



英皇鐘錶珠寶有限公司
EMPEROR WATCH & JEWELLERY LIMITED

A Leading Watch & Jewellery Retailer

Company Structure

Shareholding:

Emperor Group (~63%)

Public (~37%)

Emperor Watch & Jewellery Limited (887.HK)



Revenue Mix:

Watch Business
(77%)

Jewellery Business
(23%)

Authorised dealer of
international
watch brands

Sale of fine gold, diamond, gem
stone, jade, pearl and other
jewellery products under
brand

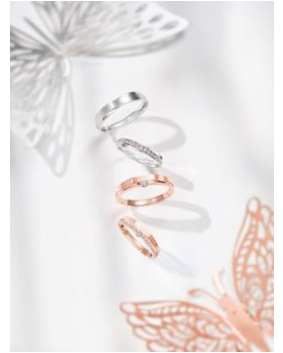


Competitive Strengths

- Comprehensive watch brand mix
- Wide recognition of  as a prestigious jewellery brand
- Strong presence at prime retail locations across Mainland, HK, Macau, Singapore and Malaysia
- Achieve synergies with group sister companies
- Excellent direct sales channels
- Proficient management team



Floral Wedding Collection



Wedding Bands Collection



Joey Yeung
Heartbeat Collection



Elly & Angus Yeung
Blessing Love Wedding Gold Collection



Elly & Angus Yeung
One Vow Two Love Collection



英皇鐘錶珠寶有限公司 EMPEROR WATCH & JEWELLERY LIMITED Watch Business

Comprehensive Watch Brand Mix

Hong Kong: 20 Dealerships

Baume & Mercier	IWC Schaffhausen
Bedat & Co	Jaeger-LeCoultre
Bell & Ross	Omega
Blancpain	Officine Panerai
Breguet	Parmigiani
Breitling	Patek Philippe
Cartier	Piaget
Chopard	Rolux
Girard-Perregaux	Tag Heuer
H.Moser & Cie	Tudor

Mainland China: 7 Dealerships

Baume & Mercier (名士)
Carl F. Bucherer (寶齊萊)
Franck Muller (法穆蘭)
Piaget (伯爵)
Rolex (勞力士)
Tudor (帝舵表)
Zenith (真力時)

Singapore: 7 Dealerships

Blancpain
Breguet
Cartier
Corum
Patek Philippe
Rolex
Tudor

Close Relationship with Watch Brand Suppliers



Mr. Thierry Stern, President of Patek Philippe (Right 2)
Mr. & Mrs. Philippe Stern, Honorary President of Patek Philippe (Left 3 & 4)



Mr. Matthias Wacker,
Executive Director of
Rolex Hong Kong Limited
(Left)



Mr. Cyrille Vigneron,
CEO of Cartier (Left)



Co-op advertising campaigns
with watch brand suppliers



Mr. Raymond Law, Brand Manager of Tudor (Left 2)
Mr. Hans-Peter Bouvard, General Manager of Rolex
(Shanghai) Limited Beijing Branch (Right 1)

Regional Watch Price



Rolex
"Cosmograph Daytona"
Oystersteel

HKD115,500
RMB115,500
SGD20,650



Rolex
"GMT-Master II"
Oystersteel

HKD85,200
RMB85,200
SGD15,250



Rolex
"Day-Date"
Yellow Gold

HKD297,400
RMB297,400
SGD53,150



Cartier
"Ballon Bleu"
Medium Rose Gold

HKD323,000
RMB317,000
SGD59,000



Patek Philippe
"Grand Complications"
Rose Gold

HKD740,500
RMB802,200
SGD137,000



英皇鐘錶珠寶有限公司 EMPEROR WATCH & JEWELLERY LIMITED Jewellery Business



Quality Diamond and Jadeite with Emphasis on Design

- EMPEROR 英皇珠寶 brand offers comprehensive product range which includes not only fine gold, diamond, jadeites, but also pearl and colour stones
- Emphasis on our exquisite quality, skillful craftsmanship, delicacy and stylish designs

Stringent Quality and Service Standards

Product Quality

- Assure quality and authenticity of the gem-sets
 - ~90% of diamond stones weighting 1ct or above are in upper colour range (i.e. colour D to J)
- 
- D E F G H I J K L M N O P Q R S T U V W X Y Z
- >90% of diamond stones weighting 1ct or above are certified by GIA

Service Standards

- Emphasis on product knowledge of the staff and professional services to the customers
 - Enhance staff development through comprehensive trainings on product knowledge, market trends and customer service skills
 - Advise tips on jewellery care and maintenance
 - Offer comprehensive after-sale services



Recognised as
Quality Tourism
Services-accredited
shop by HKTB

Charismatic Endless Collections

- Roll out various signature jewellery collections with unique charisma to build brand loyalty
- Introduce trendy and fashionable jewellery designs to meet consumers' needs
- Demonstrate feminine appeal with fine and delicate product quality



Flare Collection



The Spotlight Collection

Widely Recognised as a Prestigious Brand

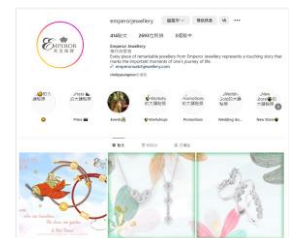
- Celebrities endorsement on advertisements and advertorials
- Online exposure in popular websites and social media channels
- Invite key opinion leaders to visit the stores regularly, in order to increase brand exposure via their sharing on social platforms



Joey Yung Featuring
Heartbeat Collection



Elly & Angus Yeung Featuring
Blessing Love Wedding
Gold Collection



Instagram



Weibo –
Store visit by KOL

Exposure on social media platforms



英皇鐘錶珠寶有限公司
EMPEROR WATCH & JEWELLERY LIMITED

Financial Summary

Financial Review

HK\$ million	FY2022	1H2022	1H2023	YOY Changes
Revenue	3,684	1,646	2,330	+ 41.6%
Gross Profit	1,177	525	725	+ 38.1%
Adjusted EBITD*	376	154	274	+ 77.9%
Net Profit	222	86	186	+ 116.3%
Basic Earnings Per Share (HK Cents)	3.28	1.27	2.74	+ 115.7%

* Adjusted EBITD represents earnings before interest, tax and depreciation charge on the self-owned flagship store, which reflects the Group's core operating performance. The Group has fully adopted the HKFRS16, which amortization of right-of-use assets associated with rental lease agreements were included.

Emperor W&J declared an interim dividend of HK0.76 cent (2022: HK0.38 cent) per share.

Revenue Breakdown

Total Revenue	FY2022		1H2022		1H2023		Changes
	(HK\$m)	Mix (%)	(HK\$m)	Mix (%)	(HK\$m)	Mix (%)	(%)
By Product Segment							
Watch	3,017	82	1,354	82	1,786	77	+ 31.9
Jewellery	667	18	292	18	544	23	+ 86.3
Fine Gold	337	9	143	9	313	13	+ 118.9
Diamond & Jade	207	6	96	6	144	6	+ 50.0
Others*	123	3	53	3	87	4	+ 64.2
Total	3,684	100	1,646	100	2,330	100	+ 41.6
By Geographical Segment							
HK	1,653	45	770	47	1,153	49	+ 49.7
Macau	217	6	122	7	162	7	+ 32.8
Mainland China	1,186	32	432	26	712	31	+ 64.8
Southeast Asia**	628	17	322	20	303	13	- 5.9
Total	3,684	100	1,646	100	2,330	100	+ 41.6

* Others mainly represent color stones and pearl

** Southeast Asia includes Singapore and Malaysia



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Financial Summary

Volume VS ASP

		FY2022	1H2022	1H2023
Watch	No. of Goods Sold (pcs)	29,956	13,834	18,076
	ASP (HK\$)	\$100,736	\$97,859	\$98,806
Fine Gold	No. of Goods Sold (pcs)	34,845	13,924	29,167
	ASP (HK\$)	\$9,674	\$10,264	\$10,714
Diamond and Jade	No. of Goods Sold (pcs)	12,173	5,600	7,984
	ASP (HK\$)	\$16,933	\$17,206	\$18,042
Others*	No. of Goods Sold (pcs)	49,493	26,180	39,683
	ASP (HK\$)	\$2,493	\$2,006	\$2,201

* Others mainly represent color stones and pearl

Key Performance Indicators

	FY2022	1H2022	1H2023
Same Store Sales* (Overall)	- 7.5%	- 22.6%	+ 38.3%
Same Store Sales* (HK)	- 4.5%	- 11.8%	+ 57.6%
Store Rental / Total Revenue	8.8%	9.2%	7.3%
Store Staff Cost / Total Revenue	5.2%	5.8%	5.3%
Marketing Cost / Total Revenue	0.6%	0.5%	0.5%
	YE2022	PE2022	PE2023
Inventory (HK\$)	\$2,703m	\$2,626m	\$2,738m
Stock Turnover Days	395 days	412 days	338 days
Cash on Hand (HK\$)	\$664m	\$609m	\$843m
Debts (HK\$)	Nil	\$36m	Nil
Net Gearing Ratio (Net Debts/NAV)	Zero**	Zero**	Zero**

* Same Store Sales represents the percentage change of total sales of the comparable stores year-on-year

** As the Group was in a net cash position, hence its net gearing ratio was zero



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Retail Network

Retail Network Covering Hong Kong, Macau, Mainland China, Singapore and Malaysia

	@30 Jun 2023					
	No. of stores				Floor Area	
	Multi-brand Watch Shop with/without Jewellery	Single-brand Watch Boutique	Emperor Jewellery Store	Total	Total (sq. ft.)	Average (sq. ft.)
Hong Kong	6	5	19	30	59,240	1,975
Macau	2	1	2	5	9,451	1,890
Mainland China	1	8	38	47	37,714	802
Singapore	2	5	1	8	6,333	792
Malaysia	-	-	1	1	2,013	2,013
Total	11	19	61	91	114,751	1,261





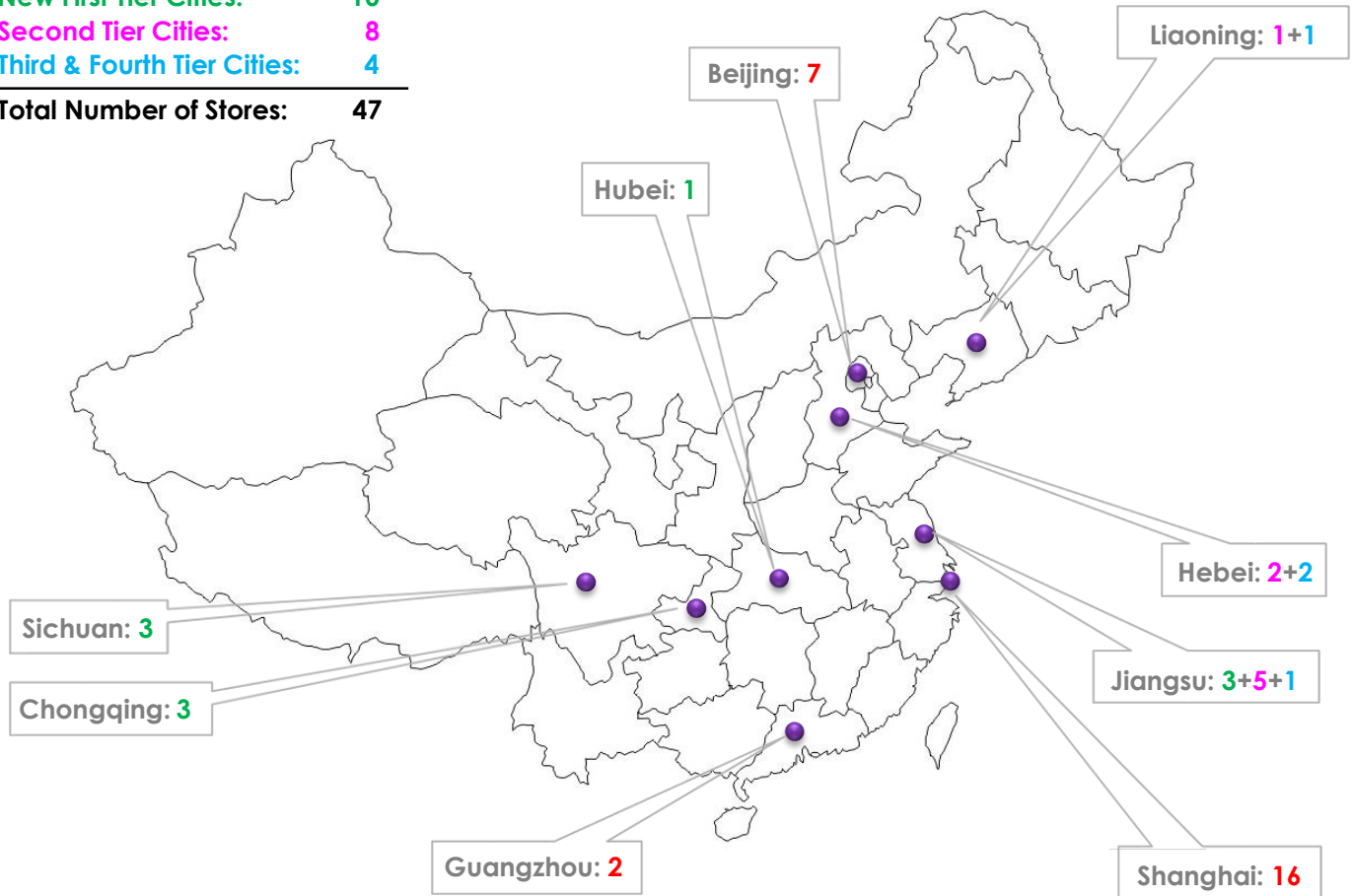
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EMPEROR WATCH & JEWELLERY LIMITED

Retail Network

Strategic Coverage in Mainland China

@ 30 Jun 2023

First Tier Cities: 25
New First Tier Cities: 10
Second Tier Cities: 8
Third & Fourth Tier Cities: 4
Total Number of Stores: 47



Store Expansion Plan in the 2H 2023

	Opening Date	Shop Details
🇭🇰 Hong Kong		
1	July 2023	<i>Emperor Jewellery Store</i> – The Wai, Tai Wai
2	Q3 2023	<i>Emperor Jewellery Store</i> – Shatin
3	Q4 2023	<i>Single Brand Watch Boutique</i> – Tsim Sha Tsui
🇨🇳 Mainland China		
4	Aug 2023	<i>Emperor Jewellery Store</i> – Hopson One, Shanghai
5	Sep 2023	<i>Emperor Jewellery Store</i> – Xijiao Bailian, Shanghai
6	Q4 2023	<i>Emperor Jewellery Store</i> – Beijing
7	Q4 2023	<i>Emperor Jewellery Store</i> – Chongqing
🇲🇾 Malaysia		
8	Q4 2023	<i>Emperor Jewellery Store</i> – Kuala Lumpur



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Future Strategies

Enhance Jewellery Business

Expand jewellery business to enhance overall profit margin performance

- Increase sales amount by rolling out new collections and launching direct sales events on a regular basis
- Target to achieve 50% of overall revenue in medium to long term

Reinforce brand positioning

- Position "**Emperor Jewellery**" as an light luxury
- Implement brand building programs and enhance brand exposure
- Actively participate in social media and collaborate with offline media
- Participate in regional/international fashion and jewellery shows

Deepen market penetration

- Increase stock level and offer attractive designs to drive sales in particular to the rising demand for gold
- Develop new products and designs to broaden customer groups and to encourage repeat purchases
- Continue to execute organic store expansion plan
- Revamp store image and create new environment to enhance shoppers' experience and enable effective customer segmentation

Identify e-commerce opportunities

- Strengthen online to offline interaction by rolling out regular promotion activities and encouraging online shopping and redeeming rewards offline, thereby facilitate two-way communications with target customers
- Operate e-commerce through online shopping platforms (e.g. HKTV mall, Tmall, jd.com) to capture massive potentials of internet and mobile users, and establish a solid foundation for e-commerce and social media
- Enhance brand visibility on various websites to draw target customers from online to offline
- Expand user database for analysing customer demographics and formulating effective marketing strategy



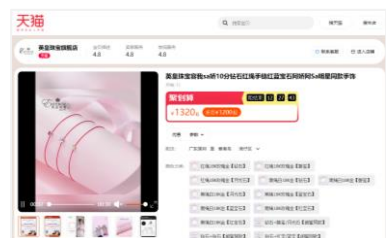
HKTV mall



Tik Tok



JD.com



Tmall

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