



Joyas International Holdings Limited

(Incorporated in Bermuda)
Company Registration Number: 38991

Financial Statements And Related Announcement
For the half year ended 30 June 2019

JOYAS INTERNATIONAL HOLDINGS LIMITED

Half Year Financial Statement And Related Announcement

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 first half year ended 30 June 2019 (“1H19”)

The Group

	Six months ended 30 June		Change %
	2019 (Unaudited) HK\$'000	2018 (Unaudited) HK\$'000	
Revenue	1,098	1,143	(3.9)
Other income	37	12	208.3
Administrative expenses	(2,137)	(2,740)	(22.0)
Finance costs	(753)	(766)	(1.7)
Other operating expenses			
-Impairment losses of other receivables	(24,377)	-	100.0
Share of profit of an associate	161	-	100.0
Loss before taxation	<u>(25,971)</u>	<u>(2,351)</u>	1004.7
Taxation	-	-	
Loss for the period	<u><u>(25,971)</u></u>	<u><u>(2,351)</u></u>	1004.7
Other comprehensive income after tax:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences	<u>-</u>	<u>(1)</u>	(100.0)
Other comprehensive loss for the period, net of tax of nil	<u>-</u>	<u>(1)</u>	(100.0)
Total comprehensive loss for the period	<u><u>(25,971)</u></u>	<u><u>(2,352)</u></u>	1004.2
Loss for the period attributable to			
Owners of the Company	(25,899)	(2,231)	1060.9
Non-controlling interests	<u>(72)</u>	<u>(120)</u>	(40.0)
	<u><u>(25,971)</u></u>	<u><u>(2,351)</u></u>	1004.7
Total comprehensive loss for the period attributable to:			
Owners of the Company	(25,899)	(2,232)	1060.3
Non-controlling interests	<u>(72)</u>	<u>(120)</u>	(40.0)
	<u><u>(25,971)</u></u>	<u><u>(2,352)</u></u>	1004.2

**Notes to Consolidated Statement Of Profit Or Loss And Other Comprehensive
Income
For the first half year ended 30 June 2019**

The Group's loss for the period is arrived at after charging/(crediting):

	Six months ended 30 June		Change %
	2019 (Unaudited) HK\$'000	2018 (Unaudited) HK\$'000	
Interest income	(37)	(12)	208.3
Depreciation of property, plant and equipment	-	7	(100.0)
Operating lease expense in respect of rental premises	154	153	0.7
Impairment losses of other receivables	24,377	-	100.0
Exchange loss, net	4	22	(81.8)
Interest expenses	753	766	(1.7)
	<u>753</u>	<u>766</u>	

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.

**Consolidated Statement of Financial Position
As at 30 June 2019**

The Group

	As at 30 June 2019 (Unaudited) HK\$'000	As at 31 December 2018 (Published#) HK\$'000
Assets		
Non-current assets		
Investment in an associate	3,097	2,935
Property, plant and equipment	5	5
	<u>3,102</u>	<u>2,940</u>
Current assets		
Trade and other receivables	28,755	58,677
Financial assets at fair value through profit or loss	584	2,584
Cash and cash equivalents	17,113	11,937
	<u>46,452</u>	<u>73,198</u>
Total assets	<u><u>49,554</u></u>	<u><u>76,138</u></u>
Equity		
Capital and Reserves		
Share capital	19,139	19,139
Accumulated losses	(120,732)	(94,833)
Other reserves	111,982	111,982
Attributable to the owners of the Company	10,389	36,288
Non-controlling interests	(638)	(566)
Total equity	<u>9,751</u>	<u>35,722</u>
Liabilities		
Non-current liabilities		
Convertible bonds	-	21,201
Warrants	5	5
	<u>5</u>	<u>21,206</u>
Current liabilities		
Trade and other payables	17,740	17,683
Borrowings	1,432	1,372
Current tax liabilities	155	155
Convertible bonds	20,471	-
	<u>39,798</u>	<u>19,210</u>
Total liabilities	<u>39,803</u>	<u>40,416</u>
Total equity and liabilities	<u><u>49,554</u></u>	<u><u>76,138</u></u>

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

**Statement of Financial Position
As at 30 June 2019**

The Company

	As at 30 June 2019 (Unaudited) HK\$'000	As at 31 December 2018 (Published) HK\$'000
Assets		
Non-current assets		
Investment in subsidiaries	<u>8</u>	<u>8</u>
Current assets		
Trade and other receivables	27,424	54,809
Cash and bank balances	<u>482</u>	<u>494</u>
	<u>27,906</u>	<u>55,303</u>
Total assets	<u><u>27,914</u></u>	<u><u>55,311</u></u>
Equity		
Capital and Reserves		
Share capital	19,139	19,139
Accumulated losses	(141,538)	(115,157)
Other reserves	<u>129,564</u>	<u>129,564</u>
Total equity	<u>7,165</u>	<u>33,546</u>
Liabilities		
Non-current liabilities		
Convertible bonds	-	21,201
Warrants	<u>5</u>	<u>5</u>
	<u>5</u>	<u>21,206</u>
Current liabilities		
Trade and other payables	273	559
Convertible bonds	<u>20,471</u>	<u>-</u>
	<u>20,744</u>	<u>559</u>
Total liabilities	<u>20,749</u>	<u>21,765</u>
Total equity and liabilities	<u><u>27,914</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 30 June 2019 (Unaudited)		As at 31 December 2018 (Published)	
Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000
-	21,903	-	1,372

Amount repayable after one year

As at 30 June 2019 (Unaudited)		As at 31 December 2018 (Published)	
Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000
-	-	-	21,201

As at 30 June 2019, the Group's other borrowings (unsecured) amounted to approximately HK\$1.4 million (31 December 2018: approximately HK\$1.4 million). Other borrowings bears interest of 12% (31 December 2018 – 12%) per annum and repayable on demand.

As at 30 June 2019, the Group's outstanding principal amount of convertible bonds amounted to approximately S\$3.5 million, equivalent to approximately HK\$20.5 million (31 December 2018: approximately S\$3.5 million, equivalent to approximately HK\$21.2 million).

Details of any collateral

As at 30 June 2019, the banking facilities granted to the Group amounted to approximately HK\$5.5 million (31 December 2018: approximately HK\$5.5 million). However, these facilities have not been utilized as at 30 June 2019 and 31 December 2018, respectively. 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 first half year ended 30 June 2019**

The Group

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Cash flows from operating activities:		
Loss before taxation	(25,971)	(2,351)
Adjustments for:		
Interest income	(37)	(12)
Depreciation of property, plant and equipment	-	7
Share of results of associate	(161)	-
Impairment losses of other receivables	24,377	-
Interest expenses	753	766
	<u>(1,039)</u>	<u>(1,590)</u>
Operating loss before working capital changes		
Changes in working capital:		
Loan and advances	2,416	5,280
Trade and other receivables	630	438
Trade and other payables	57	273
	<u>2,064</u>	<u>4,401</u>
Cash generated from operations		
Interest paid on bank borrowings	-	(12)
	<u>2,064</u>	<u>4,389</u>
Net cash generated from operating activities		
Cash flows from investing activities		
Interest received	37	12
Net cash inflow from disposal of subsidiaries (note)	4,500	2,500
	<u>4,537</u>	<u>2,512</u>
Net cash generated from investing activities		
Cash flows from financing activities		
Interest paid on convertible bonds	(1,426)	(1,464)
Repayment of bank borrowings	-	(4,240)
Increase in pledged bank deposits	(34)	(18)
	<u>(1,460)</u>	<u>(5,722)</u>
Net cash used in financing activities		
Net increase in cash and cash equivalents	5,141	1,179
Cash and cash equivalents at the beginning of the period	6,477	3,846
Effects of exchange rate fluctuations on cash and cash equivalents	-	(1)
	<u>-</u>	<u>(1)</u>
Cash and cash equivalents at the end of the period	<u>11,618</u>	<u>5,024</u>

Consolidated Statement of Cash Flows (Continued)
For the first half year ended 30 June 2019

The Group

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Analysis of balances of cash and cash equivalents at the end of the period:		
Cash and bank balances	11,618	5,024
Pledged bank deposit	5,495	5,434
	<u>17,113</u>	<u>10,458</u>

Note:

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Analysis of net cash inflow arising on disposal of Joyas Group Limited and its subsidiaries (the " Disposal of JGL Group "):		
Cash consideration received	<u>4,500</u>	<u>2,500</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.

**Consolidated Statement of Changes in Equity
For the first half year ended 30 June 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
At 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 period	-	-	-	-	-	-	(25,899)	(25,899)	(72)	(25,971)
At 30 June 2019 (unaudited)	19,139	51,180	52,677	2,725	5,306	94	(120,732)	10,389	(638)	9,751
At 1 January 2018 (published)	19,139	51,180	52,677	2,478	5,306	(95)	(91,021)	39,664	2,241	41,905
Loss for the period	-	-	-	-	-	-	(2,231)	(2,231)	(120)	(2,351)
Other comprehensive income										
- Foreign currency translation differences	-	-	-	-	-	(1)	-	(1)	-	(1)
Total comprehensive loss for the period	-	-	-	-	-	(1)	(2,231)	(2,232)	(120)	(2,352)
At 30 June 2018 (unaudited)	19,139	51,180	52,677	2,478	5,306	(96)	(93,252)	37,432	2,121	39,553

**Statement of Changes in Equity
For the first half year ended 30 June 2019**

The Company

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total equity HK\$'000
At 1 January 2019 (published)	19,139	51,180	75,659	2,725	(115,157)	33,546
Loss for the period	-	-	-	-	(26,381)	(26,381)
Total comprehensive loss for the period	-	-	-	-	(26,381)	(26,381)
At 30 June 2019 (unaudited)	<u>19,139</u>	<u>51,180</u>	<u>75,659</u>	<u>2,725</u>	<u>(141,538)</u>	<u>7,165</u>
At 1 January 2018 (published)	19,139	51,180	75,659	2,478	(110,716)	37,740
Loss for the period	-	-	-	-	(2,380)	(2,380)
Total comprehensive loss for the period	-	-	-	-	(2,380)	(2,380)
At 30 June 2018 (unaudited)	<u>19,139</u>	<u>51,180</u>	<u>75,659</u>	<u>2,478</u>	<u>(113,096)</u>	<u>35,360</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 31 December 2018 and 30 June 2019, ordinary shares of HK\$0.01 each	10,000,000,000	100,000
Issued and fully paid:		
As at 31 December 2018 and 30 June 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 31 December 2018 to 30 June 2019.

The Group had the following outstanding convertible securities as at 30 June 2019 and 30 June 2018. The number of shares that could have been issued on conversion of all of the Company's outstanding convertible securities are as follows:

Outstanding Convertible Securities	As at 30 June 2019	As at 30 June 2018
Warrants	26,924,415	26,924,415
Convertible Bonds	76,162,167	76,162,167
Share Options	53,000,000	53,000,000

The total number of issued shares of the Company as at 30 June 2019 and 30 June 2018 was 1,913,776,973 shares respectively.

The Company did not have treasury shares and subsidiary holdings as at the end of the respective period.

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 30 June 2019	As At 31 December 2018
Total number of issued shares	1,913,776,973	1,913,776,973
	=====	=====

There were no treasury shares as at 30 June 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 qualifications or emphasis of a matter).

Not applicable.

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 reporting period.

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 Group has adopted the new International Financial Reporting Standards “IFRS” 16 Leases that 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 not 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

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company (HK\$’000)	<u>(25,899)</u>	<u>(2,231)</u>
Weighted average number of ordinary shares in issue ⁽¹⁾	<u>1,913,776,973</u>	<u>1,913,776,973</u>
Basic and diluted loss per ordinary share ⁽²⁾ (HK cents)	<u>(1.35)</u>	<u>(0.12)</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 periods ended 30 June 2019 and 2018, basic loss per ordinary share are 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 the both financial periods and the exercise of convertible bonds would result in a decrease in loss per share in the financial period ended 30 June 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 30 June 2019 (Unaudited)	As at 31 December 2018 (Published)	As at 30 June 2019 (Unaudited)	As at 31 December 2018 (Published)
Net asset value per ordinary share based on issued share capital (HK cents)	0.54	1.90	0.37	1.75

Net asset value per ordinary share is calculated based on the total number of issued shares as at 30 June 2019 and 31 December 2018 of 1,913,776,973 ordinary shares respectively. There were no treasury shares as at the respective period.

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\$45,000 or 3.9% from approximately HK\$1.14 million for the six months ended 30 June 2018 ("**1H18**") to approximately HK\$1.10 million for 1H19.

The decrease in revenue was solely attributed to the decrease in interest income from the financing business due to a decrease in number of loan disbursements in the Asia (other than the Peoples' Republic of China (including Hong Kong) (the "**PRC (including HK)**") during 1H19 compared to 1H18.

An analysis of the Group's revenue from its principal markets, namely the PRC (including HK) and others during the period under review is as follows:-

	Financing Activities		
	IH19 HK'000	IH18 HK'000	Change %
The PRC (including HK)	1,098	819	34.1
Others ⁽¹⁾	-	324	(100.0)
Total revenue	<u>1,098</u>	<u>1,143</u>	<u>(3.9)</u>

Note:-

(1) Includes mainly customers from the Middle East.

The Company did not generate revenue from Nickel Ore during 1H18 and 1H19 due to export restrictions and domestic shipment has yet to take place.

Other income

Other income increased by approximately HK\$25,000 or 208.3% from approximately HK\$12,000 in 1H18 to approximately HK\$37,000 in 1H19. This was mainly attributed to an increase in bank interest income in 1H19 resulted from the increase in average cash and bank balances in 1H19 as compared to 1H18.

Administrative expenses

Administrative expenses decreased by approximately HK\$603,000 or 22.0% from approximately HK\$2.74 million in 1H18 to approximately HK\$2.14 million in 1H19. This was mainly attributed to lower expenses for the Nickel Ore operation due to (a) waiver of remuneration for certain directors in the Company's subsidiary, Hong Kong Silver Basic Group Limited ("**HK Silver**"); and (b) decrease in salary as a result of reduction in the number of staff.

Finance costs

Finance costs decreased by approximately HK\$13,000 or 1.7% from approximately HK\$766,000 in 1H18 to approximately HK\$753,000 in 1H19 due to lower interest paid on borrowings as a result of non utilization of bank loans during 1H19.

Other operating expenses

Other operating expenses of approximately HK\$24.38 million in 1H19 was related to impairment losses of other receivables, namely deposit paid to a supplier in the Philippines for the purchases of nickel ore ("**Deposit**").

As at 31 December 2018, trade and other receivables included an amount of approximately HK\$24.38 million Deposit. The supplier is owned by Mr Wang De Zhou ("**Mr Wang**"), the director and CEO of HK Silver. In substance, the Deposit is secured by personal guarantee from Mr Wang, guarantee from the minority shareholders of HK Silver and the charge of shares in a mining company which owns a nickel ore mining concession in Indonesia. Due to the uncertainty in the amount of recovery, the Group has made full provision for the Deposit for prudence purposes.

Share of profit of an associate

Share of profit of an associate, namely PT Global Linker Indonesia (“**PT Global**”) of HK\$161,000 in 1H19 comprised mainly the exchange gain from monetary balances due to appreciation of United States Dollars against Indonesia Rupiah

Loss before taxation

As a result of the above, the Group had recorded a loss before taxation of approximately HK\$25.97 million (1H18: approximately HK\$2.35 million).

Statement of financial position

Non-current assets

Non-current assets increased by approximately HK\$162,000 from approximately HK\$2.94 million as at 31 December 2018 to approximately HK\$3.10 million as at 30 June 2019 due mainly to increase in investment in an associate as a result of a share of profit of an associate.

Current assets

Current assets decreased by approximately HK\$26.75 million from approximately HK\$73.20 million as at 31 December 2018 to approximately HK\$46.45 million as at 30 June 2019. This was mainly attributed to (a) a decrease in trade and other receivables due to the receipt of the remaining proceeds from the Disposal of JGL Group. (b) a decrease in trade and other receivables due the impairment losses of other receivables, namely the Deposit. (c) a decrease in financial assets at fair value through profit or loss due to repayment of the loans which were categorized as financial assets. Such decrease was partially offset by an increase in cash and cash equivalents.

Current liabilities

Current liabilities increased by approximately HK\$20.59 million from approximately HK\$19.21 million as at 31 December 2018 to approximately HK\$39.80 million as at 30 June 2019. The increase was mainly attributed to reclassification of convertible loans from non-current liabilities to current liabilities as the convertible bonds will mature in February 2020.

Non-current liabilities

Non-current liabilities decreased by approximately HK\$21.20 million from approximately HK\$21.21 million as at 31 December 2018 to approximately HK\$5,000 as at 30 June 2019 due to reclassification of convertible loans from non-current liabilities to current liabilities as the convertible bonds will mature in February 2020.

Liquidity and cash flow

During 1H19, the Group’s net cash generated from operating activities was approximately HK\$2.06 million. This was mainly attributed to: (a) decrease in loan and advances of approximately HK\$2.42 million; (b) decrease in trade and other receivables of approximately HK\$630,000; (c) loss before taxation from operations

with adjustments for non-cash items of approximately HK\$1.04 million; and (d) increase in trade and other payables of approximately HK\$57,000. The Group's net cash generated from investing activities was approximately HK\$4.54 million mainly due to receipt of the remaining proceeds arising from the disposal of subsidiaries in previous year. The Group's net cash used in financing activities was approximately HK\$1.46 million. This was mainly attributed to settlement of accrued interests of the convertible bonds. As a result of the above, the Group's net increase in cash and cash equivalents was approximately HK\$5.14 million.

As at 30 June 2019, the Group had cash and cash equivalents of HK\$17.11 million (31 December 2018: HK\$11.94 million.)

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

No 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

As at the date of this announcement, the Group's supplier in Philippines has yet to obtain the export approvals for nickel ore due to new additional procedures from the relevant authorities. At the moment, it remains uncertain if such export approvals can be obtained. As the Group is unable to obtain export permits, it is exploring other arrangements which will enable it to sell to the overseas market. As of to date, no such other arrangements have been made.

For the repayment of Deposit, Mr Wang has provided a repayment plan to the Company of which first installment of US\$50,000 will 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 ("**Repayment Plan**").

The Board is of the view that the viability of the Repayment Plan would depend on the cash flow to be generated from the nickel ore mines owned by Mr. Wang through domestic or/and export sales in the future, both of which are still uncertain at the present moment and it would take some time to have a clearer visibility to the situation. However, if there is still no progress in the Group's nickel ore trading business by 30 September 2019, the Board and the Management will evaluate the recoverability options including calling on the share pledge and guarantees. The Company will update the shareholders in due course.

The Group's associate, PT Global has obtained a specific license to sell nickel ore domestically in Indonesia and has received some orders for nickel ore for the domestic market. However, shipment is still pending due to shortage of working capital in PT Global. The 51% shareholder of PT Global, Fill Stone International Limited ("**Fill Stone**") has provided up to approximately USD800,000 of funding to PT Global to-date but the funds are still insufficient to support the working capital required by PT Global. It is estimated that further USD1 to 2 million is required to finance the nickel ore supplies. In addition, there has been disagreement between the management of PT

Global, being Mr Wang and Fill Stone on the business plan and strategy as well as operational issues of PT Global after Fill Stone became the 51% shareholder of PT Global. The parties involved are still resolving the disagreement and this has also contributed to the delay in shipment. The management of PT Global is exploring other options to raise the required working capital for PT Global. In view of the challenges faced in the nickel trading business, the Company is also exploring the option to dispose the business.

Financing business

For the six months ended 30 June 2019, the Group's financing business has been contributing to the Group's revenue. The Group expects such contribution to remain for the next 6-12 months and continue in the future.

Corporate Update

The Group is currently in negotiation with a potential target on an acquisition opportunity. No definitive agreement has been reached as of to date.

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 interim dividend has been declared or recommended for the financial period ended 30 June 2019 as the Company is in the loss position.

13. 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.

14. 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.



JOYAS INTERNATIONAL HOLDINGS LIMITED

NEGATIVE ASSURANCE CONFIRMATION

Statement by Directors pursuant to SGX Catalist Listing Rule 705(5)

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Joyas International Holdings Limited which may render these interim financial results for the half year ended 30 June 2019 to be false or misleading in any material aspect.

For and on behalf of the
Board of Directors of
Joyas International Holdings Limited

Lau Chor Beng, Peter
Executive Director and Managing Director

Date: 14 August 2019

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") 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 assume no responsibility for the contents of this announcement including the accuracy or correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Tan Pei Woon, Associate Director, Continuing Sponsorship, (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).