

CHANGE IN AND UPDATE ON USE OF NET PROCEEDS FROM THE INITIAL PUBLIC OFFERING (THE “IPO”)

The board of directors (the “**Board**”) of Soo Kee Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to (i) the Company’s offer document dated 11 August 2015 (the “**Offer Document**”) in relation to the IPO of the Company on Catalist board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and (ii) the Company’s announcements on 11 November 2015, 28 February 2016, 5 May 2016, 10 August 2016, 9 November 2016 and 8 May 2017 in relation to, *inter alia*, the use of the net proceeds from the IPO (the “**Net Proceeds**”).

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Offer Document.

As at the date of this announcement, the utilisation of the Net Proceeds is as follows:

Intended Purpose	Allocation of Net Proceeds (as disclosed in the Offer Document) (S\$’000)	Net Proceeds utilised as at the date of this announcement (S\$’000)	Balance of Net Proceeds as at the date of this announcement (S\$’000)
Expansion of network of retail stores and introduction of new product lines	12,000	12,000	-
Capital expenditure for new Changi Business Park Headquarters including jewellery product design and development facilities and equipment which will be housed at the same premises	3,000	3,000	-
Repayment in part of DBS Bank loans in connection with the construction of the new Changi Business Park Headquarters (“ DBS Bank Loans ”)	6,000	2,355	3,645
Working capital and general corporate purposes	10,564	10,564	-
Total	31,564	27,919	3,645

After taking into consideration, *inter alia*, the terms and conditions of the DBS Bank Loans, the Board is of the view that it is not in the best interest of the Company to keep the unutilised amount of the Net Proceeds earmarked for the repayment of the monthly installments payable under the DBS Bank Loans or to prepay such loans at this moment using such Net Proceeds.

As such, the Company wishes to announce that the unutilised Net Proceeds of approximately S\$3.65 million originally allocated for the repayment of the DBS Bank Loans has been reallocated for the Group’s working capital and for general corporate purposes.

Following the reallocation of the unutilised Net Proceeds, the Company will finance the repayment of the DBS Bank Loans using its operating cash flows and/or existing cash and cash equivalents. As at 31 March 2017, the cash and cash equivalents for the Group amounted to approximately S\$20.75 million.

The Company will make periodical announcements *via* SGXNet on the utilisation of the Net Proceeds as and when they are materially disbursed and will also provide a status report on the use of such proceeds in the annual reports of the Company.

BY ORDER OF THE BOARD

Lim Yong Sheng
Executive Director and Chief Executive Officer

9 May 2017

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 the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the 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.

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.