

PRESS RELEASE

Soo Kee Group Plans to Tap into Booming PRC's Wedding Market with Bespoke Bridal Jewellery Brand

- Entered into memorandum of understanding (“MOU”) with Global Crown Group Holding Limited (“Global Crown”), parent company of one of the leading gold jewellery manufacturers and distributors in the People’s Republic of China (“PRC”), Shenzhen Batar Investment Holding Group Co., Ltd. (“Batar Group”)
- Proposed joint venture company, Diamond Avenue Investments Limited (“Diamond Avenue”), will sell diamond jewellery from the Group’s bridal specialist brand “Love & Co.”
- Huge bridal market with more than 10 million weddings held yearly in the PRC ¹

Singapore, 19 July 2017 – Soo Kee Group Ltd. (“Soo Kee Group” or the “Company” and, together with its subsidiaries, the “Group”, “树记珠宝集团”), announced today that it intends to tap into the PRC’s burgeoning demand for wedding jewellery on the back of a booming bridal market, an industry estimated to be worth billions.

The leading and established trendsetting jeweller said its wholly-owned subsidiary, Love & Co. International Pte. Ltd., (“Love & Co. International”) has entered into a MOU with Global Crown to, *inter alia*, establish a joint venture arrangement to sell bridal jewellery under the Group’s bridal specialist brand, Love & Co., in the PRC and the Hong Kong Special Administrative Region (“HKSAR”).

Global Crown is the parent company of Shenzhen Batar Investment Holding Group Co., Ltd. (“Batar Group”), a leading gold jewellery manufacturer and distributor in the PRC. The Batar Group currently has more than 20 subsidiaries engaged in various businesses, has industrial bases in Shenzhen, Hangzhou, Tianjin, Zhengzhou and Chengdu, and owns more than 400 franchises and retail jewellery stores across the PRC.

Pursuant to the terms of the MOU, Love & Co. International and Global Crown intend to, *inter alia*, subscribe for shares in Diamond Avenue (the “Proposed Subscription”) pursuant to which, upon completion of the Proposed Subscription, Love & Co. International and Global Crown shall hold 55% and 45% of the issued and paid-up share capital of Diamond Avenue, respectively. The aggregate initial investment amount by Love & Co. International and Global Crown under the Proposed Subscription shall be RMB50 million (approximately S\$10.2 million).

The Group’s proposed foray into the PRC’s bridal market, one of the world’s biggest wedding markets², comes at an opportune time. The wedding industry grew by 40% from

¹ “China’s Jewellery Market”, <http://china-trade-research.hktdc.com/business-news/article/China-Consumer-Market/China-s-Jewellery-Market/ccm/en/1/1X000000/1X002MMK.htm>, HKTDC, Accessed on 5 July 2017

US\$57 billion to US\$80 billion from 2011 to 2015³ and is expected to rise further according to a China Wedding Industry Development report⁴. This is driven by higher expenditure as weddings become an increasingly lavish affair in the family. In the next few years, more than 10 million couples are expected to get married each year.¹

The PRC's highly profitable wedding industry is driven by multiple factors. These include rising affluent and well-informed millennial couples who are increasingly adopting a fusion of both Western and traditional customs for their big day. In addition, many engaged couples today are the only-children and in a country where weddings are very much a family affair, not only are the two sets of parents from both sides contributing money to a single wedding, four sets of grandparents may be as well⁵.

On the potential of the PRC's bridal market, Mr. Daniel Lim (“林雍胜”), Chief Executive Officer (“CEO”) of Soo Kee Group said, *“Bridal jewellery as an essential item in wedding customs will continue to benefit from the growth in the number of people getting married. We believe that the market, supported by the PRC's huge population, coupled with the increase in income and acceptance of Western wedding customs by millennial couples, present an immense potential for our Love & Co.'s bespoke jewellery collection.”*

In 2016, wedding jewellery sales is estimated to account for more than 50% of the total consumption volume of jewellery in the PRC, according to the Hong Kong Trade Development Council. In addition, with higher demand for exclusivity and individuality, it is expected that 75% of the post-80s and 90s generations in the PRC's first-and-second-tier cities would choose bespoke diamond rings for their weddings⁶.

To capitalise on these opportunities, Diamond Avenue targets to establish 550 points-of-sales (including franchised outlets) in the PRC and HKSAR and to achieve an aggregate amount of RMB2 billion in revenue by the end of its fifth year of operation.

On the partnership, Mr. Chau Tsan Kwan, Director of Global Crown and also Chairman and CEO of Batar Group, said, *“I am very pleased to embark on this collaboration with Soo Kee Group, a reputable and established jeweler in the retail industry. With Soo Kee Group's extensive experience in branding and expertise in producing innovating and differentiated products, Love & Co.'s exquisite bridal jewellery collection will be a good fit in the China market as more consumers are turning to premium products which boost exclusivity and*

² “Weddings Today”, <http://unveilingtheglobalbride.com/china/weddings-today/>, Unveiling the Global Bride, Accessed on 6 July 2017

³ “Inside China's extreme wedding craze”, <http://www.bbc.com/capital/story/20151014-big-weddings-mean-big-business-in-this-asian-powerhouse>, BBC Capital, Accessed on 5 July 2017

⁴ “Infographic- Weddings in China: An exorbitant, lavish and designer fairytale extravaganza”. <https://fashionunited.com/news/business/infographic-weddings-in-china-an-exorbitant-lavish-and-designer-fairytale-extravaganza/2016051311312>. FashionUnited, Accessed on 14 July 2017

⁵ “Tapping China's Colossal Bridal Market”, <https://www.businessoffashion.com/articles/global-currents/tapping-chinas-colossal-bridal-wedding-market>, The Business of Fashion, Accessed on 6 July 2017

⁶ “The Bigger, the Better,” Say Chinese Girls And Diamond Companies”, <https://www.forbes.com/sites/myuan/2016/01/31/the-bigger-the-better-says-chinese-girls-and-diamond-companies/#206ad43e440e>, Forbes, Accessed on 6 July 2017

personalisation. In addition, this joint venture is able to leverage on the Batar's Group existing network to gain traction and enhance its brand credibility."

Mr. Daniel Lim added, "We are honoured to be able to partner with Global Crown, also a familiar business associate whom Soo Kee Group has worked closely with over the years. We believe that Global Crown's experience in the PRC's jewellery industry and established network would allow us to navigate the mammoth market more efficiently and smoothly.

In the PRC, beyond quality products, consumers are also looking for a memorable service experience and a reputable brand. We believe that there is a market for Love & Co. which has a unique brand concept as well as strong branding and we are confident that our jewellery collection would be well received by modern couples.

Meanwhile, our foray into the PRC market also opens doors for future opportunities in the world's fastest-growing consumer market. As we seek to establish and strengthen our market leadership in the region, we believe our entry into the PRC marks a significant progressive step for the Group. This is also in line with our efforts to enter new markets to drive growth and deliver greater value for our customers and shareholders."

End of Press Release

About Shenzhen Batar Investment Holding Group Co., Ltd. (“Batar Group”)

Shenzhen Batar Investment Holding Group Co., Ltd., wholly-owned by Global Crown Group Holding Limited, is a major gold jewellery company in the PRC primarily involved in manufacturing, wholesale and retail of gold jewellery. Batar Group currently owns more than 20 subsidiaries which operate in different businesses, has industrial bases in Shenzhen, Hangzhou, Tianjin, Zhengzhou and Chengdu, and holds four (4) main brands namely, *Batar Jewellery*, *Global Crown Fashion*, *ShowKing* and *Batar National Gift*, with a retail footprint of over 400 retail stores.

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. 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.

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*This press release (“**Press Release**”) has been prepared by Soo Kee Group Ltd. (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.*

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