



Joyas International Holdings Limited

(Incorporated in Bermuda)

Company Registration Number: 38991

Financial Statement And Related Announcement
For the financial year ended 31 December 2019

Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst, Joyas International Holdings Limited is required by the SGX-ST to announce its quarterly financial statements.

JOYAS INTERNATIONAL HOLDINGS LIMITED

Unaudited Full Year Financial Statement And Related Announcement for the Financial Year Ended 31/12/2019

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement Of Profit Or Loss And Other Comprehensive Income For the year ended 31 December 2019

The Group

	2019 (Unaudited) HK\$'000	2018 (Published* ("Published")) HK\$'000	Increase/ (Decrease) %
Revenue	2,148	2,565	(16.3)
Other income	16,300	905	1701.1
Administrative expenses	(4,704)	(6,375)	(26.2)
Other operating expenses	(38,436)	(200)	19118.0
Finance costs	(1,816)	(1,506)	20.6
Share of profit of an associate	281	169	66.3
Loss before taxation	(26,227)	(4,442)	490.4
Taxation	(198)	-	100.0
Loss for the year	<u>(26,425)</u>	<u>(4,442)</u>	494.9
Other comprehensive income after tax:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Reclassification of currency translation reserve on disposal of subsidiary	-	564	(100.0)
Share of foreign currency translation differences of associated companies	139	134	3.7
Currency translation differences arising on consolidation	-	(786)	(100.0)
Other comprehensive loss for the year, net of tax of nil	<u>139</u>	<u>(88)</u>	258.0
Total comprehensive loss for the year	<u>(26,286)</u>	<u>(4,530)</u>	480.3

* As per published accounts in the Annual Report of the Company for the financial year ended 31 December 2018.

The Group

	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000	Increase (Decrease) %
Loss attributable to:			
Owners of the Company	(26,933)	(3,812)	606.5
Non-controlling interests	<u>508</u>	<u>(630)</u>	(180.6)
	<u>(26,425)</u>	<u>(4,442)</u>	494.9
Total comprehensive loss attributable to:			
Owners of the Company	(26,836)	(3,657)	633.8
Non-controlling interests	<u>550</u>	<u>(873)</u>	(163.0)
	<u>(26,286)</u>	<u>(4,530)</u>	480.3

The Group's loss before income tax is arrived at after charging/(crediting):

	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000	Increase/ (Decrease) %
Interest income	(72)	(38)	89.5
Fair value gain on derivative component of convertible bonds	(14)	(278)	(95.0)
Fair value loss/(gain) on warrants	30	(5)	(700.0)
Fair value gain on loan and advances	-	(584)	(100.0)
Auditors' remuneration	605	638	(5.2)
Depreciation of property, plant and equipment	4	24	(83.3)
Impairment loss on			
-investment and amount due from an associate	14,027	-	100.0
-trade deposit received	24,377	-	100.0
Write-off of			
-account payable	(10,531)	-	100.0
-other payable	(5,673)	-	100.0
Loss on Disposal of Shares in PT Global (Note), net	-	200	(100.0)
Share of profit of an associate of PT Global (Note)	(281)	(169)	66.3
Foreign exchange (gain) / loss, net	(9)	839	(101.1)
Operating lease expense in respect of rented premises	304	307	(1.0)
Interest expenses	<u>1,816</u>	<u>1,506</u>	20.6

Note: On 10 October 2018, the Group had, through the Company's 70%-owned indirect subsidiary, Hong Kong Silver Basic Group Limited ("**HK Silver**"), disposed of 1,954,350 ordinary shares, representing 15% of the issued and paid-up share capital of PT Global Linker Indonesia ("**PT Global**") to Fill Stone International Limited, an independent third party. Following the completion of the Disposal, HK Silver's shareholding in PT Global has reduced to 49%. Accordingly, PT Global ceased to be a subsidiary of the Group and was accounted for as an associated company of the Group.

Please refer to the Company's announcement with respect to the Disposal of Shares in PT Global Linker Indonesia ("**Disposal of Shares in PT Global**") dated 28 January 2019.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

**Statement of Financial Position
As at 31 December 2019**

The Group

	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000
ASSETS		
Non-current assets		
Property, plant and equipment	1	5
Investment in an associate	-	2,935
	<u>1</u>	<u>2,940</u>
Current assets		
Trade and other receivables	17,870	58,677
Financial assets at fair value through profit or loss (“FVTPL”)	-	2,584
Pledged bank deposits	5,528	5,460
Cash and bank balances	11,123	6,477
	<u>34,521</u>	<u>73,198</u>
TOTAL ASSETS	<u><u>34,522</u></u>	<u><u>76,138</u></u>
EQUITY		
Capital and Reserves		
Share capital	19,139	19,139
Accumulated losses	(121,766)	(94,833)
Other reserves	112,327	111,982
	<u>9,700</u>	<u>36,288</u>
Attributable to owners of the Company	9,700	36,288
Non-controlling interests	<u>(16)</u>	<u>(566)</u>
Total equity	<u><u>9,684</u></u>	<u><u>35,722</u></u>
LIABILITIES		
Non-current liabilities		
Convertible bonds	-	21,201
Warrants	35	5
	<u>35</u>	<u>21,206</u>
Current liabilities		
Trade and other payables	2,089	17,683
Borrowings	900	1,372
Convertible bonds	21,460	-
Current tax liabilities	354	155
	<u>24,803</u>	<u>19,210</u>
Total liabilities	<u><u>24,838</u></u>	<u><u>40,416</u></u>
Total equity and liabilities	<u><u>34,522</u></u>	<u><u>76,138</u></u>

Statement of Financial Position (continued)
As at 31 December 2019

The Company

	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000
ASSETS		
Non-current assets		
Investment in subsidiaries	<u>8</u>	<u>8</u>
Current assets		
Trade and other receivables	24,513	54,809
Cash and bank balances	<u>565</u>	<u>494</u>
	<u>25,078</u>	<u>55,303</u>
Total assets	<u><u>25,086</u></u>	<u><u>55,311</u></u>
EQUITY		
Capital and Reserves		
Share capital	19,139	19,139
Accumulated losses	(145,942)	(115,157)
Other reserves	<u>129,812</u>	<u>129,564</u>
Total equity	<u>3,009</u>	<u>33,546</u>
LIABILITIES		
Non-current liabilities		
Convertible bonds	-	21,201
Warrants	<u>35</u>	<u>5</u>
	<u>35</u>	<u>21,206</u>
Current liabilities		
Trade and other payables	582	559
Convertible bonds	<u>21,460</u>	<u>-</u>
	<u>22,042</u>	<u>559</u>
Total liabilities	<u>22,077</u>	<u>21,765</u>
Total equity and liabilities	<u><u>25,086</u></u>	<u><u>55,311</u></u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 December 2019		As at 31 December 2018	
Secured (Unaudited)	Unsecured	Secured (Published)	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
-	22,360	-	1,372

Amount repayable after one year

As at 31 December 2019		As at 31 December 2018	
Secured (Unaudited)	Unsecured	Secured (Published)	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
-	-	-	21,201

As at 31 December 2019, the Group's other borrowings amounted to approximately HK\$900,000 (31 December 2018: approximately HK\$1.4 million).

As at 31 December 2019, the Group's outstanding principal amount of convertible bonds amounted to approximately S\$3.5 million, equivalent to approximately HK\$20.0 million (31 December 2018: approximately S\$3.5 million, equivalent to approximately HK\$21.2 million).

The outstanding principal amount of convertible bonds, together with accrued and unpaid interest, were fully redeemed in cash at maturity on 21 February 2020. Accordingly, there are no longer any outstanding convertible bonds issued by the Company.

Details of any collateral

As at 31 December 2019, the Group's banking facilities granted amounted to approximately HK\$5.5 million (31 December 2018: approximately HK\$5.5 million) of which none have been utilised as at 31 December 2019 and 31 December 2018. These facilities were secured by legal charges over certain bank deposits of the Group, and personal guarantee was provided by a non-executive director of the Company.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Consolidated Statement of Cash Flows
For the year ended 31 December 2019**

The Group

	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000
Cash flows from operating activities		
Loss before income tax:	(26,227)	(4,442)
Adjustments for:		
Interest income	(72)	(38)
Depreciation of property, plant and equipment	4	24
Share-based payment expense	248	247
Gain on Disposal of Shares in PT Global, net	-	200
Fair value gain on derivative component of convertible bonds	(14)	(278)
Fair value loss / (gain) on warrants	30	(5)
Fair value gain on FVTPL	-	(584)
Impairment losses on		
-investment and amount due from an associate	14,027	-
-trade deposit received	24,377	-
Written off of		
-account payable	(10,531)	-
-other payable	(5,673)	-
Unrealised exchange loss	-	(168)
Share of results of associate	(281)	(169)
Interest expenses	1,643	1,674
Operating loss before working capital changes	(2,469)	(3,539)
Currency translation adjustments	172	1,087
Changes in trade and other receivables	258	(48)
Changes in loan and advances	1,000	2,280
Changes in financial assets at fair value through profit and loss	2,584	-
Changes in trade and other payables	611	1,070
Cash generated from operations	2,156	850
Income tax refund	-	73
Net cash generated from operating activities	2,156	923
Cash flows from investing activities		
Net Cash inflow from disposal of JGL Group (Note A)	4,500	7,500
Net Cash outflow from disposal of shares in PT Global (Note B)	-	(8)
Interest received	72	38
Net cash generated from investing activities	4,572	7,530

Consolidated Statement of Cash Flows (continued)
For the year ended 31 December 2019

The Group (continued)

	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000
Cash flows from financing activities		
Interest paid on convertible bonds	(1,422)	(1,464)
Interest paid	(492)	(14)
Repayments of borrowings	(100)	(4,300)
Increase in pledged bank deposits	<u>(68)</u>	<u>(44)</u>
Net cash used in financing activities	<u>(2,082)</u>	<u>(5,822)</u>
Net increase in cash and cash equivalents	4,646	2,631
Cash and cash equivalents at beginning of year	6,477	3,846
	<u>11,123</u>	<u>6,477</u>
Cash and cash equivalents at end of year	<u>11,123</u>	<u>6,477</u>
Analysis of balances of cash and cash equivalents		
Cash and bank balances	<u>11,123</u>	<u>6,477</u>

The Group

Note A:

	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000
Analysis of net flow of cash and bank balances arising from disposal of Joyas Group Limited and its subsidiaries (the “Disposal of JGL Group”):		

Cash consideration received	<u>4,500</u>	<u>7,500</u>
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Note B:

Property, plant and equipment		2018 (Unaudited) HK\$'000 30
Trade and other receivables		16,010
Cash and bank balances		8
Trade and other payables		<u>(10,676)</u>
Net assets		<u>5,372</u>
Fair value of investment retained		(2,632)
Non-controlling interest		(1,934)
Being realisation of currency translation reserve upon disposal		564
Loss on disposal		<u>(200)</u>
Total consideration		<u>1,170</u>
Satisfied by:		
Consideration received by Wang De Zhou on behalf of the Group (recorded under ‘Amount due from an associate’)		<u>1,170</u>
Analysis of net flow of cash and bank balances arising on Disposal of Shares in PT Global:		
Cash and bank balances on Disposal of Shares in PT Global		(8)
Net cash outflow from Disposal of Shares in PT Global		<u>(8)</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Statement of Changes in Equity
For the year ended 31 December 2019**

The Group

	Equity attributable to owners of the Company									
	Share capital	Share premium	Contributed surplus	Share option reserve	Capital contribution reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance as at 1 January 2018 (audited)	19,139	51,180	52,677	2,478	5,306	(95)	(91,021)	39,664	2,241	41,905
Loss for the year	-	-	-	-	-	-	(3,812)	(3,812)	(630)	(4,442)
Other comprehensive income:										
- Share of foreign currency translation differences of associated companies	-	-	-	-	-	94	-	94	40	134
- Reclassification of currency translation reserve on disposal of subsidiary	-	-	-	-	-	564	-	564	-	564
- Currency translation differences arising on consolidation	-	-	-	-	-	(503)	-	(503)	(283)	(786)
Total comprehensive income for the year	-	-	-	-	-	155	(3,812)	(3,657)	(873)	(4,530)
Contributions by and distributions to owners										
- Disposal of an subsidiary	-	-	-	-	-	34	-	34	(1,934)	(1,900)
- Equity-settled share-based payment transactions	-	-	-	247	-	-	-	247	-	247
Total transactions with owners, recognised directly in equity	-	-	-	247	-	34	-	281	(1,934)	(1,653)
Balance as at 31 December 2018 and 1 January 2019 (published)	19,139	51,180	52,677	2,725	5,306	94	(94,833)	36,288	(566)	35,722
Loss for the year	-	-	-	-	-	-	(26,933)	(26,933)	508	(26,425)
Other comprehensive income:										
- Share of foreign currency translation differences of associated companies	-	-	-	-	-	97	-	97	42	139
Total comprehensive income for the year	-	-	-	-	-	97	(26,933)	(26,836)	550	(26,286)
Contributions by and distributions to owners										
- Equity-settled share-based payment transactions	-	-	-	248	-	-	-	248	-	248
Total transactions with owners, recognised directly in equity	-	-	-	248	-	-	-	248	-	248
Balance as at 31 December 2019 (unaudited)	19,139	51,180	52,677	2,973	5,306	191	(121,766)	9,700	(16)	9,684

Statement of Changes in Equity (continued)
For the year ended 31 December 2018

The Company

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Balance as at 1 January 2018 (audited)	19,139	51,180	75,659	2,478	(110,716)	37,740
Loss for the year	-	-	-	-	(4,441)	(4,441)
Total comprehensive income for the year	-	-	-	-	(4,441)	(4,441)
Contributions by and distributions to owners						
- Equity-settled share-based payment transactions	-	-	-	247	-	247
Total transactions with owners, recognised directly in equity	-	-	-	247	-	247
Balance as at 31 December 2018 and 1 January 2019 (published)	19,139	51,180	75,659	2,725	(115,157)	33,546
Loss for the year	-	-	-	-	(30,785)	(30,785)
Total comprehensive income for the year	-	-	-	-	(30,785)	(30,785)
Contributions by and distributions to owners						
- Equity-settled share-based payment transactions	-	-	-	248	-	248
Total transactions with owners, recognised directly in equity	-	-	-	248	-	248
Balance as at 31 December 2019 (unaudited)	<u>19,139</u>	<u>51,180</u>	<u>75,659</u>	<u>2,973</u>	<u>(145,942)</u>	<u>3,009</u>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Movements to the Share Capital

	Number of shares	HK\$'000
Authorised:		
As at 30 June 2019 and 31 December 2019, ordinary shares of HK\$0.01 each	10,000,000,000	100,000
Issued and fully paid:		
As at 30 June 2019 and 31 December 2019, ordinary shares of HK\$0.01 each	1,913,776,973	19,139

There was no change in the Company's share capital from 30 June 2019 to 31 December 2019.

The Group had the following outstanding convertible securities as at 31 December 2019 and 31 December 2018:

	As at 31 December 2019 (Unaudited)	As at 31 December 2018 (Published)
Outstanding Convertible Securities		
Warrants ⁽¹⁾	26,924,415	26,924,415
Convertible Bonds ⁽¹⁾	S\$3,503,459	S\$3,503,459
Share Options ⁽²⁾⁽³⁾⁽⁴⁾	53,000,000	53,000,000

The number of shares that could have been issued on conversion of all of the Company's outstanding warrants, convertible bonds and share options are as follows:

	As at 31 December 2019 (Unaudited)	As at 31 December 2018 (Published)
<u>Warrants</u> Total number of shares that may be issued on conversion of the Company's outstanding warrants ⁽¹⁾	26,924,415	26,924,415
<u>Convertible Bonds</u> Total number of shares that may be issued on conversion of the Company's convertible bonds ⁽¹⁾	76,162,167	76,162,167
<u>Share Options</u> Total number of shares that may be issued on conversion of the Company's share options ^{(2)(3) (4)}	53,000,000	53,000,000

The total number of issued shares of the Company as at 31 December 2019 and 31 December 2018 was 1,913,776,973 shares respectively.

Notes:

- (1) For the details in relation to the Warrants and the Convertible Bonds, please refer to the Company's announcement dated 23 February 2015 and 20 March 2017.
- (2) On 25 May 2015, the Company granted 9,000,000 share options (the "**May 2015 Options**") under the Joyas Share Option Scheme to certain Directors of the Company. The May 2015 Options are exercisable after the first anniversary of the date of grant and before the fifth anniversary of the date of the grant. Please refer to the announcement in relation to the May 2015 Options dated 25 May 2015.
- (3) On 16 February 2015, the Company entered into a share option agreement with a third party (the "**Grantee**") to grant options (the "**Feb 2015 Options**") to the Grantee to subscribe for 12,000,000 new ordinary shares in the capital of the Company at an exercise price of S\$0.021. The Feb 2015 Options are exercisable before the fifth anniversary of the date of the grant. Please refer to the announcement in relation to the Feb 2015 Options dated 13 April 2015.
- (4) On 19 August 2016, the Company granted 32,000,000 share options (the "**August 2016 Options**") under the Joyas Share Option Scheme to the Non-Executive Directors of the Company. The August 2016 Options are exercisable after the first anniversary of the date of grant and before the fifth anniversary of the date of the grant. Please refer to the announcement in relation to the August 2016 Options dated 19 August 2016.

The Company did not have treasury shares or subsidiary holdings as at the end of the respective financial years.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.

The Company and the Group	As at 31 December 2019 (Unaudited)	As at 31 December 2018 (Published)
Total number of issued shares	<u>1,913,776,973</u>	<u>1,913,776,973</u>

There were no treasury shares as at 31 December 2019 and 31 December 2018.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable, as the Company did not hold any treasury shares as at the end of the financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable, as the Company did not have any subsidiary holdings as at the end of the financial period reported on.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures in this announcement have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

The auditors have issued a disclaimer of opinion on the Group's financial statements for the financial year ended 31 December 2018 ("FY2018") the basis for which has been disclosed on pages 15 and 16 of the Company's Annual Report for FY2018 ("AR2018").

Efforts taken to resolve each outstanding audit issue is as follows:

- i) Comparability of the current period's figures and the comparative figures.
Efforts taken to resolve:
Items (a) to (l) as set out on page 15 of the AR2018 were included in the basis for the independent auditor's disclaimer of opinion on the Group's financial statements ("**Basis for Disclaimer of Opinion**") for FY2018 to show a complete list of the Basis for Disclaimer of Opinion for the financial year ended 31 December 2017 ("**FY2017**").
- Items which have continuing relevance to the Group's financial statements for FY2018 had been separately elaborated in paragraphs (ii) to (vi) on pages 15 to 16 of the AR2018.
- As described in paragraph (i) on page 15 of the AR2018, items which do not have continuing relevance to the Group's financial statements for FY2018 had been included in the Basis for Disclaimer of Opinion for FY2018 due to comparability of the figures as set out in the Group's financial statements for FY2018 and the comparative figures as set out in the Group's audited financial statements for FY2017.
- ii) Deposits paid to a supplier and trade payable owing to the supplier.
Efforts taken to resolve:
In view of the uncertainty of recoverability of the deposits paid to the supplier and remoteness of payment of the trade payable to said supplier, which is a related party, the Group has made provision for the deposits paid to the supplier and written back the trade payable owing to said supplier in the financial statements for FY2019, as elaborated in paragraph 8 below. At the same time, the Group has commenced recoverability proceedings by commencing legal action to call on the share pledge and guarantees. For further details, please refer to the announcement in relation to the update on deposit paid to a supplier dated 29 November 2019.
- With regards to the confirmation procedures, the supplier had actually provided the confirmation but the auditors were unable to verify the address of the supplier in the confirmation. The Group is not able to obtain official documents to confirm the address of the supplier as it has not updated its correspondence address in the official records of the relevant government. It is also common for such relevant companies to not disclose their address in their regular third-party documents such as invoices. In any case, the Group has requested the relevant companies to arrange for formal supporting documents that show their address.
- iii) Disposal of subsidiaries of JGL Group
Efforts taken to resolve:
As set out in item (iv) on page 16 of the AR2018, this item had only been included in the Basis for Disclaimer of Opinion for FY2018 due to comparability of the figures as set out in the Group's financial statements for FY2018 and the comparative figures as set out in the Group's audited financial statements for FY2017.
- iv) Unaudited financial information and impairment of amount due from an associate.
Efforts taken to resolve:

In view of the uncertainty of recoverability from the associate, the Group has made full provision for the amount due from associate in the financial statements for FY2019, as elaborated in paragraph 8 below. In addition, request has been made by the Group to the associate to arrange for audit of its financial statements from FY2017 but management of the associated company is reluctant to incur any audit expenditure as the company has no revenue and statutory audit is currently not -required by the tax authorities or other regulatory requirements.

- v) Impairment of amount due from subsidiaries.

Efforts taken to resolve:

In view of the uncertainty of recoverability from the relevant subsidiaries, the Group has made partial provision for the amount due from subsidiaries in the financial statements for FY2019, as elaborated in paragraph 8 below.

The Board confirms that the impact of all outstanding audit issues on the financial statements of the Group for FY2019 have been adequately disclosed.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same International Financial Reporting Standards and related interpretations ("IFRS") accounting policies and methods of computation in the financial statements for the current financial year as those adopted in the audited financial statements for the financial year ended 31 December 2018, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning from 1 January 2019. The adoption of the new/revised accounting standards and interpretations does not have any material effect on the financial statements of the Group for the current financial year.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The new International Financial Reporting Standards (“IFRS”) 16 Leases has become effective for the financial period beginning 1 January 2019. Under IFRS 16, a lessee recognises a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The accounting for lessors has not changed significantly.

The Group has elected to apply the requirements of IFRS 16 to the Group’s leased asset as the Group’s rented premises are for a period of 12 months or less, which are exempted under IFRS 16.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

The Group

	Year ended 31 December	
	2019 (Unaudited)	2018 (Published)
Loss for the year attributable to owners of the Company (HK\$’000)	<u>(26,933)</u>	<u>(3,812)</u>
Weighted average number of ordinary shares in issue ⁽¹⁾ (’000)	<u>1,913,777</u>	<u>1,913,777</u>
Basic and diluted loss per ordinary share ⁽²⁾ (HK cents)	<u>(1.41)</u>	<u>(0.20)</u>

Notes:

- (1) The weighted average number of ordinary shares is based on the number of shares issued during the respective financial periods.
- (2) For the financial years ended 31 December 2019 and 2018, basic loss per ordinary share are the same as diluted loss per ordinary share because the exercise prices of share options and warrants are higher than the average market prices of the Company’s shares for both financial years of 2019 and 2018 and the exercise of convertible bonds would result in a decrease in loss per share in the financial year ended 31 December 2019 and 2018 as they are anti-dilutive.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.**

	Group		Company	
	As at 31 December 2019 (Unaudited)	As at 31 December 2018 (Published)	As at 31 December 2019 (Unaudited)	As at 31 December 2018 (Published)
Net asset value per ordinary share based on issued share capital (HK cents)	0.51	1.90	0.16	1.75

Net asset value per ordinary share is calculated based on the total number of issued shares excluding treasury shares as at 31 December 2019 and 31 December 2018 of 1,913,776,973 ordinary shares respectively.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Statement of profit or loss and other comprehensive income

Revenue

The Group's revenue decreased by approximately HK\$417,000 or 16.3% from HK2.6 million in the financial year ended 31 December 2018 ("**FY2018**") to approximately HK\$2.1 million in the financial year ended 31 December 2019 ("**FY2019**").

Revenue	FY2019		FY2018		Year-on-year % change
	HK\$'000	%	HK\$'000	%	
Financing Activities	2,148	100.0	2,565	100.0	(16.3)

The decrease in revenue was solely attributable to a decrease in interest income from financing business due to decrease in number of loan disbursements in the Peoples' Republic of China (including Hong Kong) (the "PRC (including HK)).

An analysis of sales of the Group's products to its principal markets, namely the PRC (including HK) and others during the period under review are as follows:-

	Financing Activities		
	FY2019	FY2018	Change
	HK'000	HK'000	%
The PRC (including			
HK)	2,148	2,536	(15.3)
Others ⁽¹⁾	-	29	(100.0)
Total turnover	<u>2,148</u>	<u>2,565</u>	<u>(16.3)</u>

Note:-

(1) Includes mainly customers from the Middle East.

Other income

Other income increased by 1701.1% from approximately HK\$905,000 in FY2018 to approximately HK\$16.3million in FY2019. The increase was mainly attributed to: (a) write off of balances due to related parties, namely i) Bushmills Resources Corp of approximately HK\$10.5 million; ii) Wang De Zhou (“**Mr Wang**”) of approximately HK\$5.4 million; and iii) Regal Winner Limited of approximately HK\$300,000. These payables were recorded in the book of HK Silver, a 70% owned subsidiary which is in a capital deficiency position. The balances were written off as the management is of the view that the claim for payment from HK Silver is remote and the Group is not legally obliged to support HK Silver for payment of these liabilities; and (b) increase in bank interest income of approximately HK\$33,000. The increase was offset by: (a) decrease in fair value gain on loan and advances of approximately HK\$584,000; and (b) decrease in fair value gain on convertible bond of approximately HK\$264,000 in FY2019.

Administrative expenses

Administrative expenses decreased by 26.2% from approximately HK\$6.4 million in FY2018 to approximately HK\$4.7 million in FY2019. The decrease was mainly attributed to: (a) decrease in foreign exchange loss of approximately HK\$840,000; (b) decrease in underwriting fee by approximately HK\$381,000; (c) decrease in director remuneration for two directors from the Group's subsidiary HK Silver as the two directors had ceased to receive remuneration since April 2018 due mainly to weak financial performance of HK Silver; and (d) decrease in legal and professional fee by approximately HK\$232,000 due to less work undertaken in relation to compliance.

Other operating expenses

Other operating expenses increased by approximately HK\$38.2 million or 19118.0% from approximately HK\$200,000 in FY2018 to HK\$38.4 million in FY2019. The increase was mainly due to: (a) no impairment of investment and amount due from an associate was recorded in FY2018 while approximately HK\$14.0 million of such impairment was recorded in FY2019; and (b) no impairment of trade deposit paid was recorded in FY2018 while approximately HK\$24.4 million of such impairment was recorded in FY2019 as the management is of the view that the recoverability of such balances are uncertain.

The increase was partly offset by the decrease in loss from the Disposal of Shares in PT Global of approximately HK\$200,000, which was incurred in FY2018

Finance costs

Finance costs increased by approximately HK\$310,000 or 20.6% in FY2019 due mainly to increase in foreign exchange loss of approximately HK\$173,000 from convertible bonds in FY2019 compared to a gain of approximately HK\$168,000 in FY2018. The increase was partly offset by: (a) decrease in convertible bonds interest of approximately HK\$17,000 mainly due to exchange rate movement; and (b) lower interest paid on borrowings as a result of non-utilization of bank loans during FY2019.

Share of profit of an associate

Share of profit of an associate increased by approximately HK\$112,000 or 66.3% from approximately HK\$169,000 in FY2018 to approximately HK\$281,000 in FY2019 due mainly to increase in share of profit from PT Global which comprised mainly of the exchange gain from monetary balances due to appreciation of United States Dollars against Indonesia Rupiah.

Loss before income tax

As a result of the above, the Group had recorded a loss before income tax of approximately HK\$26.2 million in FY2019 (FY2018: approximately HK\$4.4 million).

Income tax expense

Income tax expense of approximately HK\$198,000 was provided for Hong Kong subsidiaries in FY2019 (FY2018: Nil). The provision is mainly due to underprovision of assessable profits for certain subsidiaries in FY2018. The provision in FY2019 included provision of current year taxation of approximately HK\$95,000 (FY2018: HK\$63,000) and underprovision of previous year taxation of approximately HK\$103,000 in FY2018. (FY2018: overprovision of HK\$63,000 in FY 2017).

Statement of Financial Position

Non-current assets

Non-current assets decreased by approximately HK\$2.9 million from approximately HK\$2.94 million as at 31 December 2018 to approximately HK\$1,000 as at 31 December 2019. The decrease was mainly due to the full impairment of an associate, being the Group's investment in PT Global as the Group management considers that it will not generate future economic benefit to the Group since PT Global has not generated any revenue since incorporation.

Current assets

Current assets decreased by approximately HK\$38.7 million from approximately HK\$73.2 million as at 31 December 2018 to approximately HK\$34.5 million as at 31 December 2019. The decrease was mainly due to: (a) impairment of amount due from an associate of approximately HK\$10.7 million; (b) a decrease in trade and other receivables due the impairment of other receivables, namely the trade deposit; (c) decrease in the outstanding proceeds from the disposal of JGL Group by approximately HK\$4.5 million which was received in FY2019; (d) decrease in loans and advances from the financing business of HK\$1.0 million mainly due to repayment of loans prior to end of FY2019; and (e) decrease from financial asset at fair value through profit and loss due to lower balances for the financial assets as a result of the repayment.

Such decrease was partially offset by increase in cash and bank balances due to receipt of outstanding proceeds from the Disposal of JGL Group and repayment of loans and advance from financing business.

Current liabilities

Current liabilities increased by approximately HK\$5.6 million from approximately HK\$19.2 million as at 31 December 2018 to approximately HK\$24.8 million as at 31 December 2019. The increase was mainly due to increase in convertible bonds of approximately HK\$21.5 million as a result of reclassification of convertible bonds from non-current liabilities to current liabilities as the convertible bonds will mature in February 2020. Such increase was offset by a decrease in: (a) trade payables mainly due to write off of trade payable to nickel ore supplier of approximately HK\$10.5 million; and (b) other payables mainly due to write off of other payables of approximately HK\$5.7 million owed to a key management personnel, Mr. Wang, a director and shareholder of HK Silver under Nickel operation.

Non-current liabilities

Non-current liabilities decreased by approximately HK\$21.2 million from approximately HK\$21.2 million as at 31 December 2018 to approximately HK\$35,000 as at 31 December 2019 due to reclassification of convertible bonds from non-current liabilities to current liabilities as the convertible bonds will mature in February 2020.

Liquidity and cash flow

During FY2019, the Group's net cash generated from operating activities was approximately HK\$2.2 million. This was mainly attributed to loss before working capital changes of approximately HK\$2.5 million, decrease in trade and other receivables of approximately HK\$258,000, decrease in loan and advances of approximately HK\$1.0 million, decrease in financial assets at fair value through profit and loss of approximately HK\$2.6 million and increase in trade and other payables of approximately HK\$611,000.

During FY2019, the Group's net cash generated from investing activities was approximately HK\$4.6 million. This was mainly attributed to net cash inflow arising from the receipt of outstanding proceeds from the Disposal of JGL Group of approximately HK\$4.5 million.

During FY2019, the Group's net cash used in financing activities was approximately HK\$2.1 million. This was mainly attributed to the interest paid on convertible bonds of approximately HK\$1.4 million.

As a result of the above, the Group's net increase in cash and cash equivalents was approximately HK\$4.6 million (FY2018: approximately HK\$2.6 million).

As at 31 December 2019, the Group had cash and bank balances of approximately HK\$11.1 million (31 December 2018: approximately HK\$6.5 million), and unutilised banking facilities of approximately HK\$5.5 million (31 December 2018: approximately HK\$5.5 million).

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No specific forecast or prospect statement was previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Nickel ore

For the repayment of the deposit of approximately HK\$24.4 million paid by HK Silver in 2015 to a supplier in the Philippines (the “**Supplier**”) for the purchase of nickel ore (“**Deposit**”), Mr Wang had provided a repayment plan to the Company of which first instalment of approximately US\$50,000 which was supposed to commence by end of August 2019 and will be increased and repaid over a period of time depending on the level of future shipment of nickel ore.

Up to 30 September 2019, there was still no progress in the Group’s nickel ore trading business in Philippines or Indonesia and no payment had been received from Mr Wang. Accordingly, the Board resolved to commence recoverability proceedings by commencing legal action to call on the share pledge and guarantees. Please refer to the announcement in relation to update on Deposit paid to the Supplier dated 29 November 2019. As at to date, the legal action is still in progress and the Group will make announcement when there is any material development.

Financing business

For the year ended 31 December 2019, the Group’s financing business has been contributing to the Group’s revenue. The Group expects such contribution to remain for at least the next 6-12 months.

Corporate Update

The Group is currently still in negotiation with a potential target on an acquisition opportunity. No definitive agreement has been reached as of to date. The Company will update shareholders via SGXNET as and when there are any material developments.

In late December 2019, there was an outbreak of coronavirus (COVID-19) in the PRC, Hong Kong and other countries which has led to public health and safety concerns and the implementation of certain policies by the governmental authorities to safeguard the health and safety for the general public and to limit the potential impact of the outbreak. As at to date, to best knowledge and information of the management, we are not aware of any of our customers experiencing material adverse financial performance due to the outbreak. Nevertheless, the overall regional economy in HK and the PRC will remain challenging for the next 3-6 months. This in turn will affect the Group’s future development as potential or current customers may be financially affected by the COVID-19.

11. Dividend

(a) Current Financial Period Reported On

Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

(b) (i) Amount per share...cents.

Not applicable.

(b) (ii) Previous corresponding period ... cents

Not applicable.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5:00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend pay-out is recommended for FY2019 as the Company was not profitable in FY2019.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements with comparative information for the immediately preceding year.

Information regarding the Group's reportable segments set out below:

Year ended 31 December

	Financing Activities		Nickel Ore		Total	
	2019	2018	2019	2018	2019	2018
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Reportable segment revenue:						
From external customers	2,148	2,565	-	-	2,148	2,565
Reportable segment profit/(loss)	1,878	2,497	(23,952)	(1,712)	(22,074)	785
Depreciation of property, plant and equipment	-	-	4	24	4	24
Fair value gain on loan and receivable	-	(584)	-	-	-	(584)
Impairment of investment and amount due from an associate	-	-	14,027	-	14,027	-
Impairment of trade deposit received	-	-	24,377	-	24,377	-
Written off of accounts payable	-	-	(10,531)	-	(10,531)	-
Written off of other payable	-	-	(4,973)	-	(4,973)	-
Loss on disposal of a subsidiary	-	-	-	200	-	200
Reportable segment assets	17,775	21,434	58	38,046	17,833	59,480
Reportable segment liabilities	26,342	25,182	1,073	41,216	27,415	66,398

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000
Reportable segment revenues	<u>2,148</u>	<u>2,565</u>
Group revenues	<u><u>2,148</u></u>	<u><u>2,565</u></u>
Reportable segment (loss)/ profit	(22,074)	785
Loss on Disposal of PT Global, net	-	(200)
Fair value (loss) / gain on warrants	(30)	5
Fair value loss on convertible bonds	14	278
Unallocated income	778	38
Corporate legal and professional fees	(2,188)	(2,415)
Unallocated corporate expenses	(911)	(1,427)
Finance costs	<u>(1,816)</u>	<u>(1,506)</u>
Group loss before income tax	<u>(26,227)</u>	<u>(4,442)</u>
Reportable segment assets	17,833	59,480
Pledged bank deposits	5,528	5,460
Cash and bank balances	11,123	6,477
Other corporate assets	<u>38</u>	<u>4,721</u>
Group assets	<u><u>34,522</u></u>	<u><u>76,138</u></u>
Reportable segment liabilities	27,415	66,398
Convertible bonds	21,460	21,201
Warrants	35	5
Other corporate liabilities	1,718	2,762
Elimination	<u>(25,790)</u>	<u>(49,950)</u>
Group liabilities	<u><u>24,838</u></u>	<u><u>40,416</u></u>

The Group's revenue from external customers and its non-current assets are divided into the following geographical areas:

	Revenue from external customers		Non-current assets	
	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000	2019 (Unaudited) HK\$'000	2018 (Published) HK\$'000
Principal markets:				
The PRC (including Hong Kong)	2,148	2,536	1	5
Others ⁽¹⁾	<u>-</u>	<u>29</u>	<u>-</u>	<u>2,935</u>
	<u><u>2,148</u></u>	<u><u>2,565</u></u>	<u><u>1</u></u>	<u><u>2,940</u></u>

Note:-

(1) Includes mainly customers from the Middle East.

Geographical location of customers is based on the location of the customers whilst that of non-current assets is based on their physical location.

During the financial year, there was no revenue from external customers attributed to Bermuda, being the Company's country of domicile, and no non-current assets were located in Bermuda (FY2018: Nil). The country of domicile is the country where the Company was incorporated for the purpose of the disclosure as required by IFRS 8 "Operating Segments".

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

As explained in paragraph 8.

15. A breakdown of sales.

Year ended 31 December

	2019 (Unaudited) HK\$'000	2018 (Unaudited/ published) HK\$'000	Change %
The Group			
Sales reported for the first half	1,098	1,143	(3.9)
Net loss after tax before non-controlling interest reported for the first half	(25,971)	(2,351)	1004.7
Sales reported in the second half	1,050	1,422	(26.2)
Net loss after tax before non-controlling interest reported in the second half	(454)	(2,091)	(78.3)

16. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No general mandate for interested person transaction has been obtained.

There were no interested person transactions with value of S\$100,000 or more entered into by the Company for the financial period under review.

17. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that all the required undertakings under Rule 720(1) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (the "Catalist Rules") have been obtained from all its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or Chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

The Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10) of the Catalist Rules.

BY ORDER OF THE BOARD

Lau Chor Beng, Peter
Managing Director
29 February 2020

This announcement has been prepared by Joyas International Holdings Limited (the “Company”) and its contents have been reviewed by the Company’s Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor” in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes 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 Ms Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).