



CHOW SANG SANG HOLDINGS INTERNATIONAL LIMITED

周生生集團國際有限公司

(Incorporated in Bermuda with limited liability)

Stock code: 116

2024 Annual Results Presentation

March 2025

周生生 (Chow Sang Sang)

Disclaimer

The information, statements and opinions contained in this Presentation and any subsequent discussion do not constitute an offer to sell or solicitation of any offer to subscribe for or purchase any securities or other financial instruments or any advice or recommendation in respect of such securities or other financial instruments.

Potential investors and shareholders of the Company are reminded that information contained in this Presentation and any subsequent discussion comprises extracts of operational data and financial information of the Group for the relevant reporting period. The information included in this Presentation and any subsequent discussion, which does not purport to be comprehensive nor render any form of financial or other advice, has been provided by the Group for general information purposes only and certain information has not been independently verified. No representations or warranties, expressed or implied, are made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information, statements or opinions presented or contained in this Presentation and any subsequent discussion or any data which such information generates.

The performance data and the results of operations of the Group contained in this Presentation and any subsequent discussion are historical in nature, and past performance is no guarantee of the future results of the Group. Any forward-looking statements and opinions contained in this Presentation and subsequent discussion are based on current plans, beliefs, expectations, estimates and projections at the date the statements and opinions are made, and therefore involve risks and uncertainties. There can be no assurance that any of the matters set out in such forward-looking statements are attainable, will actually occur or will be realised or are complete or accurate. Actual results may differ materially from those stated, implied and/or reflected in such forward-looking statements and opinions. The Group, the Directors, officers, employees and agents of the Group assume (a) no obligation to correct, update or supplement the forward-looking statements or opinions contained in this Presentation and any subsequent discussion; and (b) no liability in the event that any of the forward-looking statements or opinions does not materialise or turn out to be incorrect.

Potential investors and shareholders should exercise caution when dealing in the securities of the Company.

Presentation Outline

- I. Financial Highlights**
- II. Financial Review**
- III. Strategies and Future Plans**
- IV. Q&A Session**
- V. Appendix**

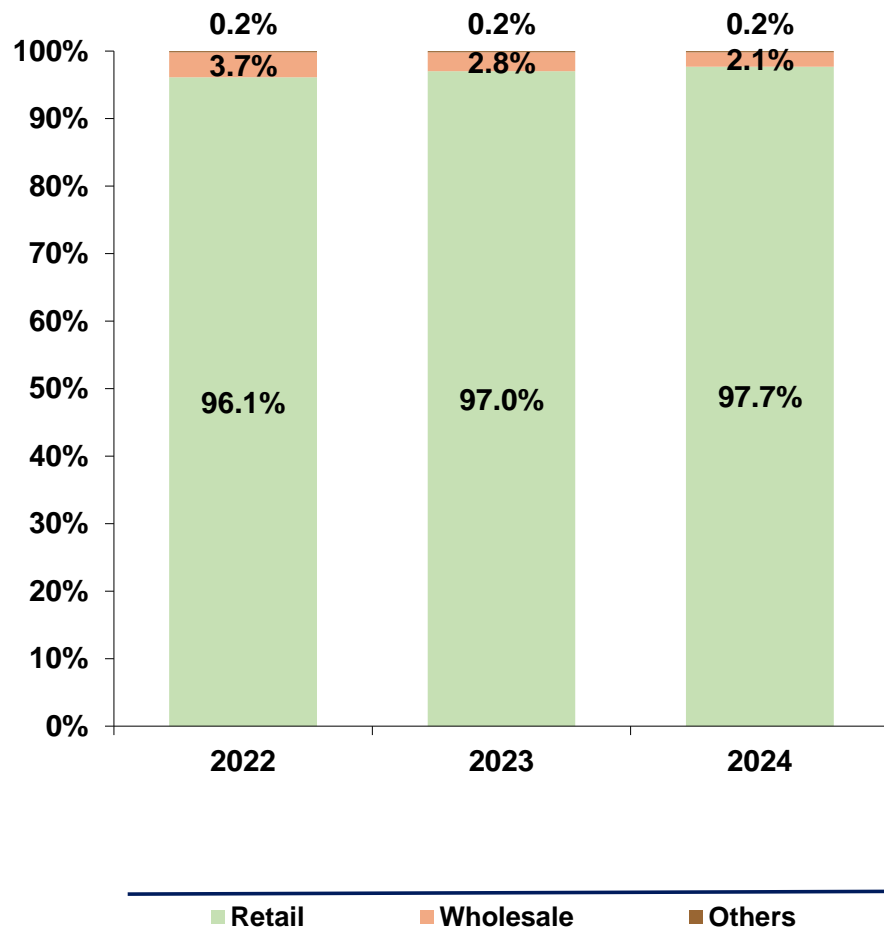
I. Financial Highlights

Financial Highlights

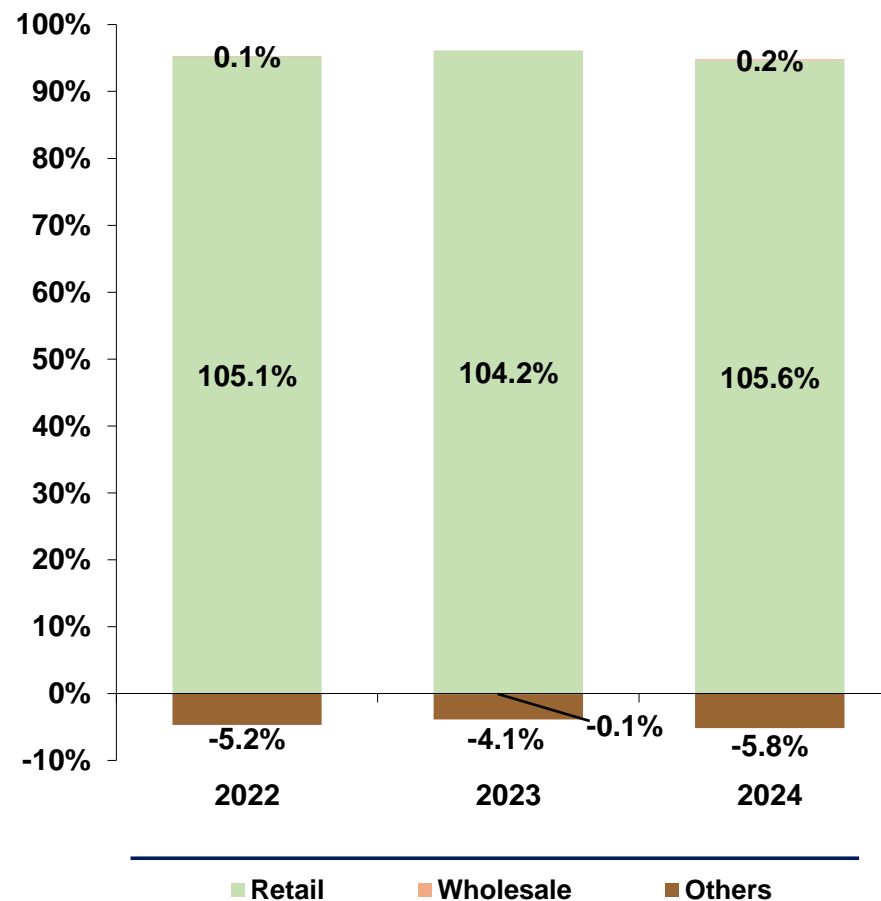
| (HK\$'M) | For the year ended 31 Dec | | | Change |
|--|---------------------------|---------------|---------------|-------------|
| | 2022 | 2023 | 2024 | 24 vs 23 |
| Turnover - Continuing operations | 20,557 | 25,013 | 21,176 | -15% |
| <i>Retail of jewellery and watches</i> | 19,752 | 24,274 | 20,697 | -15% |
| <i>Wholesale of precious metals</i> | 766 | 711 | 451 | -37% |
| <i>Others</i> | 39 | 28 | 28 | +0% |
| Gross profit - Continuing operations | 5,417 | 6,604 | 5,988 | -9% |
| Gross profit margin - Continuing operations | 26.3% | 26.4% | 28.3% | |
| Total segment results - Continuing operations | 829 | 1,438 | 1,059 | -26% |
| Profit before tax - Continuing operations | 593 | 1,357 | 996 | -27% |
| Profit attributable to owners | 452 | 1,013 | 806 | -20% |
| Basic EPS (HK cents) | 66.8 | 149.5 | 119.1 | -20% |
| Dividend per share (HK cents) | 30.0 | 60.0 | 51.0 | -15% |

Group Operating Results by Segment

Turnover breakdown – Continuing operations



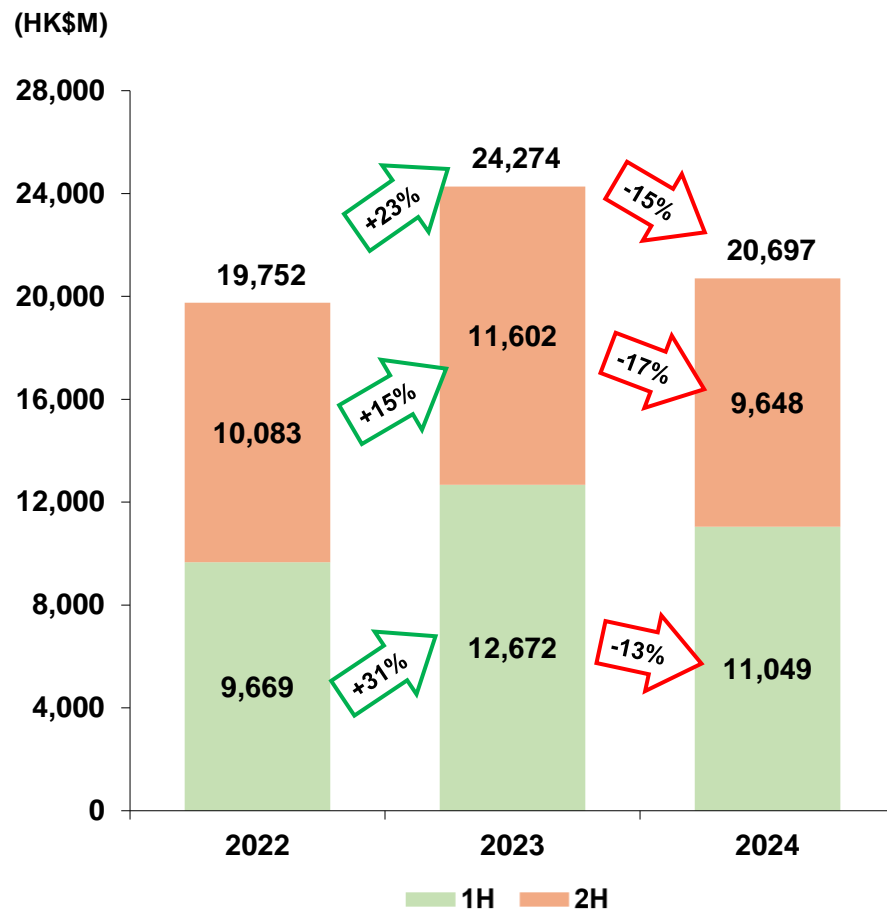
Results breakdown – Continuing operations



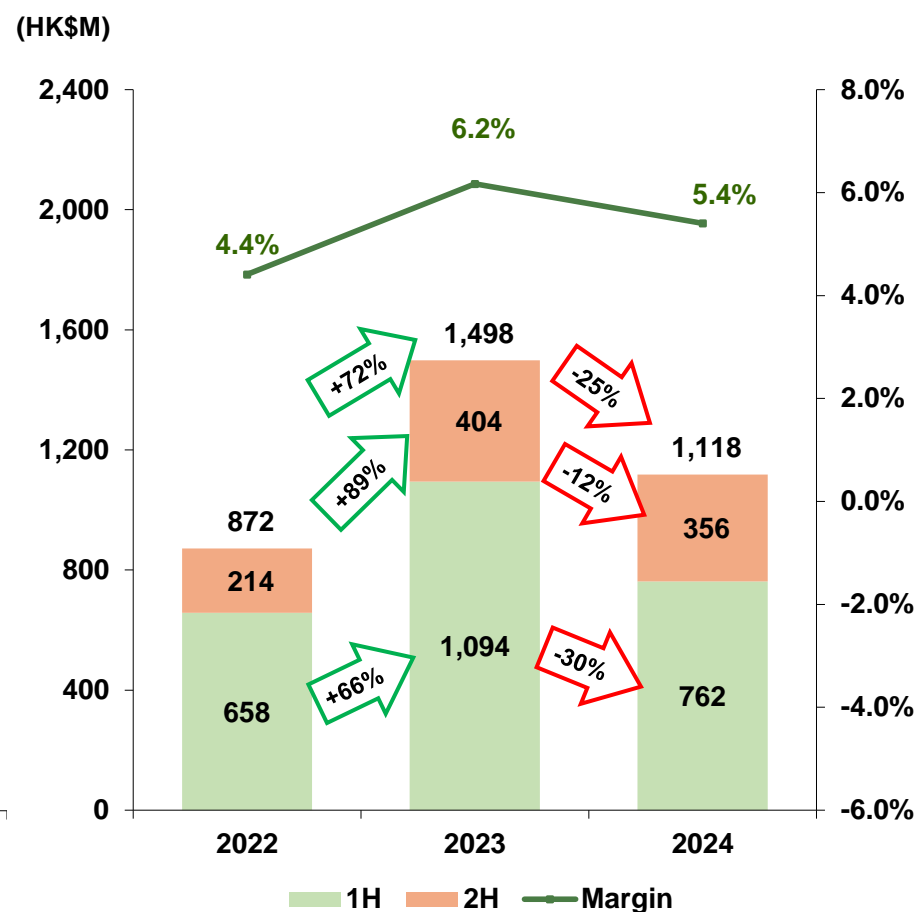
II. Financial Review

Retail Segment Performance

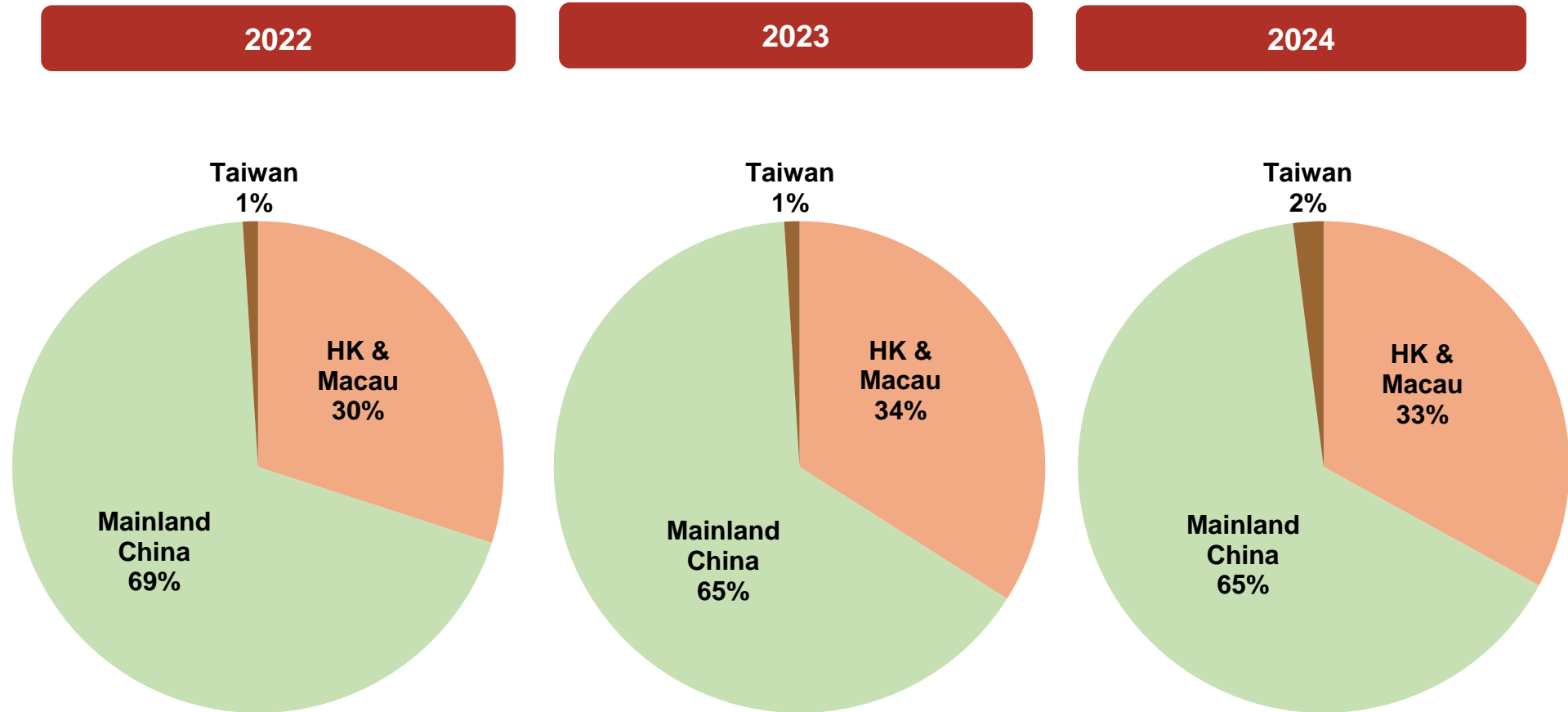
Turnover



Segment results

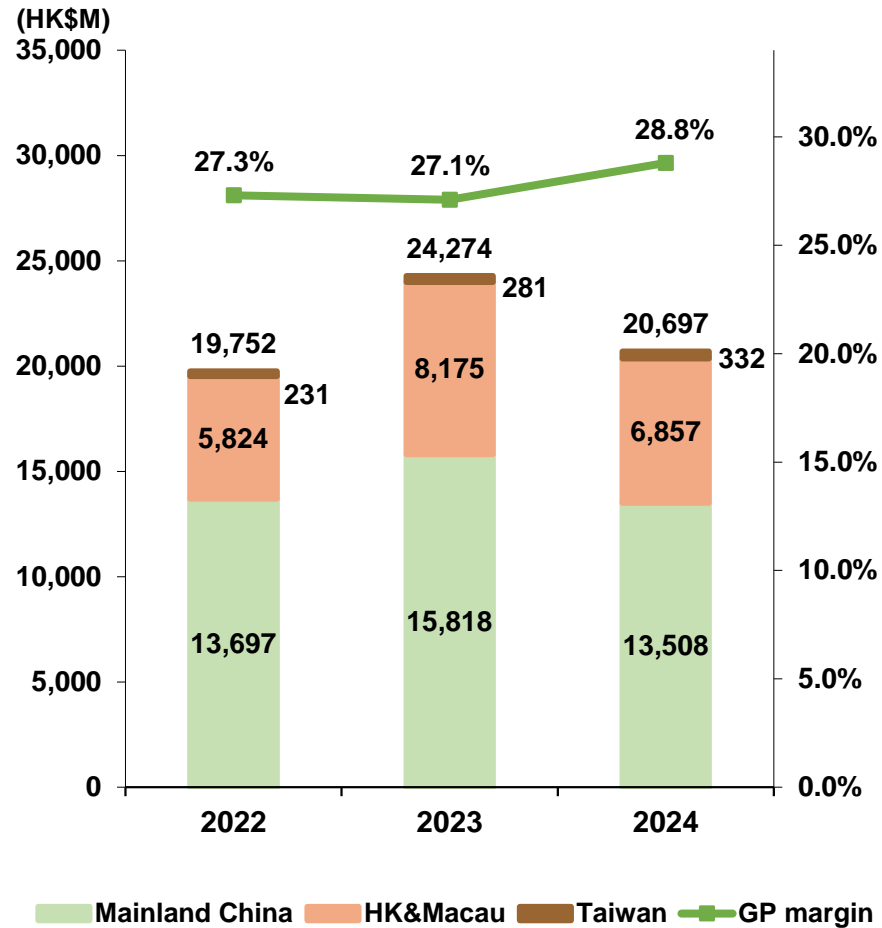


Retail Turnover by Geographical Area

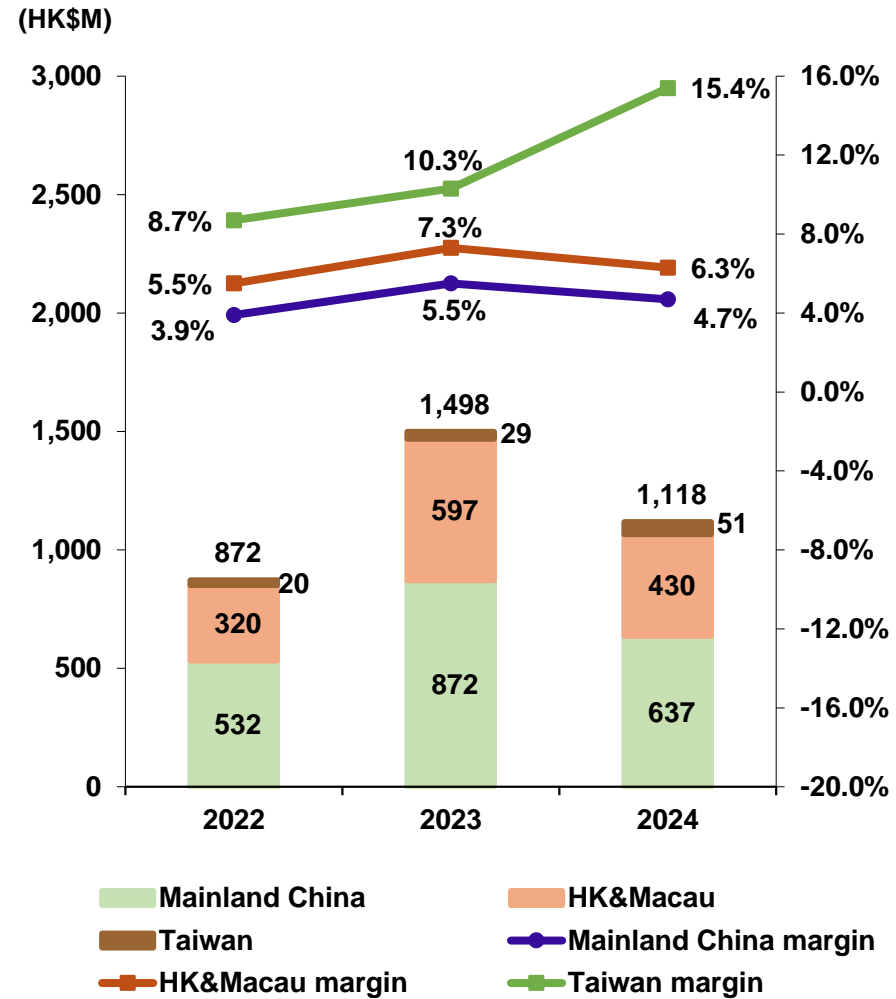


Retail Segment Performance by Geographical Area

Retail segment turnover and GP margin

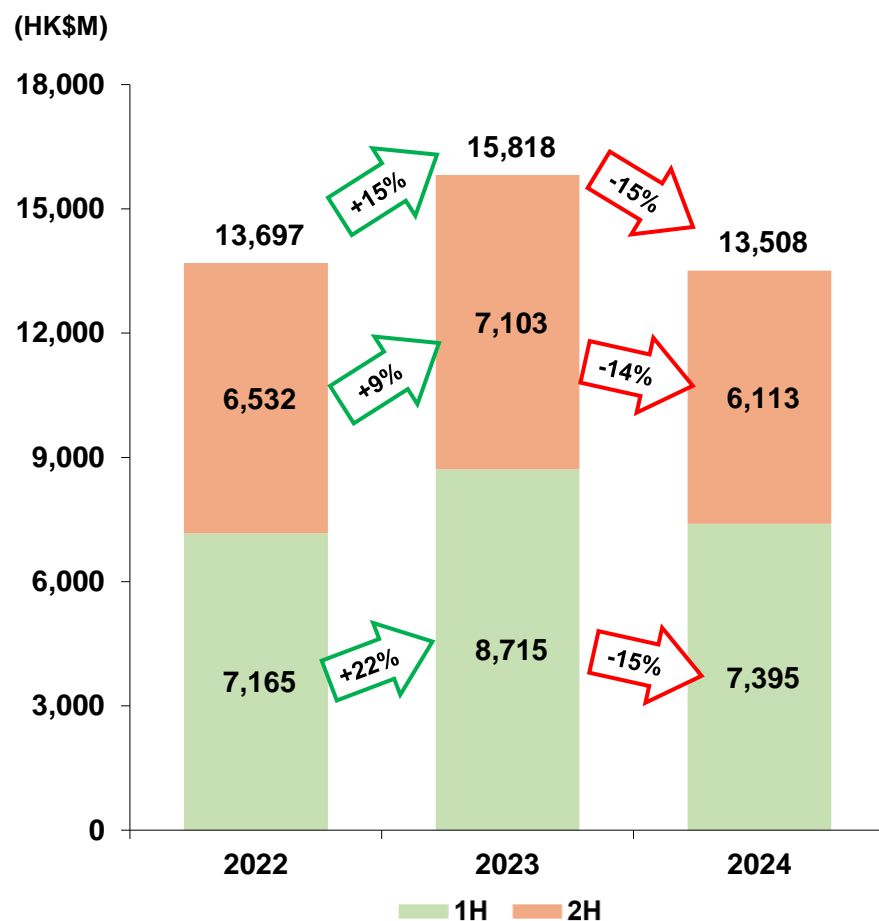


Retail segment results and margin



Mainland China Retail: Turnover & Average Selling Price

Mainland China retail turnover



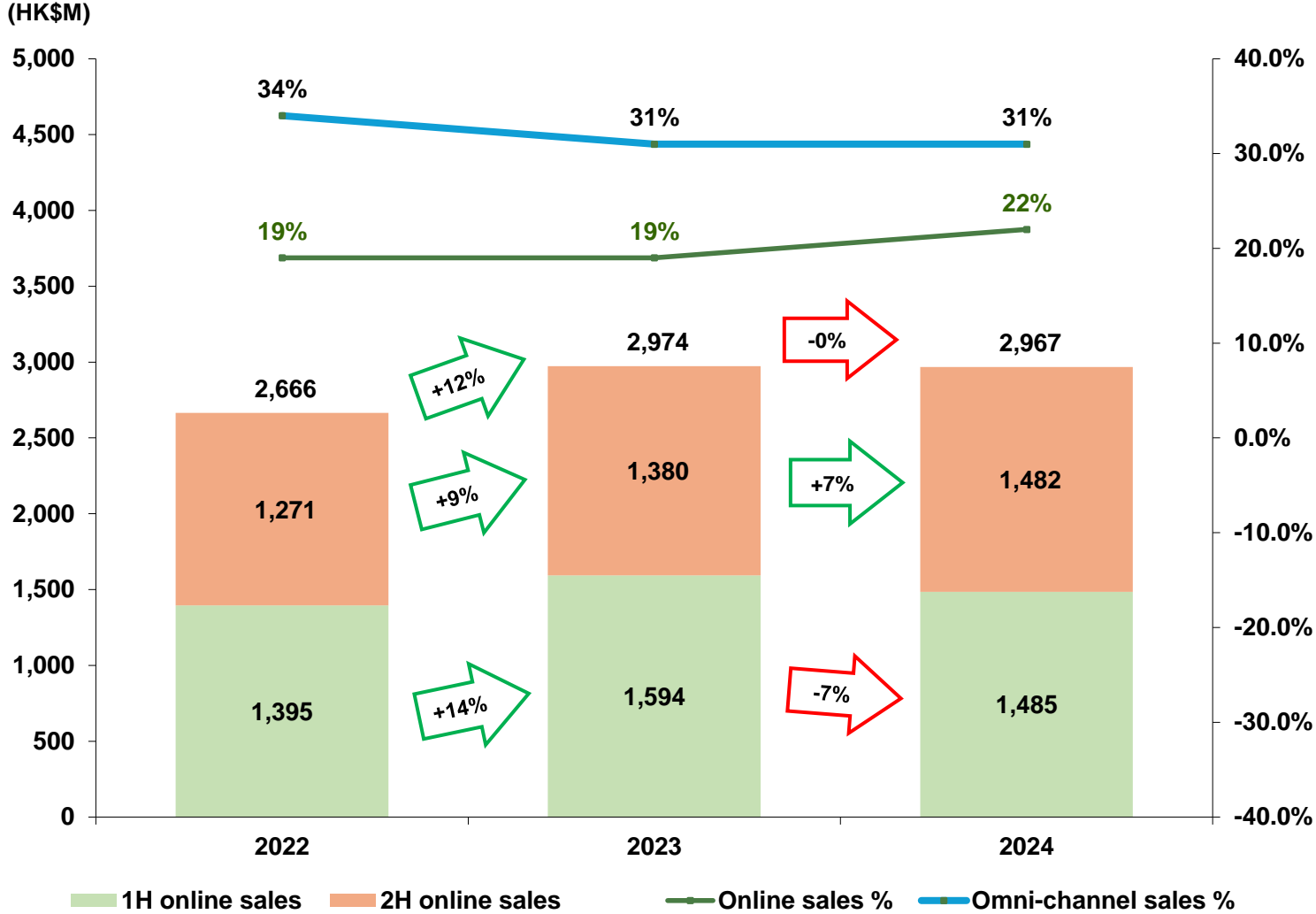
Retail sales mix by product type

| | 2023 | | | 2024 | | |
|-------------------------------|------|-----|---------|------|-----|---------|
| | 1H | 2H | Overall | 1H | 2H | Overall |
| Gold jewellery and products | 78% | 80% | 79% | 80% | 80% | 80% |
| Gem-set jewellery | 10% | 8% | 9% | 7% | 6% | 7% |
| Platinum/Karat gold jewellery | 3% | 3% | 3% | 2% | 2% | 2% |
| Watches | 9% | 9% | 9% | 11% | 12% | 11% |

Average selling price

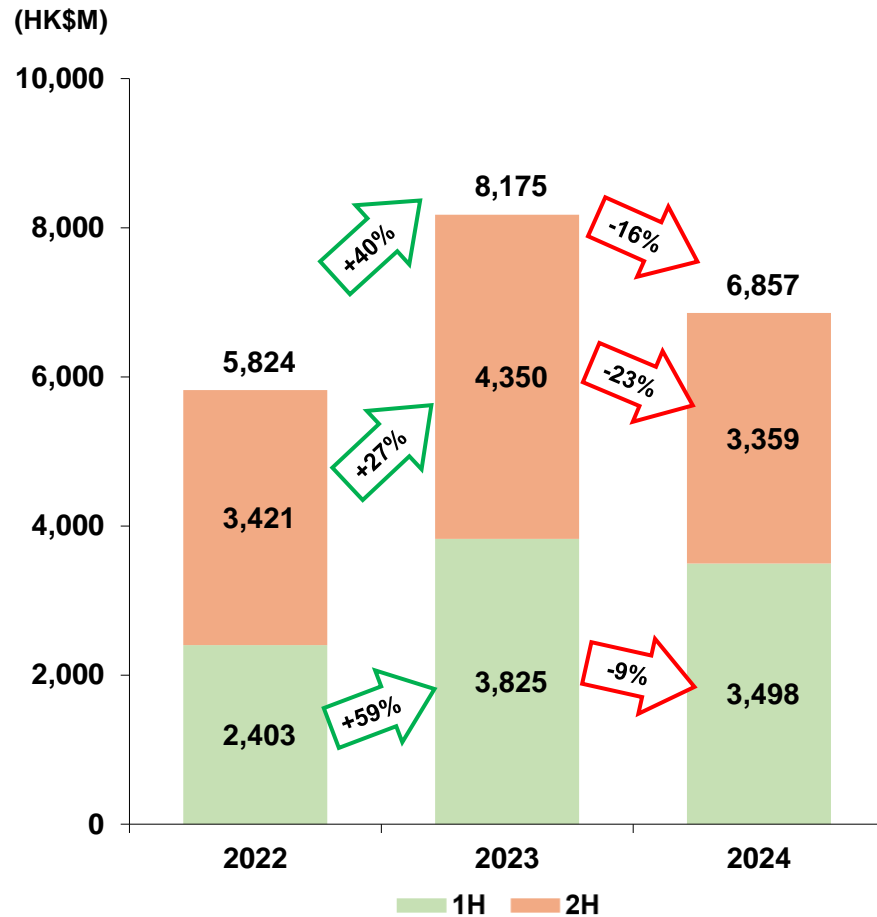
| RMB | 2023 | | 2024 | |
|-----------------------------|--------|----------------|--------|----------------|
| | Online | Physical store | Online | Physical store |
| Gold jewellery and products | 1,800 | 3,500 | 2,300 | 3,700 |
| Gem-set jewellery | 3,100 | 7,700 | 3,400 | 8,000 |

Omni-Channel Sales as a Percentage of Total Sales - Mainland China



Hong Kong and Macau Retail: Turnover & Average Selling Price

Hong Kong and Macau retail turnover



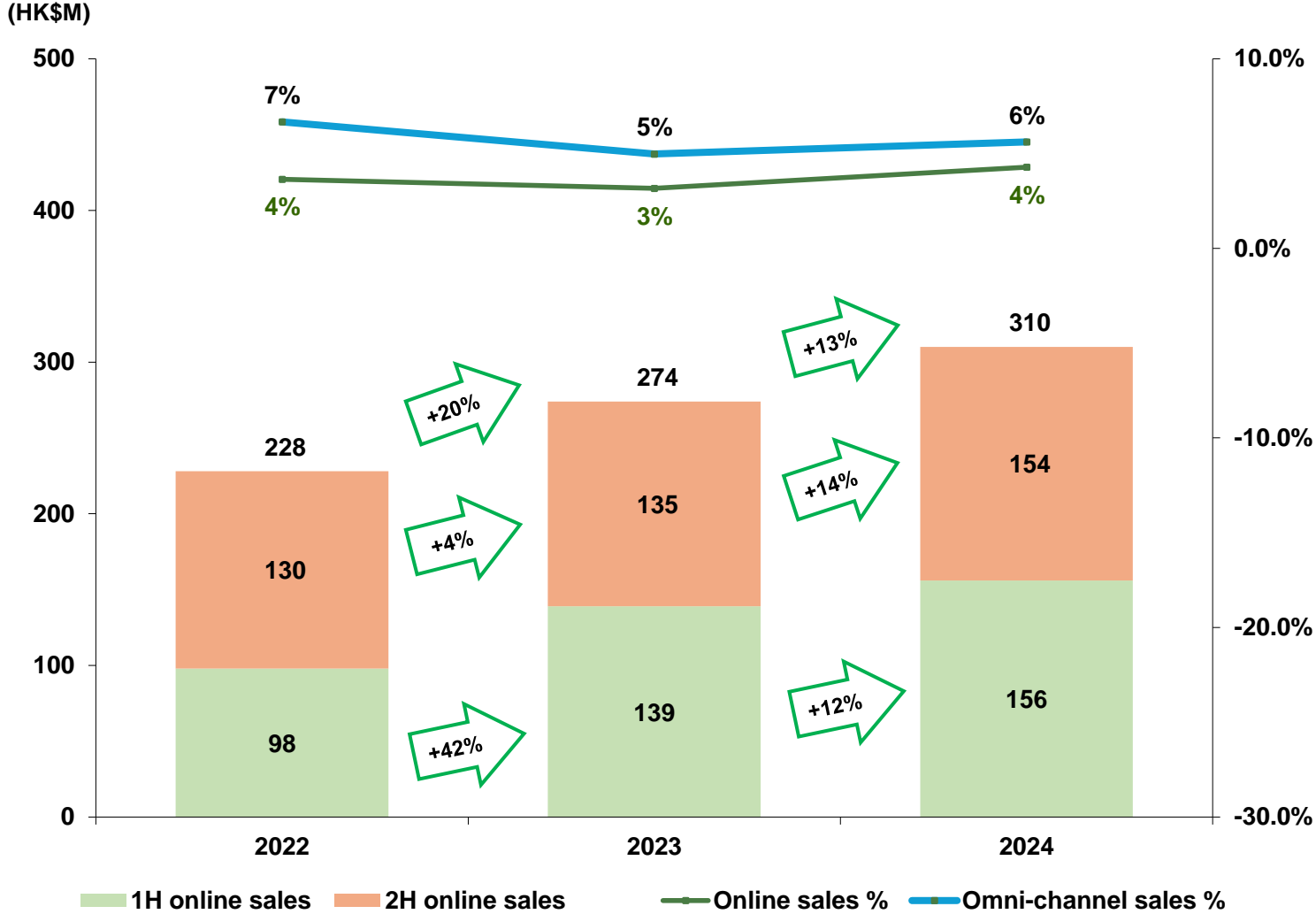
Retail sales mix by product type

| | 2023 | | | 2024 | | |
|-------------------------------|------|-----|---------|------|-----|---------|
| | 1H | 2H | Overall | 1H | 2H | Overall |
| Gold jewellery and products | 70% | 75% | 73% | 73% | 74% | 74% |
| Gem-set jewellery | 12% | 10% | 11% | 11% | 10% | 10% |
| Platinum/Karat gold jewellery | 4% | 3% | 3% | 3% | 3% | 3% |
| Watches | 14% | 12% | 13% | 13% | 13% | 13% |

Average selling price

| HK\$ | 2023 | 2024 |
|-----------------------------|----------------|----------------|
| | Physical store | Physical store |
| Gold jewellery and products | 7,300 | 7,500 |
| Gem-set jewellery | 10,300 | 10,400 |

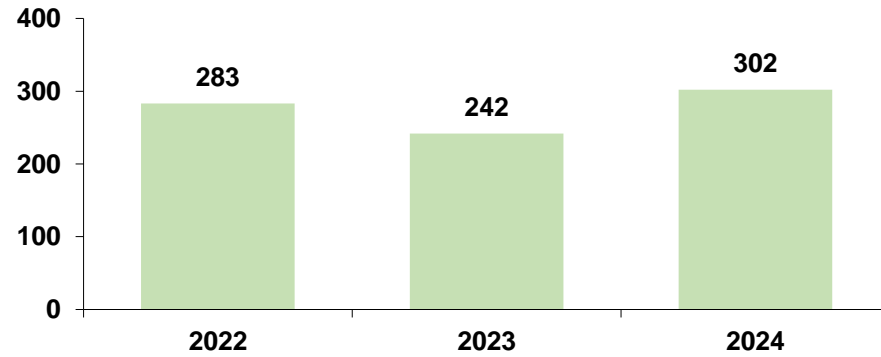
Omni-Channel Sales as a Percentage of Total Sales - Hong Kong, Macau, Taiwan and Others



Working Capital Trends

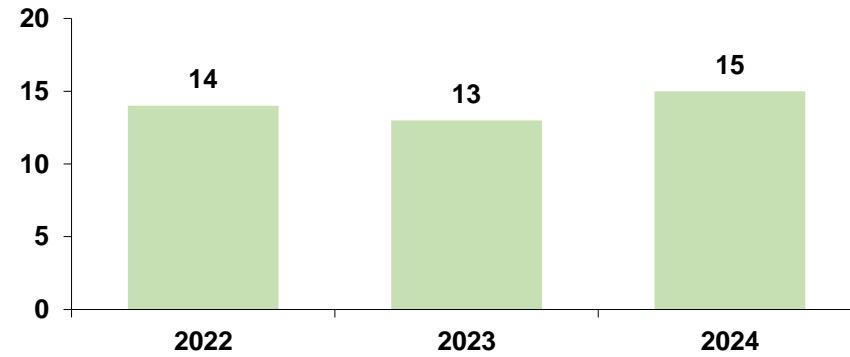
Average inventory turnover days

(No. of Days)



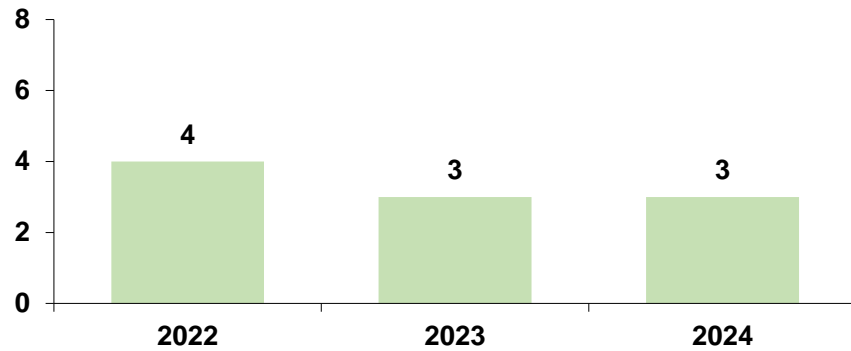
Average receivables turnover days

(No. of Days)



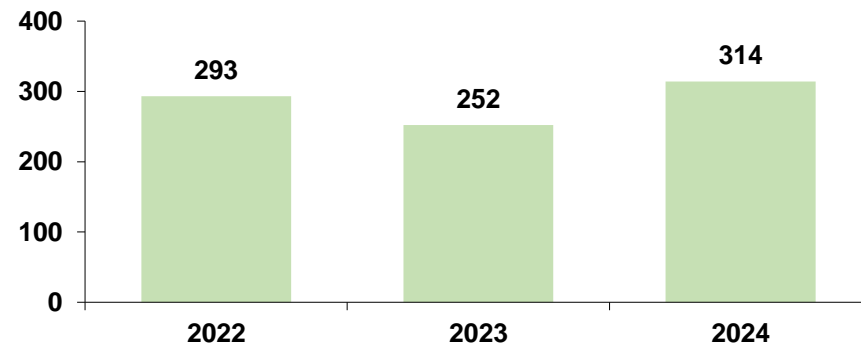
Average payables turnover days

(No. of Days)



Cash conversion cycle

(No. of Days)



Other Financial Information

| (HK\$'M) | As at | | |
|--|--------|--------|--------|
| | 31 Dec | 31 Dec | 31 Dec |
| | 2022 | 2023 | 2024 |
| Inventories | 12,112 | 12,257 | 12,785 |
| Cash and cash equivalents | 749 | 1,096 | 1,336 |
| Long term listed investments* | 1,122 | 892 | 981 |
| Equity attributable to owners | 11,891 | 12,204 | 12,430 |
| Net gearing ratio[#] | 32.7% | 28.4% | 29.7% |
| Total banking facilities | 8,772 | 10,910 | 11,471 |
| Unused banking facilities | 3,879 | 6,111 | 6,183 |
| Capital expenditure (For the year ended 31 Dec) | 395 | 435 | 214 |

* Long term listed investments represents HKEC shares which valued at quoted market prices

[#] Total of interest-bearing bank borrowings and bullion loan, net of cash and cash equivalents, divided by equity attributable to owners of the Company

III. Strategies and Future Plans

Strategy Outline

- **Cultivate the high-end segment**
- **Focus our product portfolio to target specific segments**
- **Forge ahead with omni-channel retailing which ties together online and offline sales channels**

Branding – Major Store Image Uplift

- Committed to enhancing our brand's image by expanding our presence in high-end & signature locations.
- Our strategy includes opening new stores and refreshing existing ones to create a sophisticated and modern image in these strategic locations. This approach will help us attract a discerning clientele and reinforce our position as a leading brand.

2024: Chow Sang Sang Store, The MIXC CCBD, Xian



2024: Reopening of Chow Sang Sang Store in Shuncheng, Kunming



Expand Customer Segment by Leveraging International Brand in High-End Locations

- **MARCO BICEGO Boutique at Grand Gateway 66, Shanghai:** Appeal to discerning jewellery aficionados and foster a halo effect that boosts traffic to the main brand within the same premises.
- Another signature boutique will be opened at a top luxury mall in Beijing, Q2 2025.

2024: MARCO BICEGO Store, Grand Gateway 66, Shanghai



Reinforce the Brand Image and Manifesto

- Building on the momentum of our 90th Anniversary Campaign, we have relaunched our signature brand collection, “YUYU”, showcasing our excellence in craftsmanship, creativity, and brand manifesto.

2024: Chow Sang Sang 90th Anniversary Exhibition & YUYU collection launch



周生生 (Chow Sang Sang)



YUYU

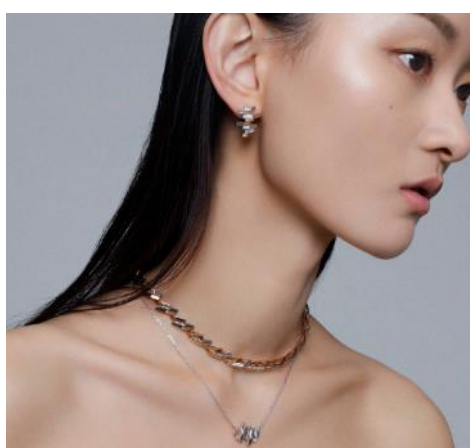
Elevating Sophisticated Gold Product Line-up

- The Group is focusing on developing high-end gold products that command higher profitability.
- Our offerings include gold jewellery set with diamonds and gold ornaments that showcase superior craftsmanship and embody Chinese culture.



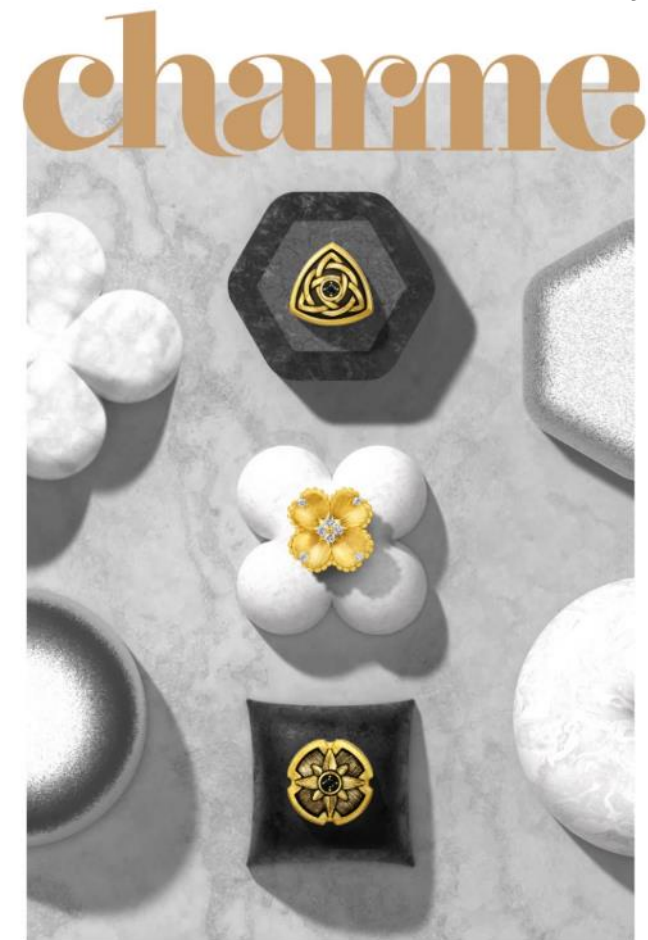
Elevating Sophisticated Gem-set Jewellery

- Emphasising the importance of daily wear jewellery, we are adjusting our product assortment to include diverse materials and creative designs. This strategy aims to cater to a broader audience and set a tasteful standard for the brand, differentiating us from competitors.



Young Segment Acquisition

- Our flagship collection, Charme, has successfully captured the young market through strategic diversification of creations.
- IP collaborations are a key tactic to maintain freshness and attract new consumers.



Omni-channel Strategy

- The Group continues to enhance our Omni-channel strategy and execution by creating seamless collaboration projects with major mall landlords, IP partners, and e-commerce marketplaces. This strategy allows us to maximise our resources while achieving a comprehensive impact.

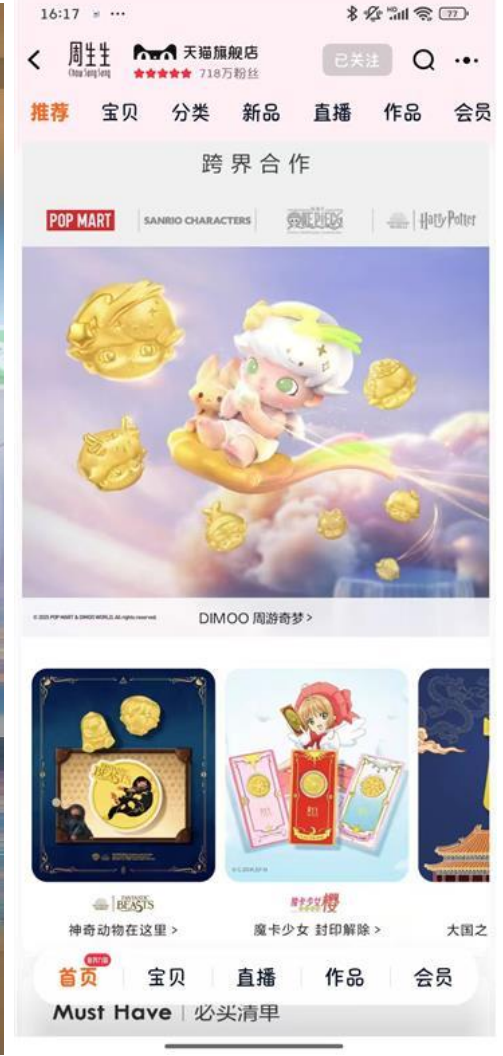
2024: Collaboration with Tmall, The MIXC shopping mall & Sanrio in Chengdu



Omni-channel Strategy (Continued)

- Collaboration projects in 2025

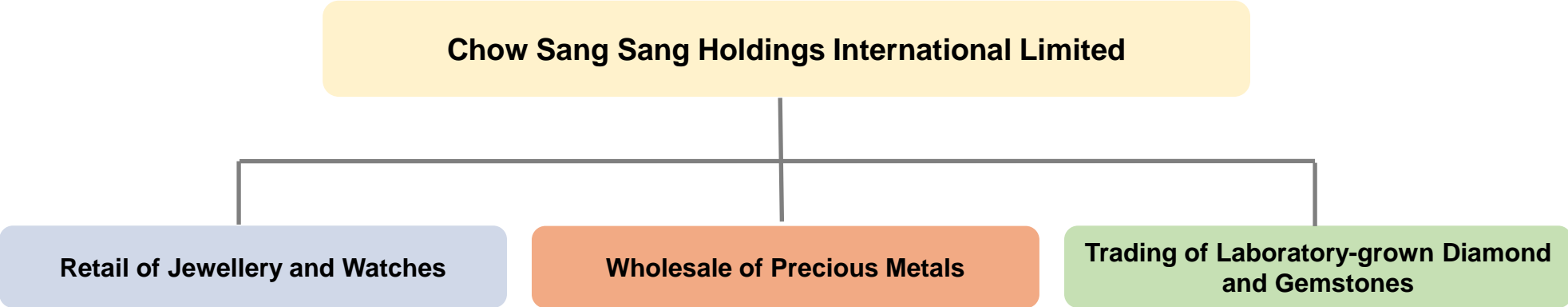
2025: collaboration with The MIXC shopping mall, Douyin, POPMART in Shenzhen



IV. Q&A Session

V. Appendix

Business Segments



Retail Store Brand Category

周生生 (how Sang Sang)

- Our mainline store brand whose stores carrying all our lines of merchandise

點睛品

- Our mainline store brand name in Macau and Taiwan

PROMESSA

- Devoted to offer customers a personalised and ceremonial shopping experience with our signature collections of engagement rings, wedding bands, bridal accessories and daily wear gem-set jewellery

Retail Store Brand Category

EMPHASIS

- Aims to define the new daily wear jewellery. Fusing fine materials and intricate craftsmanship with avant-garde design, our fine jewellery collections embody the spirit of multifaceted beauty

MINTYGREEN

- An affordable daily wear brand in the Mainland that caters to the younger customer set

MARCO BICEGO

- An Italian jewellery house famous for its artisanal craftsmanship and contemporary design concepts

Jewellery Store Network



| Mainland China | | | |
|----------------|------------------|--------------|------------------|
| Region | Number of stores | City tier | Number of stores |
| North | 198 | 1 | 174 |
| East | 235 | 2 | 480 |
| South | 273 | 3 | 115 |
| West | 136 | 4 | 73 |
| Total | 842 | Total | 842 |

e-shop

- chowsangsang.com
- Tmall
- JD
- VIP
- Douyin
- Amazon US
- Lazada
- The Future Rocks
- other e-commerce platforms

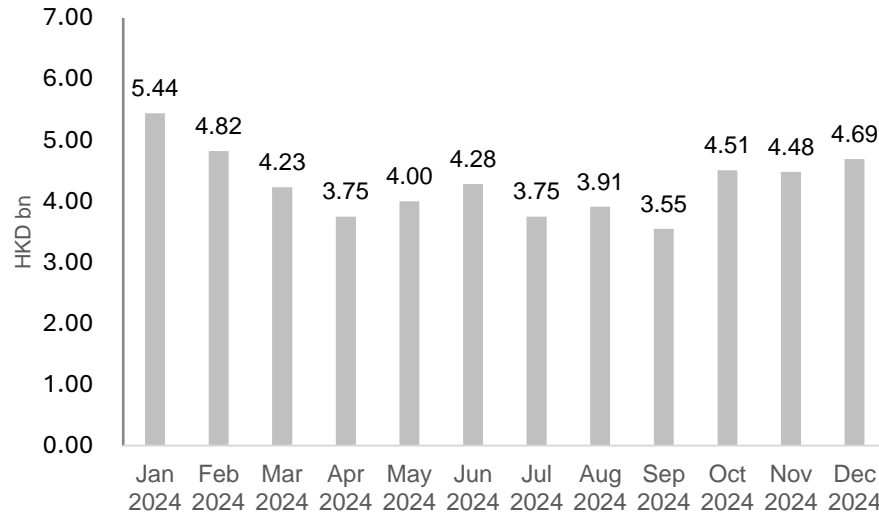
As at 31 Dec 2024

Store Network

| Store Network by Products | | As at 31 Dec 2023 | Opening | Closure | Net change | As at 31 Dec 2024 |
|---------------------------------------|----------------|----------------------|-----------|------------|------------|----------------------|
| Retail of Jewellery | | | | | | |
| Mainland China | Chow Sang Sang | 815 | 36 | 80 | -44 | 771 |
| | MINTYGREEN | 56 | 5 | 12 | -7 | 49 |
| | EMPHASIS | 16 | 1 | 8 | -7 | 9 |
| | PROMESSA | 23 | 0 | 12 | -12 | 11 |
| | MARCO BICEGO | 1 | 1 | 0 | +1 | 2 |
| Sub-total: | | 911 | 43 | 112 | -69 | 842 |
| Hong Kong | Chow Sang Sang | 48 | 2 | 0 | +2 | 50 |
| | EMPHASIS | 3 | 0 | 0 | 0 | 3 |
| | PROMESSA | 3 | 0 | 2 | -2 | 1 |
| Sub-total: | | 54 | 2 | 2 | 0 | 54 |
| Macau | 點睛品 | 8 | 0 | 0 | 0 | 8 |
| Sub-total: | | 8 | 0 | 0 | 0 | 8 |
| Taiwan | 點睛品 | 30 | 1 | 0 | +1 | 31 |
| | PROMESSA | 5 | 1 | 2 | -1 | 4 |
| Sub-total: | | 35 | 2 | 2 | 0 | 35 |
| Total for retail of jewellery: | | 1,008 | 47 | 116 | -69 | 939 |
| Retail of Watches | | | | | | |
| Total for retail of watches: | | 24 | 1 | 6 | -5 | 19 |
| Total stores: | | 1,032 | 48 | 122 | -74 | 958 |

Industry Analysis – Mainland China and Hong Kong

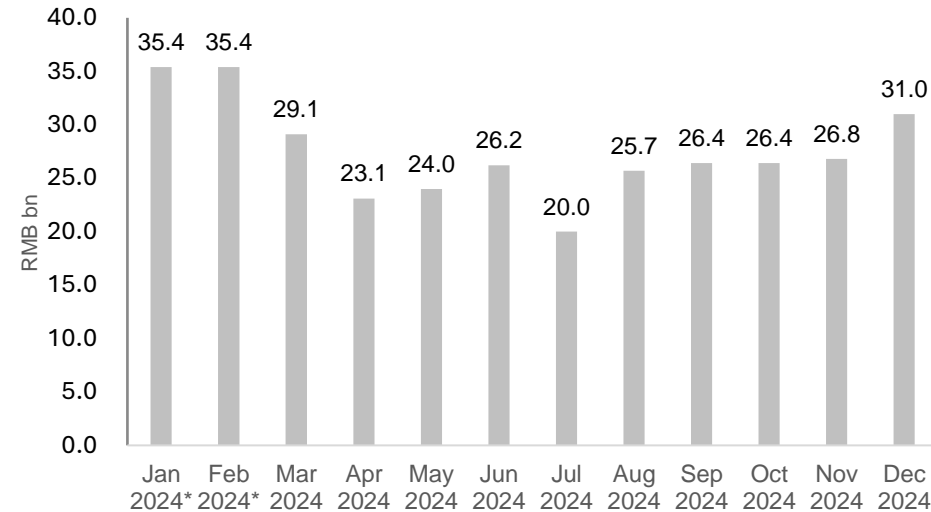
Value of retail sales of FY2024
Hong Kong Jewellery, Watches and Clocks, and Valuable Gifts



Source: HK Census & Statistics

The value of retail sales of jewellery, watches and clocks, and valuable gifts in FY2024 was HKD51.39 billion, a decrease of 14.52% compared with HKD60.12 billion in FY2023, according to HK Census and Statistics Department.

FY2024
Mainland China Gold, Silver and Jewellery Sales



Source: National Bureau of Statistics of People's Republic of China

Retail sales for jewellery products in Mainland China were RMB330.0 billion in FY2024, a decrease of 0.3%, compared with RMB331.0 billion in FY2023, according to the data from National Bureau of Statistics of People's Republic of China.

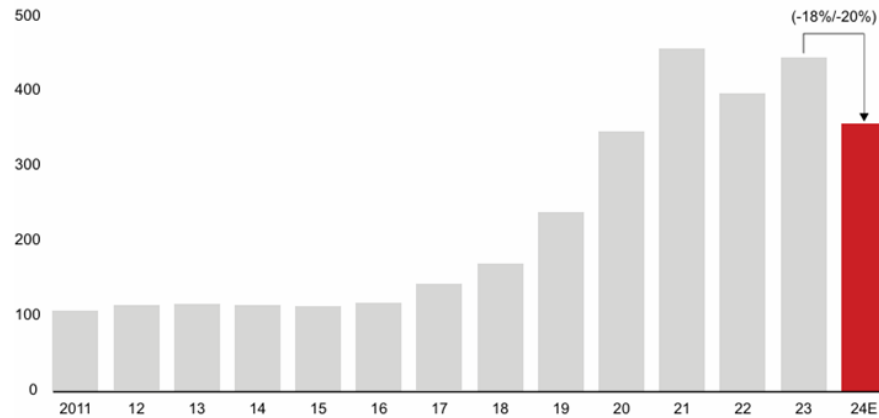
* In order to eliminate the impact of the different date of the "Chinese New Year" (CNY) each year, and enhance the comparability of data, in accordance with the national statistical system, the data in January and February 2024 were investigated and released together. Here the data is evenly divided as RMB35.4 billion.

Industry Analysis – Mainland China Luxury Market Overview

- In 2024, the Chinese mainland luxury market experienced a significant decline of 18%–20%, reverting to 2020 levels due to low consumer confidence and increased overseas spending.
- All luxury categories have underperformed, with beauty doing better and watches and jewellery performing worse. As a result, only a very small number of brands enjoyed growth in China in 2024.
- Bain&Company thinks that 2025 is expected to be flat in the mainland market, with a challenging first half and an improving second half, driven by the positive impact of economic stimulus measures in China. In the longer term, the market is expected to recover at a moderate pace, driven by the solid fundamentals of China’s economy and the growth of its middle class.

Figure 1: Mainland China personal luxury market declined by 18%–20% in 2024, driven by low consumer confidence and increasing overseas shopping

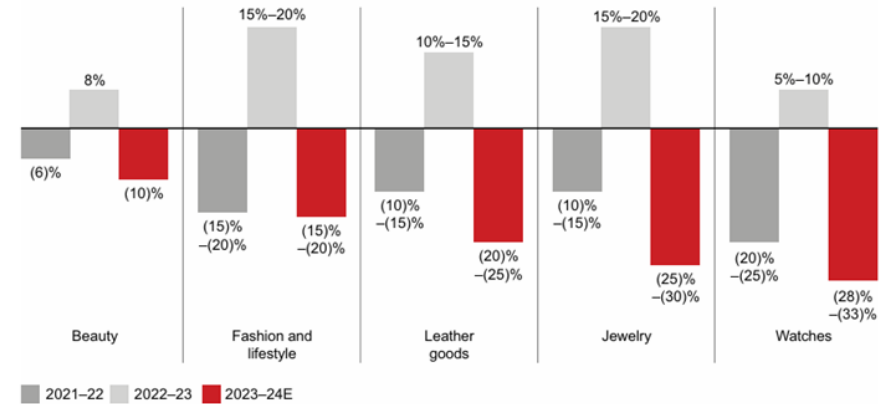
Mainland China personal luxury market (RMB billion)



Sources: Bain-Alttagamma 2024 Worldwide Luxury Market Monitor; Bain analysis

Figure 2: All luxury categories are facing widespread challenges, with jewelry and watches experiencing the most significant negative impact

Mainland China personal luxury market year-over-year growth by category



Sources: Bain-Alttagamma 2023 Worldwide Luxury Market Monitor; Financial reports; Bain analysis

Source :
Bain & Company

- “2024 China Luxury Goods Market: Navigating Turbulent Waters”
https://www.bain.com/globalassets/noindex/2025/bain_report_2024_china_luxury_goods_market.pdf

Sustainability – 2024 Highlights



Chow Sang Sang is the first jewellery company in Greater China to have its near-term carbon reduction targets approved by the Science Based Targets initiative (SBTi)



Establish our sustainability framework with reference to the United Nations Sustainable Development Goals (UNSDGs)



Establish "Chow Sang Sang Natural Science and Research Scholarship" for the Sun Yat-sen University



Enhance the media exposure of sustainability achievements

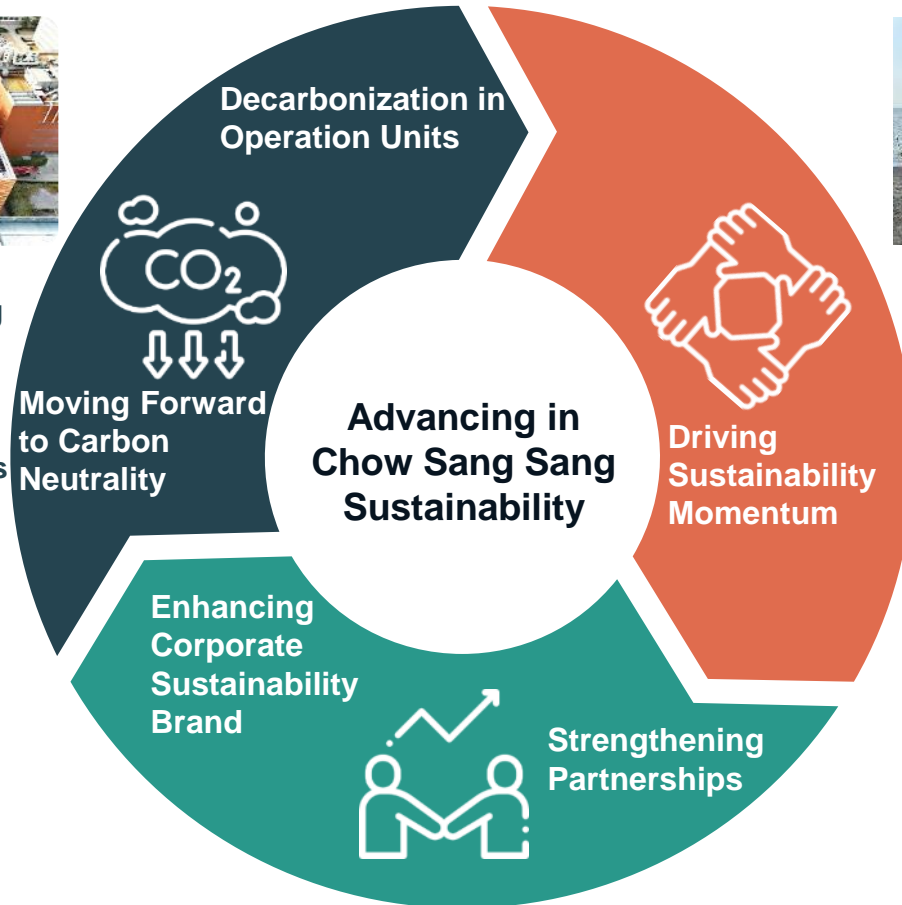


Execute the first Sustainability-Linked Precious Metal Loan with Standard Chartered



Receive 10 Sustainability Awards

Sustainability – The Next Step



- Decarbonization Governance and Strategic Planning via the Carbon Neutrality Task Force
- Facilitating Operational Units in Developing Decarbonization Projects
- Enhancing Carbon Data Accuracy with Technologies



- Increasing Staff Awareness via Organizing Themed Staff Engagement Activities and Sharing Tips
- Increasing Staff Knowledge via Organizing Sustainability Trainings



- Facilitating the Customer-centric Green Campaigns and Activities
- Enriching the Sustainability Website content
- Engaging Public via Awards and Social Media Engagement



Definitions

In this presentation, unless the context otherwise requires, the following terms shall have the following meanings:

| | |
|--|--|
| Company | Chow Sang Sang Holdings International Limited |
| Director(s) | the director(s) of the Company |
| FY | the full year, twelve months ended 31 December |
| Group | the Company and its subsidiaries |
| HKEC | Hong Kong Exchanges and Clearing Limited |
| Hong Kong | the Hong Kong Special Administrative Region of the PRC |
| Macau | the Macao Special Administrative Region of the PRC |
| Mainland China or Mainland PRC or China | PRC excluding, for the purpose of this presentation (unless otherwise indicated), Hong Kong, Macau and Taiwan |
| SSSG | same store sales growth |
| Taiwan | Taiwan region of the PRC |
| 1H | the first half of a year, six months ended 30 June |
| 2H | the second half of a year, six months ended 31 December |
| % | percent |



Thank You