

PRESS RELEASE

Soo Kee Group's 1Q2016 revenue up 5.1% to S\$36.7 million on higher demand for its jewellery products and mementoes

- *Profit, net of tax attributable to equity holders of the Company decreased 9.5% to S\$2.9 million mainly due to higher costs incurred in relation to the Group's Changi Business Park Headquarters*
- *Strong cash position of S\$32.8 million as at 31 March 2016 enables Group to enhance product line and widen its market share*
- *Leverage on the Group's brand reputation and customer base to grow its bullion business*

Singapore, 5 May 2016 – Soo Kee Group Ltd. ("Soo Kee Group" or the "Company" and, together with its subsidiaries, the "Group"), ("树记珠宝集团"), a leading and established trendsetting jeweller, reported a 5.1% year-on-year increase in its revenue to S\$36.7 million for the three months ended 31 March ('1Q') 2016 on the back of higher demand for its jewellery products and mementoes.

Financial Highlights

S\$'000, unless otherwise stated	1Q2016	1Q2015	Change (%)
Revenue	36,683	34,903	5.1
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 expenses	(7,940)	(7,409)	7.2
Profit, net of tax	2,587	3,388	(23.6)
Profit, net of tax attributable to equity holders of the Company	2,884	3,186	(9.5)

Material costs increased by S\$2.2 million or 12.2% from S\$17.9 million in 1Q2015 to S\$20.1 million in 1Q2016. The more than proportionate increase in material costs as compared to revenue in 1Q2016 was mainly due to the product mix.

Employee benefits expense increased by S\$0.4 million, or 7.9%, mainly due to the increase in the directors' remuneration and directors' fees in conjunction with the Company's initial public offering on the Catalist of the Singapore Exchange Securities Trading Limited in August 2015 (the "IPO").

Depreciation and amortisation expense increased by S\$0.5 million, or 96.0%, mainly due to depreciation of the Group's Changi Business Park Headquarters ("HQ") and amortisation of the land use-rights relating thereto, from November 2015, upon completion of the HQ.

The Group recorded lower profit attributable to equity holders of the Company of S\$2.9 million for 1Q2016 from S\$3.2 million a year ago.

Backed by a strong cash position of S\$32.8 million as at 31 March 2016, the Group is well-poised to invest in brand-enhancing campaigns, execute product diversification strategies to reach out to consumers of varying tastes and preferences as well as enhance its new e-store platforms to reach out to a wider spectrum of consumers.

The Company has completed its acquisition of a 70.0% stake in DK Bullion Pte Ltd (“DK Bullion”) on 19 April 2016. DK Bullion is engaged in the business of distributing precious metals in Singapore, Malaysia and Indonesia, as well as the provision of storage services for precious metals. This is in line with the Group’s strategy to expand its business and introduce new product lines. 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.

On the Group’s future plans, Mr. Daniel Lim (“林雍胜”), Executive Director and Chief Executive Officer, commented, **“The acquisition of DK Bullion is a strategic move and a natural progression for the Group. The expansion into complementary businesses and creation of synergistic value, in Singapore and overseas, will allow us to widen our business network and strengthen our market position.**

Concurrently, we remain focused and committed to add value to our core services through the launch of new products, enhancing customer engagement through the integration of online and offline channels as well as improved product research and development.”

###

About Soo Kee Group Ltd.

Headquartered in Singapore, Soo Kee Group Ltd. (“Soo Kee Group” or the “Company” and, together with its subsidiaries, the “Group”) was founded in 1991 and has an established presence of over 20 years in Singapore and over a decade in Malaysia. It has one of the largest networks of over 60 retail stores in both countries, strategically situated in prime shopping malls.

As a leading and established jeweller, Soo Kee Group offers a wide range of jewellery products and mementoes through its *Soo Kee Jewellery*, *SK Jewellery* and *Love & Co.* brands to cater to a diverse range of consumer tastes and preferences, occasions, and demographics. Each brand has a unique identity, with distinctive branding, marketing efforts and product offerings.

Soo Kee Jewellery offers upmarket, exquisite luxury jewellery pieces designed for confident, contemporary women with refined and discerning tastes. Its collections predominantly feature premium diamonds complemented by gold or platinum settings, and contemporary jewellery featuring precious gemstones and pearls. It is the exclusive distributor in Singapore and Malaysia for the distinctive *Brilliant Rose* brand of diamonds produced by an international diamond manufacturer.

SK Jewellery offers an extensive range of fashionable jewellery and mementoes for a wider demographic. This includes *SK Jewellery*’s signature *True Love* premium diamonds set in proprietary designs, exclusive distributorship of the *ALLOVE* brand of diamonds, which pushes the boundaries in diamond-cutting techniques with an all-new 81-facet cut, specifically created to maximize light performance, in Singapore and Malaysia, and the innovative *Dancing Star* and *Star Carat* collections as well as the *SK 999 Pure Gold* collection, featuring bridal jewellery, sculpted art pieces, commemorative gold bars and coins.

Love & Co. specialises in bespoke bridal jewellery, notably, made-to-order engagement rings and wedding bands such as the signature *LVC Lovemark* and *LVC Promise*

collections. Through customisable design elements and personalisation services, Love & Co. seeks to establish personal connections with customers.

The Group is also engaged in the business of distributing precious metals in Singapore, Malaysia and Indonesia, as well as the provision of storage services for precious metals.

ISSUED ON BEHALF OF : Soo Kee Group Ltd.

BY : Financial PR Pte Ltd
4 Robinson Road #04-01
The House of Eden
Singapore 048543

CONTACT : Mr Ngo Yit Sung / Ms Sheryl Sim

OFFICE : (65) 6438 2990

EMAIL : yitsung@financialpr.com.sg /
sheryl@financialpr.com.sg

This press release ("Press Release") has been prepared by Soo Kee Group Ltd. (the "Company") and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this Press Release.

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

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.