

Investor Snapshot

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Corporate News

United as one to face the COVID-19 pandemic

The ongoing COVID-19 outbreak has taken a heavy toll on the retail industry, dealing a severe blow to the global economy. To mitigate the economic fallout from the global pandemic, **Tse Sui Luen Jewellery (International) Limited** together with its subsidiaries ("the Group") has been implementing various measures actively since the onset of the outbreak in order to improve operating efficiency and save costs.

The Group has been conducting negotiations with landlords for further rental relief or reduction which have helped improve its cost effectiveness to a large extent. It has also streamlined its business operation to minimise all costs and expenses, and is restructuring its retail store network including store closures to maintain profit contribution at a sustainable level. With the above measures, the Group is well-positioned to weather the current unfavourable environment.

In accordance with the Chinese government's appeals in fighting COVID-19 pandemic, the Group closed approximately 60% of its self-operating stores temporarily in mid-February. Given that the outbreak in Mainland China appears to be contained, the Group has reopened its Shenzhen Office in March while Panyu factory has resumed operations in April. Currently, most of the Group's self-operating stores in Mainland China has been reopened.

As a socially responsible company, the health and safety of employees and the

community-at-large remain the Group's top priority. Apart from increasing the magnitude and frequency of cleaning and sanitation of all its offices and stores, the Group has also encouraged back office staffs to work from home. To avoid putting frontline staff at risk, the Group would keep monitoring the situation before making decision on when to reopen the remaining stores.

The Group will continue to be alert to the changing conditions, and at the same time keep implementing its stringent cost control measures and effective risk management. When the pandemic comes under control, the Group is confident that it will be able to leverage its trendsetting craftsmanship, diversified product range and unique customer experience to continue serving its customers well and generating positive value for the stakeholders.



The Group has been actively taking precautionary measures against the outbreak. Apart from strengthening cleaning and sanitation, disinfection supplies are also available to customers.

集團積極做好防疫工作，除了加強辦公環境的清潔及消毒外，現時門店亦提供消毒用品供客人使用。

團結一致 齊心對抗疫情

新冠肺炎不斷蔓延，重創零售業，對環球經濟亦造成沉重打擊。為減輕全球疫情對經濟帶來的影響，謝瑞麟珠寶（國際）有限公司連同其附屬公司（「集團」）自疫情爆發起，一直積極採取多項紓緩措施，以提升營運效益和節省開支。

集團持續與業主就進一步減免或豁免租金事宜進行商討，使成本效益得以大幅提升。集團亦精簡業務營運以降低所有成本和支出，並重整零售網絡（包括關店）使盈利貢獻到可持續水平。通過上述措施，集團已為應對當前不利環境做好準備。

此外，為配合中國政府的抗疫工作，集團於2月中旬暫時關閉約60%位於中國內地的自營店。鑑於內地疫情逐步受控，集團的深圳辦事處已於3月重新投入服務，而番禺廠房亦於4月恢復運作。目前，集團位於中國內地的大部分自營店已重新開業。

作為一家具社會責任的企業，集團視員工和社區的健康及安全為重中之重。集團除了加大辦公室和門店的清潔及消毒力度和增加次數外，亦鼓勵後勤員工留在家中工作。為減低前線員工受感染風險，集團會一直監察狀況，再制定餘下店舖重開計劃。

集團將繼續對形勢的發展保持警覺性，同時持續實施嚴格的成本控制措施和有效的風險管理。當疫情受控後，集團有信心憑藉其「非凡工藝 潮流演繹」的定位、多樣化的產品及獨特的客戶體驗，繼續為客戶提供優質服務，及為持份者創造價值。

Operational Focus

11 new stores opened from January to March 2020
家分店於2020年1月至3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 31 March 2020 截至2020年3月31日)
Mainland China 中國內地	445
Self-operated 自營店	192
Franchised 加盟店	253
Hong Kong & Macau 香港及澳門	32
Malaysia 馬來西亞	6
Japan 日本	1
Total 總數	484

Sustainable Development

Social Responsibility and Staff Development

The Group is dedicated to the sustainable development of the communities where it operates and its people.

For community engagement, the Group continues to actively support and participate in charitable activities in Hong Kong and Mainland China organised by non-governmental organisations, including Christian organisations and social enterprises, by means of donation, sponsorship and volunteer work. The environment, new immigrants and poverty alleviation are the three focus areas, while children and youth are the target audience of the Group's community initiatives. On the other hand, the TSL | 謝瑞麟 Foundation, a trust with the primary goal of supporting the sustainable development of the jewellery industry in Hong Kong, will continue to nourish the artisan heritage of the Group and transfer jewellery knowledge for the betterment of the industry.

For its people, the Group attaches importance to human resources with a mission to foster a respectful and caring workplace which respects employee rights and interests, embraces equal opportunities, safeguards health and safety, and emphasises training and development opportunities. To serve the training needs for business development and day-to-day operations, the Group regularly organises a series of training programmes for employees of different working levels and roles. Despite the decelerated domestic economic growth, the Group remains dedicated to retaining the talents, who are always its valuable asset.



The Group hosts company-wide social gatherings for staff every year. The theme of last year's annual meeting was "Leading the New Customer Experience".

集團每年均舉辦大型員工年會，去年年會以「引領客戶新體驗」為主題。



The Group held workshops for its employees in Mainland China, to share its corporate culture and convey the Group's vision, mission and value.

集團於中國內地舉辦員工工作坊，分享企業文化，傳遞集團的理想、使命及信念。

社會責任及員工發展

集團致力推動於營運所在地的社區及員工的可持續發展。

社區工作方面，集團積極支持及參與香港及中國內地非政府組織的慈善活動，包括向基督教機構及社會企業提供捐款、贊助，以及參與其義工活動。集團亦專注於環境、新移民及貧困人士等範疇，並以兒童及青年為主要受助目標。此外，集團創立的TSL | 謝瑞麟基金是一個以香港珠寶行業可持續發展為目標的信託基金，基金竭力於保育集團的傳統工藝，傳承珠寶知識以促進行業發展。

至於員工方面，集團重視人力資源，並以建立互相尊重和關愛的工作環境為宗旨，當中包括尊重員工的權益及利益、提倡平等機會、保障健康與安全，及重視培訓和發展機會。為滿足業務發展及日常營運的培訓需要，集團定期為不同階級及崗位的員工舉辦一系列培訓計劃。員工乃公司寶貴的資產，縱使本地經濟放緩，集團仍會不遺餘力地挽留業界人才。

Frequently Asked Questions

Q: Does the Group have any plans to boost online sales especially when offline sales are seriously hit by the COVID-19 outbreak?

線下銷售因新冠肺炎疫情受到嚴重打擊，在此情況下，集團有何計劃推動線上銷售？

Opportunities are to be found amid crises. Online shopping is becoming rapidly prevalent in recent years. In addition to the official online store, the Group is also aboard on mainstream shopping platforms, such as Tmall, Vip.com and JD.com. For now, the Group's online business has only been affected to a small extent. In view of the burgeoning development of the online shopping market and the shift in consumer behavior to online consumption in Mainland China, the Group will continue to grow its online presence. Together with promotions through popular Chinese KOLs, it would boost both O2O effect and traffic to physical stores.

危機中往往有機遇。目前線上購物迅速普及，集團除官網商城外，亦進駐天貓、唯品會及京東等主流購物平台。目前來看，集團線上業務受影響程度較小。鑑於內地網購市場發展蓬勃及消費模式陸續傾向線上購物，集團將繼續完善線上佈局。通過與中國內地網紅的合作宣傳，集團O2O效果及實體店流量均會得到提升。

Q: What is TSL's views on the Hong Kong market?

集團如何看待香港市場情況？

According to the latest figures on retail sales released by the Hong Kong government, the value of total retail sales in February 2020 is provisionally estimated at \$22.7 billion, representing a decrease of 44% compared with the same month in 2019. Given that the COVID-19 pandemic has brought inbound tourism flow almost to a standstill and greatly inhibited purchase intention, coupled with the impact of the social movement last year, the current operating environment of the retail industry is more complicated than that of 2003 SARS period. The Group expects that the weak consumer sentiment will continue, but it is well-positioned to face this challenge and will consistently stay alert to the market changes and manage the risks prudently.

根據香港政府發佈的最新零售數據，2020年2月的零售業總銷售價值的臨時估計為港幣227億元，較2019年同月下跌44%。鑑於新冠肺炎疫情使入境旅客流量幾乎停滯，並大幅度地抑制消費者購買意慾，加上去年社會運動影響，使當前零售業的經營環境比2003年SARS時期更為複雜。集團預期疲弱的消費情緒將持續，但集團已做足準備迎接挑戰，並繼續密切留意市場變化及審慎管理風險。

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

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