年度下跌19.5%，成效顯著。

展望未來，經濟前景仍然被不確定因素所籠罩，集團主席及行政總裁謝邱安儀女士預期未來仍需加倍謹慎經營。中美貿易談判將繼續影響環球經濟及為下個財政年度增添不明朗因素。「在此充滿挑戰的環境下，集團將持續採取審慎的經營策略，加強成本控制，以應對目前或者未來可能持續一段更長時間的嚴峻市況。儘管如此，集團將鞏固香港的營運基礎，同時加強品牌在大灣區的影響力，捕捉商機。」

Operational Focus

12 **new store(s) opened from April to June 2020**
家分店於2020年4月至6月間開設

The Group has presence in 131 cities in Mainland China
集團於中國內地的銷售網絡遍佈131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 2020 截至2020年6月30日)
Mainland China 中國內地	443
Self-operated 自營店	*188*
Franchised 加盟店	*255*
Hong Kong & Macau 香港及澳門	32
Malaysia 馬來西亞	6
Japan 日本	1
Total 總數	**482**

Sustainable Development

Strategic e-commerce development yields robust growth

The Group's e-business is steadily gaining significance and will be a sustainable source of sales revenue. To capitalize on the digital sales growth, the Group has accelerated its development in sales channels and strategies in the recent years. During the "618 Shopping Festival" in June 2020, the turnover of Group's e-commerce platforms such as Tmall, Vip.com, JD.com, and our official online store have recorded a high double-digit growth in comparison to the same period in 2019.

Online shopping has become an important alternative as the pandemic affects traditional retail. Younger consumers, the Generation Z "digital natives", particularly embrace online consumption as a way of life. The Group makes appropriate adjustments to its e-business strategies from time to time, including engaging KOLs, making technical enhancement to the user experience, offering special promotions, and enriching the product portfolio to capitalize on this opportunity. In the first quarter, the Group has launched over 80 new products, from intricate pendants to delicate earrings and dramatic necklaces. The products are well designed to target the Gen Z consumers who prefer fashionable and personalized designs for self-expression. The Group is pleased that some of the products have received "The 3rd Chinese Design Award - Innovation Design", jointly presented by Zhenhai District People's Government of Ningbo City, Taiwan Design Alliance and China Vocational Education Association, etc. The award is widely recognized in the Greater China region and aims to commend the products with outstanding designs.

With the growth of online commerce, greater focus has been given to delivery efficiency. The Group is increasing the number of warehouses in Mainland China to expand its distribution capacity and shorten the delivery time. The number of the Group's JD.com warehouses will be increased to five in the near future, covering more major cities. Moreover, the Group will allocate more resources to e-business development and seek to elevate customer experience in the online environment, further attract consumers, and strengthen brand equity.

The Group has launched over 80 new products, from intricate pendants to delicate earrings and dramatic necklaces. The products are well designed with extraordinary refinement.

集團推出超過80件非凡工藝設計的新產品，從精緻的鏈墜、優雅的耳環到動人的項鏈皆應有盡有。

策略性發展帶動電商業務強勁增長

電商業務的重要性正日益增加，並成為集團的可持續收入來源。為了抓緊電商增長的勢頭，集團近年加快銷售渠道發展策略。在2020年6月的「618購物節」，集團於各大電商平台，如天貓、唯品會、京東等，以及集團官網商城的營業額較去年同期錄得強勁的雙位數字增長。

疫情衝擊著傳統零售業，令網購漸漸成為一個重要選項。年輕的「Z世代」消費群被喻為「數碼原住民」，他們視網購為生活的一部份。有見及此，集團不時調整電商業務策略以把握年輕客群帶來的商機，包括與網紅合作、從技術層面上提升用家網購體驗、推出特別優惠及提升產品組合等。集團於首季推出了超過80款新產品，從精緻的鏈墜、優雅的耳環到動人的項鏈，各種特色飾品應有盡有。產品專門為「Z世代」而設計，滿足這個年齡層追求時尚、講求個性化設計以突顯個人風格的特質。集團非常榮幸部份產品獲得「第三屆中華設計獎－新銳設計獎」，該獎項由寧波市鎮海區人民政府、台灣設計聯盟及中華職業教育社等聯合主辦。獎項在大中華區有廣泛認受性，旨在表揚超凡的產品設計。

隨著網購發展日趨成熟，消費者愈來愈重視交付效率。集團於中國內地正增加倉庫數目，以加強發貨能力及縮短送貨所需的時間。不久將來，集團於京東的自營店倉庫將增加至五個，覆蓋更多主要城市。另外，集團將會投放更多資源開發電商業務，致力提升客戶線上購物的體驗、吸引更多客戶及加強品牌效應。

Frequently Asked Questions

Q1: Has any rent reduction been applied to the Group's stores and to what extent? Will the Group consider store closures?
A1: The Group has proactively negotiated with the landlords for rental relief or reduction, and rebalanced its store portfolio to improve cost effectiveness. The reductions offered were approximately 20%. Amid a downturn in the retail landscape, the Group may consider to shut stores or slow down expansion in order to maintain profit contribution at a sustainable level. Adding to that, the Group will continue to implement stringent cost management including reshaping corporate structure and minimization of administrative expenses.

Q2: What is the Group's views on the second half of Year 2020?
A2: The global economy has been devastated by the coronavirus pandemic. For the first five months of 2020, the value of total retail sales of Hong Kong retail industry was provisionally estimated to have decreased by 34.8% compared with the same period in 2019. The rapid spread of COVID-19 is dealing a severe blow to economic activities while the US-China trade relation remains complex. The economic outlook on the second half is beset with considerable uncertainties and downward pressures. The Group has sufficient cash flow to meet the business needs and will closely monitor the situation and manage the risks prudently. With its solid foundation and brand presence, the Group is confident that it will be able to overcome the current challenges and thrive in the long run.

問1: 請問集團店舖所獲得的減租情況如何？集團會否考慮關店？
答1: 集團積極地與業主商討豁免租金或減租事宜，並調整店舖組合以提升成本效益。集團店舖獲得的減租幅度大約為20%。在零售市況低迷下，集團可能考慮關店或減慢擴充計劃使盈利貢獻達致可持續水平。此外，集團亦會繼續實行嚴格的成本控制，包括重整公司架構及減低行政開支。

問2: 集團對於2020年下半年的市況有何看法?
答2: 疫情嚴重打擊環球經濟。2020年首五個月香港零售業總銷貨價值的臨時估計較去年同期下跌34.8%。新冠病毒的急速擴散令經濟活動受到負面影響，與此同時中美關係仍然複雜多變；下半年的經濟前景充滿不明朗因素及下行的壓力。雖然如此，集團有足夠的現金流應付業務需要，並會密切監察市況，謹慎做好風險管理。透過集團的穩固根基及品牌地位，集團有信心可以迎難而上，實現長遠的發展。

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