TSL | 謝瑞麟

Investor Snapshot

Stock Code: 417

Corporate News

Wise Management and Enduring Unity amid Challenges

Tse Sui Luen Jewellery (International) Limited ("TSL Jewellery" or the "Company", together with its subsidiaries the "Group", HKSE stock code: 417), has announced its interim results for the six months ended 30 September 2019 (the "Period"). The Group's turnover for the Period dropped by 13.5% when compared to the corresponding period of last year. The profit attributable to owners of the Company for the Period decreased year-on-year by 93.5% to HK$1.57 million.

2019 was a challenging year for Hong Kong retailers beset by negative factors both global and local. Global economy has been disrupted by the prolonged U.S.-China trade disputes, hammering general consumption sentiment. The depreciation of Renminbi has also dragged down the spending power of Mainland visitors and thus our earnings from Mainland China businesses in Hong Kong dollar terms. Meanwhile, Hong Kong has been gripped by large-scale social unrest since late June. Weak local consumer sentiment has made it rather challenging for retail businesses and significantly affected the Group's interim results.

Looking ahead, Mrs. Annie Tse, Chairman and Chief Executive Officer of the Group anticipated the economic outlook to remain gloomy and shrouded in continued uncertainties from U.S.-China trade disputes and local social unrest. "Despite the sluggish domestic economy and business downturn, we will keep focusing on improving our sales by enriching our product assortments and customer experience. The Group will also continue to optimise its store network and take a prudent approach for the development of its retail business for the rest of the financial year under the current complicated and volatile circumstances," she said.

Sales Channel Optimisation

While external factors may impose negative influences on Hong Kong economy in the year 2020, the Group has taken actions to optimize its sales channels with various cost-control initiatives in light of current market conditions, including persistent negotiation with landlords for rental reduction or relief, as well as other efforts on reducing operating expenses.

Apart from maintaining its solid foundation in Hong Kong, the Group will continue to steadily expand its presence in Mainland China to capture Greater Bay Area opportunities, to create synergy effect in Hong Kong in the long run. The Group kept expanding by opening new stores in Mainland China in high-traffic and high quality shopping malls and strengthening its business expansion in tier-2 cities. For oversea markets, with stable growth in Malaysia, the Group will remain prudent while striving to maintain brand presence in regions beyond Greater China.

In terms of E-business development, to further boost O2O synergies, the Group collaborated with JD.com for a new flagship JD self-run store, with high quality and rapid delivery to customers. Now with presence in various online shopping platforms including TSL official online store, JD.com, Tmall, Vipshop.com, the Group's e-business achieved healthy YoY turnover growth of 27.7% for the Period.

The Group established a JD self-run flagship store
集團推出京東自營旗艦店

睿智管理　精誠團結

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）早前公佈截至2019年9月30日止六個月（「本期間」）的中期業績。本期間集團營業額較去年同期下降13.5%，本公司擁有人應佔盈利按年減少93.5%至港幣1.57百萬元。

2019年的營商環境充滿挑戰，而香港的零售業界更同時受全球及本地負面因素困擾。中美貿易戰持續對整體消費意欲產生了不利影響，令全球經濟受到打擊。人民幣貶值引致中國內地遊客的消費減少，並降低了以港元計算的中國內地業務收入。同時，自6月下旬開始，香港受大規模社會動盪所困擾。本地消費意欲疲弱為零售商帶來挑戰，亦對集團中期業績表現造成重大影響。

展望未來，集團主席及行政總裁謝邱安儀女士預期，受到中美貿易戰及本地社會事件所帶來的不確定性所影響，經濟前景仍不樂觀。她指出：「雖然本地經濟下滑，我們仍將繼續通過豐富我們的產品種類和客戶體驗來改善銷售。另外，在當前複雜多變的市場狀況下，本集團將繼續優化商店網絡，並在剩餘的財政年度內採取謹慎的態度發展零售業務。」

優化銷售渠道

儘管外部因素可能對2020年的香港經濟產生負面影響，集團已根據目前市況調整策略，採取多項措施優化銷售渠道，並推出了多項成本控制措施，包括繼續與業主就減租或豁免租金事宜進行商討，以及其他降低經營費用的措施。

除了在香港維持穩固的營運基礎之外，集團將繼續穩步擴大中國內地業務，捕捉大灣區機遇，以長遠與香港業務產生協同效應。集團會持續在中國內地人流暢旺和高品質的購物中心開設新店，拓展二線城市業務。海外市場方面，馬來西亞業務穩步增長，集團將維持審慎的態度，努力在大中華區以外的地區保持品牌影響力。

電子商貿業務發展方面，為進一步提升線上及線下的協同效應，集團與京東合作，新開設京東自營的旗艦店，向客戶提供高品質和快速的送貨服務。目前集團已進駐多個網上平台，包括謝瑞麟官網商城、京東、天貓及唯品會等購物平台，本期間集團的網上業務營業額同比錄得27.7%的穩健增長。

Operational Focus

31 **new stores opened from October to December 2019**
家分店於2019年10月至12月期間開設

The Group has presence in 135 cities in Mainland China
集團於中國內地的銷售網絡遍佈 135 個城市

Store network coverage 集團銷售網絡覆蓋

Location 地點	No. of stores 店鋪數目 (As of 31 December 2019 截至2019年12月31日)
Mainland China 中國內地	456
Self-operated 自營店	*199*
Franchised 加盟店	*257*
Hong Kong & Macau 香港及澳門	35
Malaysia 馬來西亞	6
Japan 日本	1
Total 總數	**498**

Sustainable Development

The Group is pleased to present the Purple Rat Collection to usher in the Year of Rat
本集團欣然推出子鼠系列產品迎接鼠年

Celebrating the Year of Rat – TREASURES FILL THE HOME

The rat became the first zodiac animal with its agility; it represents cleverness and energy. As the clock strikes from 11pm to 1am, called Zi ("子時", related to the ancient Chinese method of measuring time), the aura of the rat begins to take opportunity and action. With the above elements, 子鼠 is named. To welcome the year of Rat, our master crafters embed Western design aesthetics into Purple Rat Collection (子鼠), which stands for the jewelry aesthetics of TSL and is an innovative presentation of the Chinese zodiac series products. The Group will continue to adopt the same interesting and intriguing method to tell the zodiac stories that embed TSL jewelry aesthetics. Besides the Purple Rat Collection, the Group also presented a wide range of pure gold products featuring the Year of Rat, including necklaces, pendants and so on. Despite the domestic economic slowdown and business downturn, the Group will keep adhering to our brand positioning of Trendsetting Craftsmanship with exceptional products and customer service, and will also strive to capture opportunities from the Chinese New Year to gain traction.

靈鼠迎春賀新年 — 金銀滿載

鼠，通過機靈取巧，成為十二生肖之首。它代表著機靈聰穎，事事當先，快人一步。子時指23點至次日01點，正是老鼠伺機而動之時。中國古代將生肖和時辰相配，因此也有了「子鼠」。《子鼠》鼠年珠寶系列，以西方美學設計手法勾勒傳統生肖之首——鼠,《子鼠》是TSL珠寶美學，在生肖系列中的創新呈現，今後也會陸續以同樣的奇趣方式，講述蘊含TSL珠寶美學的生肖故事。除子鼠系列外，集團亦推出了以鼠年為主題的一系列足金產品，包括項鏈及吊墜等。儘管本地經濟低迷且生意不景氣，集團將繼續透過優質產品和客戶服務堅持集團「非凡工藝　潮流演繹」的品牌定位，並將致力把握農曆新年的機遇以吸引更多顧客。

Frequently Asked Questions

Q: What is TSL's views on the retail industry in 2020?
集團對2020年零售業有何看法？

Hong Kong's economy has experienced a setback amid the U.S.-China trade war and local social events. According to the latest government figures, the value of total retail sales in November 2019 decreased by 23.6% compared with the same month in 2018; the sales of jewellery, watches and clocks, and valuable gifts have recorded a decrease of 43.5% in value. The Hong Kong government has already anticipated a deficit to be recorded in its current financial year. Given that the economy is surrounded by challenges and uncertainties, it is expected that the local retail market will likely be under the shadow of a cautious consumption sentiment in 2020.

在中美貿易戰和社會事件持續影響下，香港經濟遭受打擊。根據政府最新數據，2019年11月份零售業總銷貨價值較去年同月下降23.6%；當中，珠寶首飾、鐘錶及名貴禮物的銷貨價值大跌43.5%。香港政府已經預料當期財政年度會出現赤字。鑑於經濟環境充滿挑戰和不確定性，預計2020年本港零售市場將可能受制於審慎的消費情緒。

Q: What measures will TSL take to overcome the challenges in 2020?
集團將採取甚麼措施來應對2020年的挑戰？

The Group has sufficient cash flow to face the challenges and will closely monitor the situation, manage the risks prudently, and stay alert to the changes in the market. In addition, the Group will continue to implement more cost saving initiatives, strengthen the brand value, enrich the product mix as well as enhance customer experience.

集團有充足現金流量來應對挑戰，並將密切監察市況、審慎管理風險、時刻關注市場變化。此外，集團將繼續推行更多節省成本的措施、提升品牌價值、豐富產品組合，並改善客戶體驗。

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

