



SK Jewellery Group Limited
(Company Registration No.: 201214694Z)
(Incorporated in the Republic of Singapore on 13 June 2012)

UPDATE ON THE COVID-19 PANDEMIC AND IMPACT ON THE GROUP'S OPERATIONS

The board of directors (the “**Board**”) of SK Jewellery Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the global outbreak of the COVID-19 pandemic and the Singapore Government’s announcements on 3 April 2020 and 21 April 2020 in relation to the COVID-19 circuit breaker measures (“**Circuit Breaker Measures**”). Under the Circuit Breaker Measures, all workplaces, except for the most essential services, will remain closed and those able to operate remotely may do so until 1 June 2020 (“**Circuit Breaker Period**”), in order to curb the spread of COVID-19.

In compliance with the Circuit Breaker Measures, the Group’s headquarters at Changi Business Park and all its retail outlets in Singapore have been closed since 7 April 2020, and will continue to be closed throughout the Circuit Breaker Period. The Group’s online retail business remains operational. All other corporate activities of the Group during this period will be conducted through telecommuting.

The Group’s overseas operations, namely in Malaysia, the People’s Republic of China (“**PRC**”), and Thailand, were also affected by the COVID-19 pandemic. All of the Group’s retail outlets in Malaysia have been closed since the commencement of the movement control order on 18 March 2020, which is currently expected to end on 12 May 2020. However, the Group’s online retail business in Malaysia remains operational. In the PRC, the extension of the Lunar New Year holidays period in China where businesses were not allowed to open by the PRC Government to curb the spread of COVID-19 resulted in the closure of the Group’s retail operations for an extended period, which has since resumed on 1 March 2020. In Thailand, the Group’s retail outlets have been closed since the declaration of a state of emergency, which is currently effective from 25 March 2020 to 31 May 2020.

Notwithstanding the above, the Group’s supply chain remains functional. With the exception of India, the Group’s key suppliers in Japan, Hong Kong and the PRC are currently operational and have not been significantly affected by the COVID-19 pandemic. Accordingly, given minimal impact to the Group’s inventory, the Group continues to be able to fulfil orders made prior to, and during, the period where the Group’s retail outlets remain closed.

In view of the Circuit Breaker Measures and fluidity of the COVID-19 pandemic globally, the Group’s financial performance, cash flows and financial position during the period where the Group’s retail



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outlets are closed are expected to be negatively impacted, although the budgetary support measures from the Singapore Government such as the Jobs Support Scheme and property tax rebate, and the rental relief extended by selected landlords are expected to mitigate the situation.

The extent of the impact on the Group's financial performance and operations from COVID-19 for the current six-month financial period ending 30 June 2020 cannot be reasonably determined at this point in time as the situation remains fluid. Nonetheless, the Board would like to assure shareholders that the Group continues to monitor its cash flows carefully and is of the opinion that, barring any unforeseen circumstances, the Group's current working capital position will be sufficient to tide the Group through this unprecedented period. The Company will also be announcing its unaudited financial results for the six-month financial period ending 30 June 2020 by 14 August 2020.

The Board will continue to monitor the situation and provide shareholders with updates *via* relevant announcements as and when necessary.

BY ORDER OF THE BOARD

Lim Yong Sheng
Executive Director and Chief Executive Officer
30 April 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes 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 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.