



## Soo Kee Group Ltd.

(Company Registration No.: 201214694Z)

(Incorporated in the Republic of Singapore on 13 June 2012)

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### UNAUDITED FIRST QUARTER FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2016

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*Soo Kee Group Ltd. (the “Company”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 20 August 2015. The initial public offering (the “IPO”) of the Company was sponsored by United Overseas Bank Limited (the “Sponsor”).*

*This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor, for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact persons for the Sponsor are Mr Khong Choun Mun, Managing Director, Equity Capital Markets and Mr David Tham, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.*

#### Background

The Company was incorporated in the Republic of Singapore on 13 June 2012 under the Companies Act (Chapter 50) of Singapore as a private limited company under the name of “Soo Kee Group Pte. Ltd.”. On 3 August 2015, the Company changed its name to “Soo Kee Group Ltd.” in conjunction with its conversion to a public company limited by shares.

The group comprising the Company and its subsidiaries (the “Group”) was formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) undertaken as part of its corporate re-organisation, which involved the rationalisation of its corporate and shareholding structure for the purposes of the Company’s listing on Catalist. Please refer to the Company’s offer document dated 11 August 2015 (the “**Offer Document**”) for further details on the Restructuring Exercise.

For the purpose of this announcement, the results of the Group for the first quarter ended 31 March 2016 (“**Q12016**”) and the comparative results of the Group for the first quarter ended 31 March 2015 (“**Q12015**”) have been prepared on the assumption that the group structure following the completion of the Restructuring Exercise has been in place since 1 January 2015.

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comprehensive statement for the corresponding period of the immediately preceding financial year.

**CONSOLIDATED / COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Group		
	Unaudited Q12016 S\$'000	Unaudited Q12015 S\$'000	Change %
<b>Revenue</b>	36,683	34,903	5.1
Other gains	1,083	364	197.5
Material costs	(20,099)	(17,906)	12.2
Employee benefits expense	(4,963)	(4,601)	7.9
Depreciation and amortisation expense	(1,035)	(528)	96.0
Other losses	-	(541)	NM
Finance costs	(538)	(134)	301.5
Other expenses	(7,940)	(7,409)	7.2
<b>Profit before tax</b>	<b>3,191</b>	<b>4,148</b>	<b>(23.1)</b>
Income tax expense	(604)	(760)	(20.5)
<b>Profit, net of tax</b>	<b>2,587</b>	<b>3,388</b>	<b>(23.6)</b>
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations, net of tax	297	(202)	NM
<b>Other comprehensive income for the period, net of tax</b>	<b>2,884</b>	<b>3,186</b>	<b>(9.5)</b>
<b>Total comprehensive income</b>	<b>2,884</b>	<b>3,186</b>	<b>(9.5)</b>
<b>Attributable to:</b>			
Equity holders of the Company	2,884	3,186	(9.5)

NM: Not meaningful

**1(a)(ii) Notes to consolidated / combined statements of profit or loss and other comprehensive income**

The Group's profit before tax was arrived at after crediting/(charging) the following:

	Group		
	Unaudited Q12016 S\$'000	Unaudited Q12015 S\$'000	Change %
Central support service income	50	45	11.1
Depreciation and amortisation expenses	(1,035)	(528)	96.0
Finance costs	(538)	(134)	301.5
Foreign exchange adjustment gains/(losses)	581	(541)	NM
Interest income	70	-	NM
Gain on disposal of property, plant and equipment	33	38	(13.2)
Miscellaneous income	359	281	27.8
Rental income	60	-	NM

NM: Not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

**STATEMENTS OF FINANCIAL POSITION**

	Group		Company	
	Unaudited As at 31 March 2016 S\$'000	Audited As at 31 December 2015 S\$'000	Unaudited As at 31 March 2016 S\$'000	Audited As at 31 December 2015 S\$'000
<b>Assets</b>				
<b><u>Non-current assets</u></b>				
Property, plant and equipment	33,106	32,374	-	-
Investment in subsidiaries	-	-	10,502	10,210
Investment in associates	2	2	-	-
Deferred tax assets	131	146	-	-
Other financial assets	30	30	-	-
Other assets (land use rights)	5,705	5,759	-	-
<b>Total non-current assets</b>	<b>38,974</b>	<b>38,311</b>	<b>10,502</b>	<b>10,210</b>
<b><u>Current assets</u></b>				
Inventories	59,317	60,470	-	-
Trade and other receivables	2,291	2,262	18,251	14,708
Other assets (land use rights)	219	219	-	-
Other assets	5,894	5,857	50	149
Cash and cash equivalents	32,794	34,026	18,783	22,111
<b>Total current assets</b>	<b>100,515</b>	<b>102,834</b>	<b>37,084</b>	<b>36,968</b>
<b>Total assets</b>	<b>139,489</b>	<b>141,145</b>	<b>47,586</b>	<b>47,178</b>
<b>Equity and liabilities</b>				
<b><u>Equity</u></b>				
Share capital	42,399	42,399	42,399	42,399
Retained earnings	10,923	8,336	3,386	3,320
Other reserves	(513)	(810)	-	-
<b>Total equity</b>	<b>52,809</b>	<b>49,925</b>	<b>45,785</b>	<b>45,719</b>
<b><u>Non-current liabilities</u></b>				
Deferred tax liabilities	110	160	-	-
Other financial liabilities	37,918	37,978	-	-
Other liabilities	1,041	1,015	-	-
<b>Total non-current liabilities</b>	<b>39,069</b>	<b>39,153</b>	<b>-</b>	<b>-</b>
<b><u>Current liabilities</u></b>				
Income tax payable	2,708	1,839	11	11
Trade and other payables	12,390	15,930	1,790	1,448
Other financial liabilities	31,056	33,507	-	-
Other liabilities	1,457	791	-	-
<b>Total current liabilities</b>	<b>47,611</b>	<b>52,067</b>	<b>1,801</b>	<b>1,459</b>
<b>Total liabilities</b>	<b>86,680</b>	<b>91,220</b>	<b>1,801</b>	<b>1,459</b>
<b>Total equity and liabilities</b>	<b>139,489</b>	<b>141,145</b>	<b>47,586</b>	<b>47,178</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

Amount repayable by the Group in one year or less, or on demand

As at 31 March 2016		As at 31 December 2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
27,258	3,798	29,907	3,600

Amount repayable by the Group after one year

As at 31 March 2016		As at 31 December 2015	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
24,418	13,500	24,478	13,500

Details of collaterals

The Group's credit facilities are secured by one or several of, *inter alia*,

- (a) Personal guarantees from Dato' Sri Dr. Lim Yong Guan, Mr. Lim Yong Sheng and Mdm. Lim Liang Eng;
- (b) Corporate guarantees from Soo Kee Group Ltd., SKJ Group Pte. Ltd. and/or SK Jewellery Pte. Ltd.;
- (c) Legal mortgages over properties owned by SK Properties Pte. Ltd.;
- (d) Assignment of, *inter alia*, all rights, title, interests and benefits arising out of the building agreement in respect of the Changi Business Park Land (as defined in the Offer Document); and
- (e) Assignment of, *inter alia*, all rights, title, interests and benefits arising out of all present and future leases of any units or part thereof of the Changi Business Park Headquarters (as defined in the Offer Document).

The Group's hire purchase facilities are secured against the respective motor vehicles.

The Group's unsecured credit facilities comprise the Directors' Loans (as defined in the Offer Document).

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONSOLIDATED / COMBINED STATEMENTS OF CASH FLOWS**

	Unaudited Q12016 S\$'000	Unaudited Q12015 S\$'000
<b><u>Cash flows from operating activities</u></b>		
Profit before tax	3,191	4,148
Adjustments for:		
Depreciation of property, plant and equipment	980	528
Amortisation of land use rights	55	-
Interest expense	538	134
Interest income	(70)	-
Gain on disposal of property, plant and equipment	(33)	(38)
Net effect of foreign exchange rate changes in consolidating foreign subsidiaries	256	(100)
Operating cash flows before changes in working capital	4,917	4,672
Inventories	1,153	(2,840)
Trade and other receivables	(30)	6
Other assets	(36)	(553)
Trade and other payables	(3,540)	(5,527)
Other liabilities	938	(340)
Net cash flows from/(used in) operations	3,402	(4,582)
Income taxes paid	(14)	(69)
Net cash flows from/(used in) operating activities	3,388	(4,651)
<b><u>Cash flows from investing activities</u></b>		
Purchase of property, plant and equipment	(1,699)	(5,187)
Disposal of property, plant and equipment	58	49
Interest received	70	-
Net cash flows used in investing activities	(1,571)	(5,138)
<b><u>Cash flows from financing activities</u></b>		
(Decrease)/Increase in borrowings	(2,796)	9,348
Increase in other financial liabilities	100	222
Finance lease repayments	(12)	-
Net movement in amounts due to directors	197	(238)
Interest paid	(538)	(134)
Net cash flows (used in)/from financing activities	(3,049)	9,198
<b><u>Net decrease in cash and cash equivalents</u></b>	(1,232)	(591)
Cash and cash equivalents, statement of cash flows, beginning balance	34,026	8,535
<b>Cash and cash equivalents, statement of cash flows, ending balance</b>	32,794	7,944

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### STATEMENTS OF CHANGES IN EQUITY

Group	Total Equity S\$'000	Share Capital S\$'000	Retained Earnings S\$'000	Foreign Currency Translation Reserve S\$'000
<b>Balance as at 1 January 2016</b>	49,925	42,399	8,336	(810)
Total comprehensive income for the period	2,884	-	2,587	297
<b>Balance as at 31 March 2016</b>	52,809	42,399	10,923	(513)
<b>Balance as at 1 January 2015</b>	29,740	1,572	28,691	(523)
Total comprehensive income/(loss) for the period	3,186	-	3,388	(202)
<b>Balance as at 31 March 2015</b>	32,926	1,572	32,079	(725)

Company	Total Equity S\$'000	Share Capital S\$'000	Retained Earnings/ (Accumulated Losses) S\$'000
<b>Balance as at 1 January 2016</b>	45,719	42,399	3,320
Total comprehensive income for the period	66	-	66
<b>Balance as at 31 March 2016</b>	45,785	42,399	3,386
<b>Balance as at 1 January 2015</b>	(6)	+	(6)
Total comprehensive income for the period	-	-	-
<b>Balance as at 31 March 2015</b>	(6)	+	(6)

+ Amount less than S\$1,000.

**1(d)(ii) Details of any changes in the company's share capital arising from rights issues, bonus issues, share buy-backs, exercises of share options or warrants, conversion of other issues of equity securities, issues of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**CHANGES IN ISSUED AND PAID-UP SHARE CAPITAL**

	Company	
	Number of shares	Issued and paid-up share capital S\$
Issued and fully paid-up share capital <b>Balance as at 1 January 2016 and 31 March 2016</b>	562,500,000	42,398,917

There were no outstanding convertibles or shares held as treasury shares as at 31 March 2016 and 31 March 2015.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.**

	As at 31 March 2016	As at 31 December 2015
Total number of issued shares (excluding treasury shares)	562,500,000	562,500,000

The Company has no treasury shares or securities convertible into shares that were outstanding as at 31 March 2016 and 31 December 2015.

**1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury share as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors of the Company.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.



**4. Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for Q12016 as its most recently audited consolidated financial statements for the financial year ended 31 December 2015 (“FY2015”).

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

There are no changes in the Group’s accounting policies and methods of computation including any required by an accounting standard.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

**EARNINGS PER SHARE (“EPS”)**

	Group Unaudited	
	Q12016	Q12015
Profit, net of tax attributable to equity holders of the Company (S\$’000)	2,587	3,388
Weighted average number of ordinary shares <sup>(1)</sup>		
(a) Basic	562,500,000	450,000,000
(b) Diluted <sup>(2)</sup>	562,500,000	450,000,000
EPS (cents):-		
(a) Based on the weighted average number of ordinary shares	0.46	0.75
(b) On a fully diluted basis <sup>(2)</sup>	0.46	0.75

Notes:

(1) For comparative purposes, the pre-IPO issued and paid up share capital of the Company of 450,000,000 shares after the Sub-division of Shares (as defined in the Offer Document) is assumed to have been in issue since 1 January 2015.

(2) The weighted average number of shares on a basic and fully diluted basis were the same as there were no potentially dilutive instruments as at 31 March 2016 and 31 March 2015.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the**
- (a) **Current financial period reported on; and**  
 (b) **Immediately preceding financial year.**

**NET ASSET VALUE (“NAV”)**

	Group		Company	
	Unaudited As at 31 March 2016	Audited As at 31 December 2015	Unaudited As at 31 March 2016	Audited As at 31 December 2015
NAV per ordinary share (cents)	9.39	8.88	8.14	8.13

NM : Not meaningful

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**  
 (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**REVIEW OF THE GROUP’S PERFORMANCE**

**Revenue**

Revenue increased by S\$1.78 million or 5.1% from S\$34.90 million in Q12015 to S\$36.68 million in Q12016. The increase in revenue was mainly due to the increase in demand for the Group’s jewellery products and mementoes.

**Other gains**

Other gains increased by S\$0.72 million or 197.5% from S\$0.36 million in Q12015 to S\$1.08 million in Q12016 mainly due to foreign exchange adjustment gains of S\$0.58 million which had been recognized in Q12016 million arising from the strengthening of the MYR in Q12016.

**Material costs**

Material costs increased by S\$2.19 million or 12.2% from S\$17.91 million in Q12015 to S\$20.10 million in Q12016. The more than proportionate increase in material costs as compared to revenue in Q12016 was mainly due to the product mix.

**Employee benefits expense**

Employee benefits expense increased by S\$0.36 million or 7.9% from S\$4.60 million in Q12015 to S\$4.96 million in Q12016. The increase in employee benefits expense was mainly due to the increase in directors’ remuneration and directors’ fees in conjunction with the IPO.

**Depreciation and amortisation expense**

Depreciation and amortisation expense increased by S\$0.51 million or 96.0% from S\$0.53 million in Q12015 to S\$1.04 million in Q12016. This was mainly attributable to depreciation expenses for the Group's Changi Business Park Headquarters (as defined in the Offer Document) and amortization expenses on the land use-rights relating to the Changi Business Park Land (as defined in the Offer Document) commencing from November 2015 upon completion.

**Other losses**

The decrease in other losses of S\$0.54 million in Q12016 was mainly attributable to the absence of foreign exchange adjustment losses attributable to the weakening of the MYR of S\$0.54 million which had been recognized in Q12015.

**Finance costs**

Finance costs increased by S\$0.40 million or 301.5% from S\$0.13 million in Q12015 to S\$0.54 million in Q12016. This was mainly due to interest payable pursuant to the Directors' Loans (as defined in the Offer Document) and the construction loan for the Group's Changi Business Park Headquarters.

**Other expenses**

Other expenses increased by S\$0.53 million or 7.2%, from S\$7.41 million in Q12015 to S\$7.94 million in Q12016. This was mainly due to expenses incurred for the upkeep of the Group's Changi Business Park Headquarters of S\$0.22 million commencing from November 2015 upon completion, an increase in rental expenses of S\$0.13 million as well as an increase in advertising and promotion expenses in aggregate of S\$0.10 million.

**Profit before tax**

As a result of the foregoing, profit before tax decreased by S\$0.96 million or 23.1% from S\$4.15 million in Q12015 to S\$3.19 million in Q12016.

**Income tax expense**

Income tax expense decreased by S\$0.16 million or 20.5% from S\$0.76 million in Q12015 to S\$0.60 million in Q12016 in line with the decrease in profit before tax.

**REVIEW OF THE GROUP'S FINANCIAL POSITION****Non-current assets**

Non-current assets increased by S\$0.66 million or 1.7% from S\$38.31 million as at 31 December 2015 to S\$38.97 million as at 31 March 2016. This was mainly due to the increase in property, plant and equipment of S\$1.70 million which was offset by depreciation and amortisation expenses of S\$1.04 million. The increase in property, plant and equipment of S\$1.70 million was mainly due to capital expenditures incurred on renovation works for the Group's retail stores, building improvements for the Group's Changi Business Park Headquarters (as defined in the Offer Document) and purchase of other equipment.

**Current assets**

Current assets decreased by S\$2.32 million or 2.3% from S\$102.83 million as at 31 December 2015 to S\$100.52 million as at 31 March 2016. This was mainly due to decrease in cash and cash equivalents of S\$1.23 million and decrease in inventories of S\$1.15 million which was mainly due to an increase in demand for the Group's jewellery products and mementoes.

**Non-current liabilities**

Non-current liabilities remained relatively stable at S\$39.15 million as at 31 December 2015 and S\$39.07 million as at 31 March 2016 respectively.

**Current liabilities**

Current liabilities decreased by S\$4.46 million or 8.6% from S\$52.07 million as at 31 December 2015 to S\$47.61 million as at 31 March 2016. This was primarily attributable to a decrease in trade and other payables of S\$3.54 million and a decrease in other financial liabilities of S\$2.45 million, partially offset by an increase in income tax payable of S\$0.87 million and an increase in other liabilities of S\$0.67 million.

The decrease in trade and other payables was mainly due to the repayment of trade payables for raw materials and finished products, and an increased proportion of purchases of yellow gold and yellow gold finished products which are typically payable for on cash terms.

The decrease in other financial liabilities was mainly due to the repayment of certain term loans facilities of S\$2.80 million.

The increase in income tax payable is mainly due to income tax expenses incurred in respect of the financial year ended 31 December 2015 and Q12016 which have been provided for and payable from April 2016 onwards. The increase in other liabilities was mainly due to higher sales order deposits received from customers.

**Total equity**

Total equity increased by S\$2.88 million or 5.8% from S\$49.93 million as at 31 December 2015 to S\$52.81 million as at 31 March 2016. The increase was due to the total comprehensive income, net of tax of S\$2.88 million for Q12016.

**REVIEW OF THE GROUP'S CASHFLOW STATEMENT**

For Q12016, net cash flows from operating activities was S\$3.39 million, which consisted of operating cash flows before changes in working capital of \$4.92 million, net of income tax paid of S\$0.01 million and working capital outflow of S\$1.52 million.

The net working capital outflow arose mainly from the following:

- (a) a decrease in trade and other payables of S\$3.54 million, mainly due to the repayment of trade payables for raw materials and finished products, and an increased proportion of purchases of yellow gold and yellow gold finished products which are typically payable for on cash terms;
- (b) offset by a decrease in inventories of S\$1.15 million due to an increase in demand for the Group's jewellery products and mementoes and an increase in other liabilities of S\$0.94 million due mainly to higher sales orders deposits received from customers.

For Q12016, net cash used in investing activities amounted to S\$1.57 million mainly due to the purchase of property, plant and equipment of S\$1.70 million which was mainly due to capital expenditures incurred on renovation works for the Group's retail stores, building improvements for the Group's Changi Business Park Headquarters (as defined in the Offer Document) and purchase of other equipment.

For Q12016, net cash used in financing activities was S\$3.05 million mainly due to loan repayment of S\$2.80 million and interest paid of S\$0.54 million in Q12016. This was partially offset by the net movement in amounts due to Directors of S\$0.20 million which relates mainly to the Directors' Loans (as defined in the Offer Document) and an increase in other financial liabilities of S\$0.10 million which relates to finance leases for motor vehicles.

As a result of the above, there was a net decrease of S\$1.23 million in cash and cash equivalents, from a net cash surplus of S\$34.03 million as at 31 December 2015 to a net cash surplus of S\$32.79 million as at 31 March 2016.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast for the first quarter ended 31 March 2016 was provided.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or event that may affect the group in the next reporting period and the next 12 months.**

As part of the Group's strategy to expand its business and introduce new product lines, on 19 April 2016, the Group announced the completion of its acquisition of a 70.0% stake in DK Bullion Pte Ltd ("**DK Bullion**"). The Group intends to leverage on its brand reputation and customer base to grow its bullion business as an alternative bullion investment platform in the Southeast Asia region.

The Group continues to engage its consumers, amidst changing consumer behaviour and demand, through the launch of new product lines and its ALLOVE Diamonds, which the Group has exclusive distributorship rights for in Singapore and Malaysia, and which was globally launched on 10 December 2015.

The environment that the Group is operating in continues to remain challenging with increasing rental costs and wages. In addition, the volatility of the global and regional economy has also affected consumer discretionary income. According to the retail sales index by the Department of Statistics Singapore, retail spending on watches and jewellery in February 2016 has declined 12.4% as compared to same month last year<sup>(1)</sup>.

Against this backdrop, the Group remains committed to add value to its services through launching new products, integrating online and offline channels to keep customers engaged and streamline operational efficiencies, improving productivity and enhancing product research and development. Concurrently, the Group shall continue to widen its business network and strengthen its market position by expanding into complementary businesses, in Singapore and overseas, that would create synergistic value with its existing business.

(1) The information was extracted from [http://www.singstat.gov.sg/docs/default-source/default-document-library/news/press\\_releases/mrsfeb2016.pdf](http://www.singstat.gov.sg/docs/default-source/default-document-library/news/press_releases/mrsfeb2016.pdf) on 5 May 2016.

**11. Dividend**

**(a) Any dividend declared for the current financial period reported on?**

None.

**(b) Corresponding period of the immediately preceding financial year?**

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended for Q12016.

**13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Listing Manual of the SGX-ST, Section B: Rules of Catalist (“**Catalist Rules**”). However, pursuant to Rule 905 of the Catalist Rules, the following is disclosed:-

	<b>Aggregate value of all Interested Person Transactions during the year under review (excluding transactions less than \$100,000 and transactions conducted under Shareholders’ Mandate pursuant to Rule 902 of the Catalist Rules)</b>	
<b>Name of Interested Person</b>	<b>Q12016 S\$’000</b>	<b>Q12015 S\$’000</b>
<b>Sales of pre-owned jewellery</b> Moneymax Financial Services Ltd. and its subsidiaries (the “ <b>MoneyMax Group</b> ”)	5	10
<b>Central support services</b> MoneyMax Group	50	45
<b>Rental income</b> MoneyMax Group	48	100
<b>Rental expense</b> SK Properties Pte. Ltd.	-	66
Lim Yong Guan	81	78
	184	299

#### 14. Use of IPO proceeds

Pursuant to the Company's IPO, the Company received net proceeds from the IPO of approximately S\$31.6 million (the "Net Proceeds"). Please refer to the Offer Document for further details. As at the date of this announcement, the Net Proceeds have been utilised as follows:

Purpose	Allocation of Net Proceeds (as disclosed in the Offer Document) (S\$'000)	Net Proceeds utilised as at the date of this announcement (S\$'000)	Balance of Net Proceeds as at the date of this announcement (S\$'000)
Expansion of network of retail stores and introduction of new product lines	12,000	5,947	6,053
Capital expenditure for new Changi Business Park Headquarters (as defined in the Offer Document) including jewellery product design and development facilities and equipment which will be housed at the same premises	3,000	1,452	1,548
Repayment in part of DBS Bank loans in connection with the construction of the new Changi Business Park Headquarters (as defined in the Offer Document)	6,000	918	5,082
Working capital and general corporate purposes	10,564	8,157	2,407
	31,564	16,474	15,090

The Company will make periodic announcements on the use of Net Proceeds as and when the funds are materially disbursed. Pending the deployment of the Net Proceeds, the funds will be placed in deposits with banks and financial institutions or invested in money market instruments.

#### 15. Confirmation by the issuer pursuant to Rule 720(1)

The Company confirms that it has procured undertakings from all of its directors ("Directors") and executive officers as required under Rule 720(1) of the Catalist Rules.

#### 16. Negative Confirmation by the Board Pursuant to Rule 705(5)

The board of Directors of the Company (the "Board") confirms that, to the best of its knowledge, nothing has come to the attention of the Board which may render the unaudited interim financial statements for Q12016 to be false or misleading in any material aspect.

#### ON BEHALF OF THE BOARD OF DIRECTORS

Lim Yong Sheng  
Executive Director and Chief Executive Officer  
5 May 2016