

JOYAS INTERNATIONAL HOLDINGS LIMITED

Company No.: 38991

(the “Company”)

(Incorporated in Bermuda with limited liability)

THE PROPOSED CHANGE OF AUDITORS

The Board of Directors (the “**Board**”) of Joyas International Holdings Limited (the “**Company**” or together with its subsidiaries, the “**Group**”) wishes to announce that the Company proposes to change its joint auditors from BDO Limited, Hong Kong (“**BDO Hong Kong**”) and BDO LLP, Singapore (“**BDO Singapore**”) to HLB Hodgson Impey Cheng Limited (“**HICL**”) and Foo Kon Tan LLP (“**FKT**”) (the “**HLB Joint Auditors**”) (the “**Proposed Change of Auditors**”).

The Company’s existing joint auditors, BDO Singapore and BDO Hong Kong, were re-appointed at the last annual general meeting (“**AGM**”) of the Company held on 28 April 2016, to hold office until the conclusion of the next AGM of the Company. The Company has been in discussion with BDO Hong Kong and BDO Singapore on the proposed professional fees for audit services in respect of the financial year ending 31 December 2016 (“**FY2016**”) to be provided and was not able to reach a consensus on the quantum of professional fees. As part of the Company’s ongoing efforts to manage its overall business costs and expenses amidst the challenging business climate, the Company is of the view that it would be appropriate and timely to effect a change of the auditors.

Further, the Directors believe that the Proposed Change of Auditors will enable the Company to benefit from fresh perspectives and the views of another professional audit firm, thereby further enhancing the value of the audit.

The Board has received formal notice from BDO Hong Kong and BDO Singapore that they will be resigning as the auditors of the Company, and the HLB Joint Auditors have given their written consent to act as the auditors of the Company, subject to the approval of the shareholders of the Company (“**Shareholders**”) at a special general meeting (“**SGM**”) to be convened.

Pursuant to Rule 712(3) of the Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), a change in auditing firm must be specifically approved by shareholders in a general meeting. The resignation of BDO Singapore and BDO Hong Kong and the appointment of the HLB Joint Auditors will therefore take effect upon the approval of the same by Shareholders at the SGM.

In accordance with the requirements of Rule 712(3) of the Catalist Rules:

- (a) BDO Hong Kong and BDO Singapore have confirmed that they are not aware of any professional reasons why the HLB Joint Auditors, should not accept appointment as joint auditors of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing auditors, BDO Hong Kong and BDO Singapore, on accounting treatments within the last twelve (12) months up to the date of this announcement;
- (c) the Company confirms that it is not aware of any circumstances connected with the proposed change of auditors that should be brought to the attention of Shareholders which have not been disclosed in this announcement;
- (d) the Company confirms that the specific reasons for the Proposed Change of Auditors are disclosed in paragraphs 2 and 3 of this announcement. The Proposed Change of Auditors is neither due to the dismissal of BDO Hong Kong and BDO Singapore nor BDO Hong Kong or BDO Singapore declining to stand for re-appointment; and

- (e) the Company confirms that it complies with Rules 712 and 715 of the Catalist Rules in relation to the appointment of the HLB Joint Auditors.

A circular to Shareholders setting out further details on the Proposed Change of Auditors, together with a notice of the SGM, will be despatched to Shareholders in due course.

By Order of the Board

Lau Chor Beng, Peter
Managing Director
31 October 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not 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 accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65)6229 8088.