

PRESS RELEASE

**Soo Kee's profit before tax grows 11.0%
 to S\$9.0 million in 9M2015 excluding IPO expenses**

- *3Q2015 revenue rises by 23.3% mainly due to the increase in demand for the Group's jewellery products and mementoes*
- *The Group's recent relocation to its newly completed Changi Business Park Headquarters allows it to launch new products in a shorter time*
- *Continue to drive future growth via branding activities, new product lines and expansion of new distribution channels*

Financial Highlights

S\$ million, unless otherwise stated	3Q2015	3Q2014	Change	9M2015	9M2014	Change
Revenue	37.5	30.4	23.3%	102.8	96.4	6.7%
Profit before tax	1.4	2.6	(48.2)%	7.9	8.2	(2.7)%
Profit before tax (excluding IPO expenses)	2.5	2.6	(5.7)%	9.0	8.2	11.0%
Profit, net of tax	0.8	2.1	(64.0)%	6.1	6.4	(4.7)%
Net profit margin	2.0%	6.9%	(4.9)p.p	5.9%	6.7%	(0.8)p.p

Singapore, 11 November 2015 – 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, delivered a net profit of S\$6.1 million for the nine months ended 30 September 2015 (“9M2015”) compared to S\$6.4 million for the nine months ended 30 September 2014 (“9M2014”).

Financial Review

The Group's revenue for 9M2015 was S\$102.8 million, as compared to S\$96.4 million in 9M2014. This was mainly due to the increase in demand for the Group's jewellery products and mementoes.

Other gains remained stable at S\$0.5 million in 9M2015 and 9M2014.

Material costs increased by S\$2.6 million or 5.0% from S\$51.2 million in 9M2014 to S\$53.7 million in 9M2015. The increase in material costs was in line with the general increase in revenue mainly due to the increase in demand for the Group's jewellery products and mementoes.

Employee benefits expense increased by S\$1.2 million or 9.6% from S\$12.5 million in 9M2014 to S\$13.7 million in 9M2015, mainly due to the increase in directors' remuneration and directors' fees in conjunction with the IPO, annual salary increments for existing

employees, as well as commissions payable to sales staff, which was in line with the increase in revenue.

Depreciation expense decreased by S\$0.3 million or 15.3% from S\$2.0 million in 9M2014 to S\$1.7 million in 9M2015, mainly attributable to renovation works for certain of the Group's retail stores having been fully depreciated between the six-month period ended 30 June ("1H") 2014 and 1H2015.

Other losses increased by S\$1.3 million from S\$0.4 million in 9M2014 to S\$1.7 million in 9M2015, mainly attributable to an increase in foreign exchange adjustment losses of S\$1.7 million. Other expenses increased by S\$1.6 million or 7.0% from S\$22.3 million in 9M2014 to S\$23.9 million in 9M2015, mainly attributable to the IPO-related expenses of S\$1.1 million and an increase in advertising and promotion expenses of S\$0.5 million incurred in 3Q2015.

Finance costs increased by S\$0.3 million from S\$0.5 million in 9M2014 to S\$0.8 million in 9M2015, mainly attributable to interest payable pursuant to the Directors' Loans (as defined in the IPO Offer Document).

Excluding the one-off IPO expenses of S\$1.1 million, the Group's 9M2015 profit before tax (excluding IPO expenses) would have been S\$9.0 million, representing a yoy increase of 11.0%.

As a result of the foregoing, the Group's net profit for 9M2015 was S\$6.1 million, as compared to S\$6.4 million in 9M2014.

Business Outlook

The Group plans to continue to launch new product lines and promotional campaigns in the last quarter of the year, which is traditionally the peak season for the jewellery market, to capitalise on festive purchases.

The Group will continue to invest in branding activities, execute its market-driven, customer-focused and product diversification strategies to attract and retain customers with varying tastes and preferences. It will also continue to optimise its products offerings and enhance its distribution channels, including both physical stores and its e-store platforms, which was newly set up in October 2015, to meet the diverse needs of customers.

The Group's relocation in November 2015 to its newly completed Changi Business Park Headquarters at 7 Changi Business Park Vista, Singapore 486042 will serve to enhance the Group's design and development capabilities by employing the latest jewellery design and rapid prototyping technology. Some benefits of this expansion include improved productivity through swifter response time on design development and prototyping and enhanced product customisation capabilities. The Group also intends to establish a new comprehensive customer care center at this new premise to provide post sales customer care and to further support its new e-commerce business.

Mr. Daniel Lim ("林雍胜"), Executive Director and Chief Executive Officer, commented on the future plans of Soo Kee Group, "We will continue to focus our efforts to further develop the distinctive strengths of our brands and grow our business. In October, we launched the e-store for the Soo Kee brand with the aim of leveraging on online technology to deliver

greater value to our customers. With the e-store, our customers can have the flexibility of shopping at any time of the day and also gain greater assurance with the interactive magnification tools and the ability to check the certification of diamonds available at our e-store site. In addition, we are able to overcome the physical boundaries of our stores to offer a greater selection of diamonds to our customers. This year also marks a significant milestone for us as we move to our newly completed headquarters in Changi Business Park in November. The establishment of the design and development facility will enhance our design and testing capabilities, allowing us to bring new products to the market much faster. This would support our new e-commerce business and cater for additional customisation services to meet the changing demands of consumers in the future.

Going forward, the Group will continue seeking suitable opportunities to grow its business locally and overseas, diversify existing revenue streams and enhance shareholder value.”

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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 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.

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