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CHOW TAI FOOK JEWELLERY GROUP LIMITED

周大福珠寶集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1929

THE UNAUDITED KEY OPERATIONAL DATA FOR THE THREE MONTHS ENDED 31 DECEMBER 2013

Chow Tai Fook Jewellery Group Limited (the “Company”), together with its subsidiaries (the “Group”), is pleased to announce certain unaudited key operational data of the Group for the three months ended 31 December 2013 (the “Third Quarter”). The unaudited key operational data in this announcement should be read in conjunction with the Company’s FY2013/2014 interim report.

KEY OPERATIONAL DATA

For the three months ended 31 December 2013

	(% change compared to the same period last year)		
	The Mainland of China	Hong Kong and Macau	Group
Revenue growth	34%	18%	26%
Same Store Sales Growth (“SSSG”)	14%	7%	11%
Same Store Sales volume growth	36%	24%	32%

Revenue by products	% of Total Revenue
— Gem-set jewellery	26%
— Gold product	57%
— Platinum/karat gold product	13%
— Watch	4%

- The Group achieved a steady revenue growth of 26% in the Third Quarter as compared to the same period last year attributable mainly to the strong sales of mass luxury jewellery products including both gold and gem-set jewellery. Sales of new stores in both Hong Kong and the Mainland of China also made meaningful contribution to the Group's revenue growth.
- The Group's SSSG of gem-set jewellery and gold product were 8% and 15%, respectively, attributable to the robust volume growth of mass luxury jewellery during the Third Quarter. At same store level, the average selling price of gem-set jewellery recorded an increase as compared to the same period last year.
- Wholesale business continued to improve in the Third Quarter as franchisees showed optimism in the business outlook. Inventory replenishment demand at existing stores and new stores stayed strong.
- Sales contribution of gold product to the Group's total revenue normalised to 57%. Sales contribution of gem-set jewellery further improved to 26% mainly due to improving consumer sentiment and the sales promotions of the annual mega sale in Hong Kong and Macau during the Third Quarter.
- The Group increased its inventory level in the Third Quarter, as compared to that as at 30 September 2013, to meet the higher sales demand in the peak seasons including Chinese New Year and Valentine's Day. As a result, the overall inventory turnover of finished goods increased to approximately 180 days.
- The Group opened a net of 94 POS in the Third Quarter, bringing the total number of POS to 2,048 as at 31 December 2013.

CAUTION STATEMENT

The Board wishes to remind investors that the above operational update is based on the Company's internal records and management accounts for the three months ended 31 December 2013 which have not been reviewed or audited by auditors of the Company. **Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board
Chow Tai Fook Jewellery Group Limited
Dr. Cheng Kar-Shun, Henry
Chairman

Hong Kong, 7 January 2014

As of the date of this announcement, the executive directors are Dr. Cheng Kar-Shun, Henry, Mr. Wong Siu-Kee, Kent, Mr. Cheng Chi-Kong, Adrian, Mr. Cheng Chi-Heng, Conroy, Mr. Chan Sai-Cheong, Mr. Chan Hiu-Sang, Albert, Mr. Cheng Ping-Hei, Hamilton and Mr. Suen Chi-Keung, Peter, the non-executive directors are Mr. Cheng Kam-Biu, Wilson and Mr. Koo Tong-Fat and the independent non-executive directors are Mr. Cheng Ming-Fun, Paul, Dr. Fung Kwok-King, Victor, Mr. Kwong Che-Keung, Gordon, Mr. Lam Kin-Fung, Jeffrey and Mr. Or Ching-Fai, Raymond.