



SMJ INTERNATIONAL HOLDINGS LTD.
(Company Registration Number: 201334844E)

UPDATE AND CHANGE IN USE OF IPO PROCEEDS

Where capitalized terms are used in this announcement and not otherwise defined, such capitalized terms shall bear the same meanings as ascribed to them in the offer document of the Company dated 20 June 2014 ("Offer Document").

The Board of Directors (the "**Board**") of SMJ International Holdings Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refer to the Offer Document in relation to the Company's initial public offer ("**IPO**") and wishes to announce the following update and change in use of proceeds from the IPO ("**IPO Proceeds**"):

Use of IPO Proceeds	Allocation of IPO Proceeds (\$'000)	Amount to be re-allocated (\$'000)	Revised allocation of IPO Proceeds (\$'000)	IPO Proceeds utilized (\$'000)	Balance of IPO Proceeds (\$'000)
Business expansion through acquisitions, joint ventures and/or strategic alliances	1,500	1,323 ⁽¹⁾	1,323	(177)	1,323
Improving inventory management system and logistics support	340	-	340	(340)	-
Marketing and business development	250	-	250	(250)	-
General working capital	329	-	329	(329)	-
IPO expenses borne by the Company	1,501	-	1,501	(1,501)	-

Notes:

- (1) The Company had previously disclosed in the Offer Document that its estimated use of S\$1,500,000 of the IPO Proceeds was for expansion of its carpet-related business through acquisitions, joint ventures and/or strategic alliance.

In view of completion of the disposal of the Company's subsidiary, SMJ Furnishings (S) Pte Ltd, which was principally engaged in one of the Group's core business of sale and distribution of carpets and further pursuant to the Group's diversification of its core business to include property investment and management, the Company intends to re-allocate the IPO Proceeds of \$1,323,000 from expanding its carpet-related business to expanding into property investment and related business instead.

The Board is of the view that this is in the best interest of the Group and in line with the Group's business strategy.

The Company will make periodic announcements on the use of the IPO Proceeds as and when the funds are materially disbursed, and will also provide a status report on such use of the IPO Proceeds in the annual reports of the Company.

BY ORDER OF THE BOARD

Peng Fei
Executive Director and Chief Executive Officer
4 April 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Hong Leong Finance Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by 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.

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