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Soo Kee Group, HQ Opening – News Coverage

Soo Kee Group launches bullion business



Dr Koh (centre) in front of a wall made with 9,999 pieces of 999 pure gold bars in Soo Kee Group's new corporate headquarters in Changi Business Park. ST PHOTO: LAU FOOK KONG

Home-grown jeweller Soo Kee Group yesterday made its foray into the potentially lucrative bullion business, marked by the company as one of its key future growth drivers.

The Catalist-listed group launched SK Bullion, a platform providing buying, selling and insured storage services for investment-grade gold, silver and other precious metals.

It will also open a bricks-and-mortar SK Bullion store at Clifford Centre in Raffles Place next month.

Soo Kee in April bought a 70 per cent stake in a bullion business distributing precious metals in Singapore, Malaysia and Indonesia.

"Today, we are seeing a lot more uncertainty on the world stage. At the same time, we are also seeing growing demand for precious metals like gold, which are known for their safe-haven qualities," chief executive Daniel Lim told The Straits Times in an interview.

"And in Singapore, people are becoming more sophisticated when it comes to wealth management, so many of them find it quite attractive to park some of their wealth in gold or silver."

That Singapore - which has ambitions to become a trading hub for precious metals - has a supportive environment in terms of policies, security and trade flows also makes bullion investments "very attractive and relevant", he noted.

Mr Lim said SK Bullion, which is focused on physical gold and silver products, will offer customers a "one-stop solution", especially those seeking alternative investments.

He added that the group plans to build a separate precious metals storage vault, which could be up and running in the next six months, to cope with demand.

"Sometimes buying one tonne of silver to put inside the house is not very logical. We want to remove this concern for our customers."

Mr Lim was speaking at the opening of Soo Kee's new corporate headquarters in Changi Business Park - a seven-storey building with a gross floor area of about 13,047 sq m.

The new building will house the group's regional research and design functions while serving as its customer care facility.

Minister of State for Trade and Industry Koh Poh Koon, who was also at the opening, noted that amid the challenging retail landscape, jewellery companies have to "find ways to stay relevant to consumers".

Dr Koh said local retailers should "set their sights abroad" given the constraints of Singapore as a market, citing Soo Kee as an example of a company that has successfully expanded beyond the country, with a network of more than 60 retail stores in Singapore and Malaysia, as well as Hong Kong and Shenzhen in mainland China.

Soo Kee shares closed flat at 14.2 cents yesterday.