



PRESS RELEASE

SK Jewellery Group Announces Financial Year 2018 Results

- **Group seeks to continue its focus on enhancing brand equity and driving sustainable growth in its jewellery business segment**

Singapore, 26 February 2019 – SK Jewellery Group Limited (“SK Jewellery Group” or the “Company” and, together with its subsidiaries, the “Group”, “SK 珠宝集团”), a leading and established trendsetting jeweller, announced today its financial results for the financial year ended 31 December 2018 (“FY2018”).

Financial Highlights

| S\$'000 | FY2018 | FY2017 | Change (%) |
|-------------------|---------|---------|------------|
| Revenue | 213,314 | 231,940 | (8.0%) |
| Profit Before tax | 7,006 | 8,189 | (14.4%) |
| Profit After tax | 5,115 | 7,302 | (30.0%) |

The Group’s revenue declined 8.0% year-on-year (“yoy”) to S\$213.3 million in FY2018 mainly due to the decrease in sales by the Group’s subsidiary, SK Bullion Pte Ltd (“SK Bullion”).

The Group’s focus on opening new markets and gaining market share has been the key driver to expansions abroad. In FY2018, a joint-venture in Thailand witnessed the opening of two retail outlets in Bangkok, Thailand. The start-up of a corporate office in Shenzhen in the People’s Republic of China (the “PRC”) in FY2018 was in conjunction with the opening of four retail outlets in the PRC. This has resulted in the costs of S\$1.5 million relating to the gestation phase of the PRC business and S\$0.2 million relating to the joint-venture start-up in Thailand.

The Group recorded a net profit attributable to equity holders of S\$5.1 million for FY2018 as compared to S\$7.3 million in FY2017.

During FY2018, the Group has utilized its excess cash to partially repay its borrowings which resulted in the reduction of total borrowings to S\$41.2million as at 31 December 2018 from S\$51.5 million as at 31 December 2017, representing a decrease of 20.0% and thus improving the debt equity ratio from 1.4 times in FY2017 to 1.0 time in FY2018.

As at 31 December 2018, the Group’s balance sheet remained healthy with cash and cash equivalents amounting to S\$16.8 million.

Commenting on the Group’s results, Mr. Daniel Lim (“林雍胜”), Chief Executive Officer of SK Jewellery Group said, “**The Group continues to stay focused on its core competencies in delivering better products and services to maintain its competitiveness in Singapore and Malaysia, while enhancing the Group’s presence in the PRC and Thailand.**”

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About SK Jewellery Group Limited

Headquartered in Singapore, SK Jewellery Group Limited (“SK Jewellery 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, SK Jewellery 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.

For further information about SK Jewellery Group, please refer to its website at <https://www.skjewellerygroup.com>.



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*This press release (“**Press Release**”) has been prepared by SK Jewellery Group Limited (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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