

Hong Kong Reopening Sets Chow Tai Fook Revenue Soaring



Chow Tai Fook's sales surged in the first fiscal quarter amid the return of tourism to Hong Kong.

Retail sales across the group rose 29% year on year for the three months ending June 30, the [Hong Kong-based jeweler](#) reported Monday. The figure rose 64% in Hong Kong and Macau and gained 25% in mainland China.

Hong Kong's border with mainland [China reopened in January](#), restoring one of the municipality's most important sources of luxury revenue. Prior to the Covid-19 pandemic, millions of tourists, primarily from the mainland, traveled to the municipality every year to purchase goods.

Same-store sales — at branches open for at least last year, excluding franchises — grew 64% in Hong Kong and Macau. In China, same-store sales rose 8.5%, representing a “steady sequential improvement” from the last two quarters, Chow Tai Fook noted.

Same-store sales of gold jewelry increased 101% in Hong Kong and Macau and advanced 10% on the mainland.

“During the first quarter, the recovery in general mobility and retail activity had continued to positively impact our business in mainland China and Hong Kong and Macau,” the company said.

During the three months, Chow Tai Fook opened a net 95 stores in mainland China, while Hong Kong and Macau saw no net change.

Image: A Chow Tai Fook store in Hong Kong. (Shutterstock)