



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

Chow Sang Sang announces 2021 Interim Results
Jewellery and watch sales exhibited remarkable recovery
Net profit increased by 154% YOY to HK\$536 million

[26 August 2021, Hong Kong] Chow Sang Sang Holdings International Limited (the “Company”, together with its subsidiaries, the “Group”) is pleased to announce its unaudited interim results for the six months ended 30 June 2021 (“the Period”).

During the Period, the Group’s consolidated turnover from continuing operations increased by 69% to HK\$10,825 million. Profit attributable to owners of the Company increased by 154% to HK\$536 million.

Retail of Jewellery and Watches

For Mainland China, revenue surged 94% year-on-year to HK\$7,164 million for the Period, thanks to the easing of covid-19 restrictions, as well as our new store openings. Overall Same Store Sale Growth (“SSSG”) grew 69%, completely reversing the decline in 2020. Gold jewellery registered substantial growth, with SSSG reached 93%. Personalised Jewellery Service business maintained its growth momentum. However, market competition was fierce for entry-level diamond jewellery. Driven by strong demand, sales of Rolex and Tudor reached new highs.

In Hong Kong and Macau, buoyed by improved market sentiment, revenue for the Period was up 33% year-on-year to HK\$2,533 million. There were SSSG upticks in both gold and gem-set categories. Watch sales remained strong throughout, unaffected by the pandemic. Hong Kong and Macau operations have resumed its profitability. The overall SSSG reached 31%. Nevertheless, overall sales are expected not to regain its 2019 level until Mainland tourists return.

The Board of Directors has declared an interim dividend of HK14 cents per ordinary share for the Period.

*For identification purpose only

Store Network

During the Period, the Group continued to expand its retail network with a net increase of 30 stores to 778 stores as at 30 June 2021.

“生生 • 活字” (Oasis by Chow Sang Sang) line of shops, launched in September 2020, is set to be in a relaxed, “corner-store” style. This line has become the main engine in our store expansion program in Mainland China. A total of 19 new stores, which carried different themes and sales foci, were added. The majority were located in residential neighbourhoods in first-tier to third-tier cities.

Another specialty store “PROMESSA” is devoted to offer Personalised Jewellery Service with our signature collections of engagement rings, wedding bands and bridal accessories. 7 new stores were opened during the Period.

Product and Marketing

The Group’s Cultural Blessings collection of gold ornaments combines modern artistry with traditional Chinese cultural elements. It has delivered encouraging sales growth during the Period. One of the best-selling collections, Charme, has been enriched with new “mini-Charme”, further widening its receptivity.

Personalised Jewellery Service is further enhanced by launching new designs and distinctive services. When selecting diamonds for their pieces, customers can virtually examine the stones through interactive high resolution videos. Personalised diamond sales increased to HK\$447 million, or 34% of corresponding sales.

Securities and Futures Broking - the discontinued operation

The Group ceased the broking business at the beginning of May and has been processing assets left unclaimed by clients.

Outlook

The Group would continue its multi-brand and omni-channel retailing strategies. In Mainland China, the Group will continue to expand its store network and pick from its stable of store brands one that suits the prospective locale and its client segment. In Hong Kong and Macau, the short to medium term goal is to bank on domestic consumption to weather out the dearth of Mainland tourists. The Group expects the number of net store additions to be around 100 for the year 2021.

-End-

About Chow Sang Sang

Chow Sang Sang, as a well-known jewellery retailer, has gained reputation of providing warm and earnest customer service and its insistence on product quality. Today, Chow Sang Sang operates more than 790 jewellery and watch stores in Greater China. Also, with its own eshop, and official

stores in various online marketplaces, customers from over 40 destinations worldwide can now shop at Chow Sang Sang.

For more information about Chow Sang Sang, please visit www.chowsangsang.com.