



**Tse Sui Luen Jewellery (International) Limited  
Announces 2017/18 Interim Results**

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*Enhancing Effectiveness to Strengthen Competitive Edges*

**Financial Highlights**

<i>For the six months ended 31 August</i>	<b>2017 HK\$ Mil</b>	<b>2016 HK\$ Mil</b>	<b>Change</b>
<b>Turnover</b>	<b>1,733.5</b>	1,550.0	<b>+11.8%</b>
<b>Gross profit</b>	<b>712.2</b>	753.7	<b>-5.5%</b>
<b>Gross profit margin (%)</b>	<b>41.1</b>	48.6	<b>-7.5pts</b>
<b>Profit attributable to owners of the Company</b>	<b>17.5</b>	11.7	<b>+48.9%</b>
<b>Basic earnings per share (HK cents)</b>	<b>7.1</b>	5.6	<b>+26.8%</b>
<b>Interim dividend per share (HK cents)</b>	<b>2.1</b>	1.5	<b>+40.0%</b>

(24 October 2017, Hong Kong) **Tse Sui Luen Jewellery (International) Limited** (“TSL Jewellery” or the “Company”, together with its subsidiaries the “Group”, HKSE stock code: 417), one of the largest jewellers in Asia, today announced its interim results for the six months ended 31 August 2017 (the “Period”).

The Group’s sales turnover for the Period rose by 11.8% as compared to last year to HK\$1,733.5 million mainly due to the continuous expansion of its wholesale business in Mainland China and the stabilisation of the retail market in Hong Kong. The Group’s profit attributable to owners of the Company also recorded a surge of 48.9% to HK\$17.5 million. Earnings per share for the Period were 7.1 HK cents. The board of directors of the Company recommended an interim dividend of 2.1 HK cents per share.

“While we believe the retail market in Hong Kong may have finally bottomed out, it is still early to say if the industry is about to rebound,” said **Mrs. Annie Tse, Chairman and Chief Executive Officer of the Group**. “The turnover of our retail businesses in Hong Kong and Macau recorded an increase of 5.3%, while the same-store-sales growth of retail chain stores in the region was back to a positive growth of 3.6%, which was much improved from last year,” she continued, stating the Group’s overall performance for the Period was in line with her expectation.

Adhering to its “store-for-store” strategy and also taking the opportunity of a gradual drop in retail rentals in Hong Kong, the Group opened two new retail chain stores in the city, namely the ones at New Town Plaza in Sha Tin and YOHO Mall in Yuen Long. After penetrating into two more high-traffic shopping arcades in the Period, the Group achieved a more balanced mix of attractive locations in Hong Kong and Macau. With a steady and progressive network refinement, the total number of stores of the Group in Hong Kong and Macau reached 32 as of today, 24 October 2017.

Accounting for over 60% of the Group’s turnover, Mainland China remained as the main growth driver. Under the impact of devaluation of Renminbi during the Period, retail business in the region recorded a slight decline of 1.7% in sales. As of 31 August 2017, the number of self-operated shops was 198, while franchised shops rose from 132 to 151. As of today, the number of self-operated and franchised shops reached 197 and 160 respectively, amounting to a total of 357 shops in Mainland China, covering 121 cities.

Encouraged by the strong momentum from last year, the Group continued to record a sustainable growth in its e-business of 33.3% during the Period. Its major e-business platforms achieved a very positive result on the Chinese Valentine’s Day (i.e. 28 August 2017) as sales surged by 30% as compared with that in 2016. The Group will focus on enhancing sales performance and the Group’s brand rankings in the existing e-business platforms in the future.

Taking heed of the fundamentals of business, the Group managed to keep its healthy financial position by employing effective cost saving measures. With a promising decrease in its net gearing ratio from 58% on 31 August 2016 to 55% on 28 February 2017, and further down to 50% on 31 August 2017, the Group also succeeded in sustaining a healthy inventory level as well as cash and cash equivalents during the Period.

Looking ahead, **Mrs. Tse** concluded, “Given the stabilised retail environment where the L-shaped trend is going to remain, we will continue to refine our sales network and reinforce our market position as a Wedding Expert. We will proactively introduce more signature products with Trendsetting Craftsmanship so as to enhance product assortment and brand differentiation. The Group will also continue to work with various jewellery designers to create more crossover collections and bring refreshing ideas and shopping experience to its customers. By building on our competitive edges and enhancing our effectiveness, we will strive to create better returns to our shareholders, stakeholders and the community.”

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**About TSL Jewellery (HKSE stock code: 417)**

Tse Sui Luen Jewellery (International) Limited (“**TSL Jewellery**”, incorporated in Bermuda with limited liability) is one of the largest jewellers in Asia, that is principally engaged in jewellery design, manufacturing, trading, retailing and wholesaling. TSL Group was founded by Mr. Tse Sui Luen, a legend in the Hong Kong jewellery industry, in 1960. Tse Sui Luen Jewellery Company Limited was then incorporated in 1971 and TSL Jewellery was listed on The Stock Exchange of Hong Kong Limited in 1987. With the headquarters established in Hong Kong, TSL Jewellery currently operates over 350 jewellery boutiques spanning over 120 cities in Asia besides Hong Kong, including but not limited to Beijing, Shanghai, Chengdu, Guangzhou, Shenzhen, Macau and Kuala Lumpur.

For more information on TSL Jewellery, please visit: [www.tslij.com](http://www.tslij.com) or email to [ir@tslij.com](mailto:ir@tslij.com).