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// Q2 FY2027

CHOW TAI FOOK JEWELLERY GROUP

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01

Executive Summary

Primary source: Chow Tai Fook Jewellery Group Limited (HKEX: 1929), "Unaudited Key Operational Data for Three Months Ended 30 September 2026", published 22 October 2026, https://www.ctfjewellerygroup.com/content/dam/ctfjewellerygroup/ir/dashboard/20261022164001376112379399_en.pdf. Analysis by Pau Almar, VGR.

Chow Tai Fook's unaudited operational data for the three months to 30 September 2026, the second quarter of its financial year to March 2027, gives Group retail sales value growth of -0.5%. The Chinese Mainland, 83.3% of Group retail sales value, fell 5.3%; Hong Kong, Macao and other markets, 16.7%, rose 33.2%. Same store sales rose 2.2% in the Mainland and 29.6% in Hong Kong and Macao, but the Mainland figure came with a 9.7% fall in same-store volume. The company states the Mainland decline was "mainly attributable to network optimisation and a high comparison base". The announcement carries no revenue, margin or profit figure; those arrive with the interim results.

The Mainland sold 2.2% more through the same self-operated stores on 9.7% fewer pieces, while 240 points of sale closed in the quarter

Same store sales in the Mainland cover self-operated stores open since before 1 April 2025. They rose 2.2% against volume down 9.7%, which implies a price and mix lift of about 13.2%. The company's average selling prices show where it came from. Fixed-price gold jewellery rose to HK$10,100 from HK$7,000 (+44.3%) and weight-based gold to HK$10,200 from HK$9,500 (+7.4%), while gem-set jewellery stayed near flat at HK$9,100 from HK$9,300. Franchised same store sales fell 2.9%, a gap of 5.1 points to the self-operated stores, and the franchised share of Mainland retail sales value fell to 61.6% from 67.5%.

Hong Kong, Macao and other markets turned a 16.7% share into 4.1 points of Group growth, and the Mainland took away 4.6

The 83.3% / 16.7% split and the two growth rates give the prior-year weights: the Mainland was about 87.5% of Group retail sales value a year earlier. On those weights the Mainland subtracted 4.6 points from Group growth and Hong Kong, Macao and other markets added 4.1, which sums to the company's -0.5%. The Hong Kong and Macao lift is gold: weight-based gold jewellery retail sales value grew 44.4% against 19.0% for fixed-price, and its share of the region's retail sales value rose 5.4 points to 69.3%. Same-store weight-based gold ASP in Hong Kong and Macao fell 8.3% to HK$15,400 while fixed-price gold ASP rose 56.1%, and same-store volume rose 14.0%.

WHAT TO WATCH

Interim results for the half year to 30 September 2026. A continuation is reported revenue growth below the Group retail sales value growth of -0.5%; a break is revenue growth above it.

Mainland self-operated same store sales in the third quarter. A continuation is a figure below the second quarter's +2.2%; a break is a reading above 10%.

Mainland point-of-sale closures at the next disclosure. A continuation is net closures above 100; a break is fewer than 50.

The period in figures: retail sales value and same store sales

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CHOW TAI FOOK JEWELLERY GROUP LIMITED · HKEX: 1929 · Q2 FY2027 UNAUDITED KEY OPERATIONAL DATA

FINANCIAL YEAR ENDS 31 MARCH 2027 · PERIOD ENDED 30 SEPTEMBER 2026 · REPORTED 22 OCTOBER 2026 · ANALYSIS 26 OCTOBER 2026

NET REVENUES	GROSS PROFIT	OPERATING PROFIT	NET PROFIT
not provided	not provided	not provided	not provided
	GROSS MARGIN	**OPERATING MARGIN**	**RoS**
	not provided	not provided	not provided

GROUP RSV GROWTH

-0.5%

year on year, retail sales value

MAINLAND SSS, SELF-OPERATED

+2.2%

volume -9.7%

HK & MACAO SSS

+29.6%

volume +14.0%

NET POS CLOSURES

-242

5,434 to 5,192 in the quarter

Operational update, no income statement: the seven results lines are not disclosed. Retail sales value is measured at the ending price, VAT inclusive, in functional currencies; same store sales cover self-operated Chow Tai Fook Jewellery stores open before 1 April 2025.

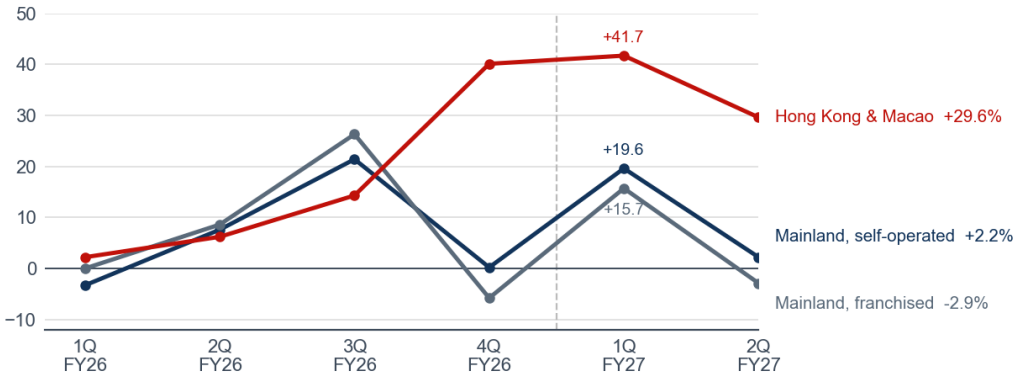
The company's key operational data, as printed. Retail sales value is an operating measure of sales to customers across the point-of-sale network and other channels; it is not revenue, because franchised sales are not the company's revenue.

MEASURE	GROUP	CHINESE MAINLAND	HK, MACAO AND OTHER
RSV growth	**(0.5)%**	**(5.3)%**	**+33.2%**
Contribution to Group RSV		83.3%	16.7%
Same store sales growth	n/d	**+2.2%**	**+29.6%**
Same store volume growth	n/d	**(9.7)%**	**+14.0%**
SSS growth, fixed-price	n/d	**+11.1%**	**+13.0%**
SSS growth, weight-based gold	n/d	**+1.7%**	**+43.5%**

Source: Chow Tai Fook Jewellery Group Limited, Unaudited Key Operational Data for Three Months Ended 30 September 2026, 22 October 2026. Same store sales for Hong Kong and Macao only; "other markets" are in RSV, not in SSS. "n/d" not disclosed.

Same-store growth slowed in every channel from the first quarter to the second

Same store sales growth by channel, % year on year, 1Q FY2026 to 2Q FY2027



Source: Chow Tai Fook Jewellery Group Limited, Unaudited Key Operational Data for Three Months Ended 30 September 2026, 22 October 2026.

Same store sales growth slowed in every channel against the first quarter: 17.4 points in the Mainland self-operated stores (19.6% to 2.2%), 18.6 points in the franchised stores (15.7% to -2.9%) and 12.1 points in Hong Kong and Macao (41.7% to 29.6%). Hong Kong rose 24.0% and Macao 47.3% in the quarter. A year earlier the second quarter of FY2026 printed 7.6% (self-operated), 8.6% (franchised) and 6.2% (Hong Kong and Macao).

Price and mix explain more than volume in both regions

SAME-STORE AVERAGE SELLING PRICE (HK$)	2Q FY27	2Q FY26	CHANGE
Mainland, weight-based gold	10,200	9,500	**+7.4%**
Mainland, fixed-price gold	10,100	7,000	**+44.3%**
Mainland, gem-set	9,100	9,300	**(2.2)%**
HK & Macao, weight-based gold	15,400	16,800	**(8.3)%**
HK & Macao, fixed-price gold	8,900	5,700	**+56.1%**
HK & Macao, gem-set	16,400	15,900	**+3.1%**

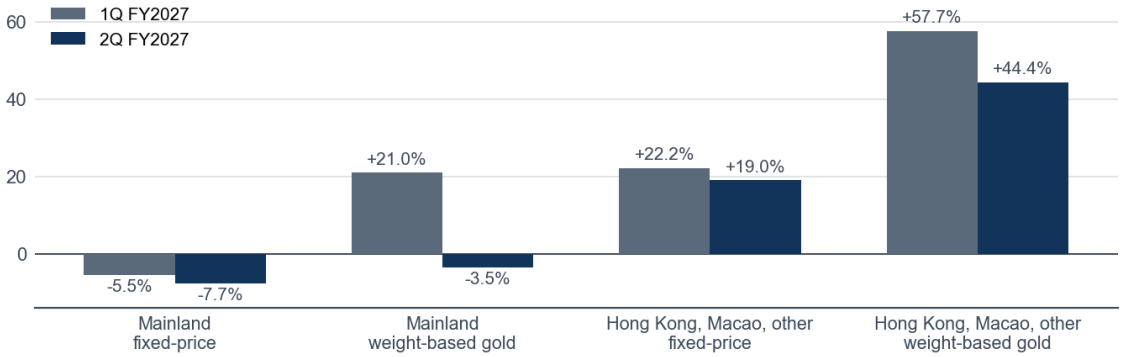
Source: Chow Tai Fook Jewellery Group Limited, Unaudited Key Operational Data for Three Months Ended 30 September 2026, 22 October 2026. Derived figures are VGR arithmetic on the company's own disclosed percentages and ASPs. Change column is VGR arithmetic on the printed HK$ figures, which the company rounds to the nearest HK$100.

The two regions solve the volume-and-price equation in opposite ways. In the Mainland, volume fell 9.7% and price and mix rose about 13.2%, led by fixed-price gold. In Hong Kong and Macao, volume rose 14.0% and price and mix rose about 13.7%, even though the ASP of weight-based gold fell 8.3%; fixed-price gold ASP rose 56.1% there, and the company does not give the mix between the two that reconciles the figures.

03 · PRODUCT MIX AND CHANNEL

Weight-based gold gained share in both regions while Mainland fixed-price jewellery fell for a second quarter

Gold jewellery carried growth outside the Mainland; fixed-price fell in the Mainland
Retail sales value growth by product, % year on year, 1Q and 2Q FY2027



Source: Chow Tai Fook Jewellery Group Limited, Unaudited Key Operational Data for Three Months Ended 30 September 2026, 22 October 2026.

SHARE OF RSV	2Q FY27	2Q FY26	CHANGE
Mainland, weight-based gold	67.5%	66.3%	+1.2pp
Mainland, fixed-price	29.2%	29.9%	-0.7pp
HK, Macao and other, weight-based gold	69.3%	63.9%	+5.4pp
HK, Macao and other, fixed-price	26.5%	29.6%	-3.1pp
Franchised, Mainland CTF Jewellery	61.6%	67.5%	-5.9pp
E-commerce, Mainland (RSV / volume)	8.9% / 19.8%	n/d	n/d

Source: Chow Tai Fook Jewellery Group Limited, Unaudited Key Operational Data for Three Months Ended 30 September 2026, 22 October 2026. Derived figures are VGR arithmetic on the company's own disclosed percentages and ASPs. Change column is VGR arithmetic on the company's one-decimal shares. The company states the rows for RSV contribution; the remainder to 100% is other categories, not itemised.

Mainland retail sales value in weight-based gold fell 3.5% in the quarter after rising 21.0% in the first quarter, a 24.5-point swing, and fixed-price fell 7.7% after 5.5%. In Hong Kong, Macao and other markets, gold rose 44.4% and fixed-price 19.0%. Mainland e-commerce grew 25.6% and is 8.9% of Mainland retail sales value but 19.8% of volume, so an online piece sells at about 0.45 times the average value of a piece sold overall (8.9 / 19.8, VGR arithmetic). The company names the DAWN collection, at nearly HK$2 billion in retail sales value, and the August SONG launch, but gives no split of those collections by region or product.

The point-of-sale network fell 497 units in six months, and franchised stores are 68.3% of the Mainland estate

POINT OF SALE	31.3.2026	30.6.2026	30.9.2026	Q2 NET
Chow Tai Fook Jewellery	5,460	5,205	4,966	**(239)**
Chinese Mainland	5,305	5,047	4,807	**(240)**
Hong Kong & Macao	92	93	94	**+1**
Other markets	63	65	65	0
Other brands	229	229	226	**(3)**
Total	5,689	5,434	5,192	**(242)**

Source: Chow Tai Fook Jewellery Group Limited, Unaudited Key Operational Data for Three Months Ended 30 September 2026, 22 October 2026. Mainland excludes CTF Watch; 68.3% of Mainland Chow Tai Fook Jewellery points of sale were in franchised format at 30 September 2026.

Net closures of 255 in the first quarter and 242 in the second take the Group estate down 8.7% from 31 March. Mainland closures were 263 against 23 openings, 11.4 closures per opening. Same store sales exclude closed and new stores, which is why a 2.2% same-store gain sits beside a 5.3% fall in total Mainland retail sales value. The company reports one new luxury-format boutique, 13 in the Mainland against a target of 50 by FY2030, and two new stores in Singapore and Malaysia; other markets' retail sales value rose 31.1%.

04 · THE COMPANY'S ACCOUNT, TESTED

The announcement's own statements against its figures

CLAIM	DISPOSITION
"The Second Quarter performance demonstrated the resilience of our business model."	Partially supported. Group retail sales value fell 0.5%, so the Group did not grow; Hong Kong and Macao growth of 33.2% offset a Mainland fall of 5.3%. "Resilience" has no benchmark in the announcement.
"We continued to outperform the jewellery retail market."	Not verifiable from the disclosure. No market figure is given and none from outside the company is used here.
"The decline in Mainland RSV ... was mainly attributable to network optimisation and a high comparison base."	Partially supported. On network: 240 net closures and the franchised share down 5.9 points. Partly supported on base: the prior-year fixed-price reading was +24.2%, but weight-based gold was -3.8% and fell again in this quarter, so a high base does not explain gold.
Hong Kong and Macao SSSG "supported by robust consumption sentiment and customer traffic."	Not verifiable from the disclosure. Same-store volume +14.0% is consistent with traffic, but the announcement gives no footfall, conversion or tourist figure.

Source: Chow Tai Fook Jewellery Group Limited, Unaudited Key Operational Data for Three Months Ended 30 September 2026, 22 October 2026. Dispositions use the four fixed terms of the VGR methodology.

Metrics an interim or annual report carries that this announcement does not

METRIC	STATUS	EFFECT ON THIS ANALYSIS
Revenue, gross profit, operating profit, net profit, margins	not disclosed	No margin or profit analysis is possible; gold-price and mix effects on margin cannot be sized.
RSV in HK$, prior-year RSV level	not disclosed	Only growth rates are given; the 87.5% prior-year Mainland weight is derived, not stated.
Group same store sales	not disclosed	Only Mainland self-operated, franchised and Hong Kong and Macao are given; no Group figure is calculable.
Inventory, cash flow, net cash, dividend	not disclosed	Section 5 to 7 of the methodology not applicable.
Selling area, sales per store	not disclosed	Store counts only; no productivity figure.
FX and gold-price effect, guidance for FY2027	not disclosed	RSV is in functional currencies and no constant-currency figure is given.

Source: Chow Tai Fook Jewellery Group Limited, Unaudited Key Operational Data for Three Months Ended 30 September 2026, 22 October 2026. Each row is an absence from the primary source, not an estimate VGR declined to make.

05 · METHOD AND SOURCES

One primary source: the company's operational announcement of 22 October 2026

This analysis uses one document, the five-page "Unaudited Key Operational Data for Three Months Ended 30 September 2026" published by Chow Tai Fook Jewellery Group Limited, retrieved from the company's investor relations site. Chart figures on pages 2 to 4 of the announcement were read from the printed data labels. No press report, broker note or aggregator was used. The company states that the data rest on internal records and management accounts that have not been reviewed or audited. Percentages the company prints are shown as printed; every figure VGR derives carries one decimal and is labelled in the table source line. Nothing has been converted between currencies.

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Analysis by Pau Almar, VGR.

METHODOLOGY

VGR Standardised Financial Analysis Methodology v5, scaled to an operational update. Arithmetic before language; every finding names the disclosure that would settle it.

PRIMARY SOURCE

Chow Tai Fook Jewellery Group Limited (HKEX: 1929), "Unaudited Key Operational Data for Three Months Ended 30 September 2026", published 22 October 2026.
https://www.ctfjewellerygroup.com/content/dam/ctfjewellerygroup/ir/dashboard/20261022164001376112379399_en.pdf

WORKING RECORD

Chow Tai Fook_Q2 FY2027 operational update_Source_Figures.md, with company-disclosed figures and VGR arithmetic in separate parts. Figures as published; HK$ ASPs as printed.

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