



PRESS RELEASE

SK Jewellery Group’s Q3-2018 net profit increases 101.9% year-on-year

- Q3-2018 revenue grew by 56.8% yoy to S\$60.7 million, driven by higher sales in the Group’s Bullion business
- Group’s expansions into the People’s Republic of China (“PRC”) and Thailand’s growing bridal jewellery markets have been progressing as scheduled
- Going forward, the focus shall be on building up the branding and product innovation in these countries

Singapore, 9 November 2018 – SK Jewellery Group Limited (“SK Jewellery Group” or the “Company” and, together with its subsidiaries, the “Group”, “SK 珠宝集团”), a leading and established trendsetting jeweller, announced today its financial results for the three months ended 30 September 2018 (“Q3-2018”).

Financial Highlights

S\$’000	Q3-2018	Q3-2017	Change (%)	9M-2018	9M-2017	Change (%)
Revenue	60,658	38,693	56.8	147,873	117,788	25.5
Material costs	(45,345)	(25,003)	81.4	(100,774)	(74,329)	35.6
Employee benefits expense	(5,014)	(4,600)	9.0	(15,217)	(14,173)	7.4
Other expenses	(7,551)	(7,073)	6.8	(23,461)	(22,279)	5.3
Profit, net of tax	1,090	540	101.9	3,794	2,703	40.4
Profit, net of tax attributable to equity holders of the Company	1,090	560	94.6	3,658	2,789	31.2

The Group recorded higher revenue of 56.8% year-on-year (“yoy”) to S\$60.7 million in Q3-2018 mainly due to the increase in sales by the Group’s subsidiary, SK Bullion Pte Ltd.

Material costs increased by S\$20.3 million or 81.4% from S\$25.0 million in the three months ended 30 September 2017 (“Q3-2017”) to S\$45.4 million in Q3-2018 mainly due to changes in product mix.

Employee benefits expense increased by S\$0.4 million or 9.0% from S\$4.6 million in Q3-2017 to S\$5.0 million in Q3-2018. The increase was mainly attributable to an increase in salaries, sales commissions and staff allowance. This is pursuant to the commencement of operations and opening of retail stores in the PRC.



Other expenses increased by S\$0.48 million or 6.8% from \$7.07 million in Q3-2017 to S\$7.55 million in Q3-2018 mainly due to increase in rental expenses in Singapore and start-up costs incurred in the PRC.

Cumulatively, the Group recorded a net profit after tax of S\$1.1 million for Q3-2018 as compared to S\$0.6 million in Q3-2017. This represents a 101.9% increment from prior corresponding period

As at 30 September 2018, the Group's balance sheet remained healthy with cash and cash equivalents amounting to S\$21.3 million.

Commenting on the Group's results, Mr. Daniel Lim (“林雍胜”), Chief Executive Officer of SK Jewellery Group said, **“For the quarter recently concluded, results have been positive with growth registered. Year-till-date net profit attributable to equity holders was 31.2% higher, at S\$3.7 million. Going forward, the Group remains committed in growing shareholder's value and will continue to focus on building up the branding and product innovation in these countries.”**

###



About SK Jewellery Group Limited

Headquartered in Singapore, SK Jewellery Group Limited (“SK Jewellery 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, SK Jewellery 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. The Group is also engaged in the bullion business through its SK Bullion brand, offering a holistic service that allows consumers to buy, sell, store and track precious gold and silver assets at their convenience.

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 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. Exclusively distributed by the Group, SK Jewellery also carries the ALLOVE brand of diamonds, which pushes the boundaries in diamond-cutting techniques with an all-new 81-facet cut, specifically created to maximise light performance, in Singapore and Malaysia.

Love & Co. specialises in bespoke bridal jewellery, notably, made-to-order engagement rings and wedding bands such as the signature Lovemarque and LVC Promise collections. Through customisable design elements and personalisation services, Love & Co. seeks to establish personal connections with customers.

SK Bullion is a trusted gold and silver dealer in Asia, offering an alternative investment platform for consumers to buy, sell and store precious gold and silver assets at their convenience. Leveraging on Singapore as a precious metals trade hub, SK Bullion is dedicated to offering a holistic investment platform to its regional customers.

For further information about SK Jewellery Group, please refer to its website at <https://www.skjewellerygroup.com>.



ISSUED ON BEHALF OF : SK Jewellery Group Limited

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

CONTACT : Mr Ngo Yit Sung / Mr Benjamin Tho

OFFICE : (65) 6438 2990

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

*This press release (“**Press Release**”) has been prepared by SK Jewellery Group Limited (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 person for the Sponsor is Mr Lim Hoon Khiat, Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.