

# Joyas International Holdings Limited

(Incorporated in Bermuda)  
(Company Registration Number 38991)

---

## RESPONSES TO QUERIES RAISED BY THE SINGAPORE EXCHANGE REGULATION

---

The Board of Directors (the “**Board**”) of Joyas International Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) sets out below the Company’s responses to queries raised by the Singapore Exchange Regulation Pte Ltd (the “**SGX RegCo**”) on 16 July 2021, with reference to the Company’s announcement dated 13 July 2021 (the “**Announcement**”) in relation to the acquisition of 51% interest in Topping Tact Limited and entry into a Joint Cooperation Agreement.

Unless otherwise defined, all capitalized terms utilized herein shall have the meanings ascribed to them in the Announcement.

### **Query 1**

Please elaborate on TTL's business prior to the Acquisition. What is the rationale for acquiring TTL? How does the acquisition assist in the Company venturing into the forex business?

### **Company’s Response**

Prior to the Acquisition, TTL was principally operating in the business of forex investment for two to three months with an account with the relevant forex investment brokerage and the third-party software licensed from KNF with the forex investment brokerage installed on a trial basis. Upon completion of the Acquisition, the Group can operate the forex business within a short time as the account and software are already in place.

### **Query 2**

Is the third-party software to be licensed from KNF exclusively licensed to TTL? Is there similar software in the market? If yes, what is the rationale for choosing this particular software?

### **Company’s Response**

There is no exclusivity licensing at the moment. Based on the Group’s understanding, there are other forex investments software in the market. However, the Group chose this software mainly due to its performance, the terms of the License Agreement to be entered into and the views from CNI and the proposed investor. The Company will update the shareholders when there is material development in this matter.

### **Query 3**

It is stated in Para 6(b)(vi) that CNI will borne all losses incurred by TTL. What is the rationale for such an arrangement? Has the Company assessed CNI's financial position and its ability to fulfil such obligations?

### **Company’s Response**

As disclosed in the announcement:

CNI has expressed its willingness to assume all losses in TTL based on a *pro rata* profit sharing arrangement attributable to CNI which is effectively 12.25% of the gross return primarily for the following reasons:

- (a) CNI's risk will arise only if the software fails to perform and in the event that TTL incurs losses;
- (b) CNI considers the risk to be minimal to them due to their evaluation of software performance;
- and
- (c) the interest payable to the proposed investor and license fees payable to KNF by TTL are based on gross returns. As such, there will be no expenses incurred in the event of losses.

The Group was not able to obtain financial information from CNI to support its financial ability to assume all the losses to be incurred by TTL as CNI regards this as confidential information. In the event that CNI is unable to bear the losses incurred by TTL, TTL will be liable to the losses and the Group's losses will be limited to the capital contributions made by the Group to TTL as the Group did not contribute any other resources other than the capital contributions as disclosed in the Announcement. Notwithstanding the foregoing, in the event that both CNI and TTL are unable to bear the losses incurred by TTL, TTL may have difficulty to continue as a going concern and the Group may not be able to successfully establish a market in the forex investment business.

#### **Query 4**

What is the Company's role in the JV?

#### **Company's Response**

The Company will assist to promote TTL to more investors, attracting investors to invest or finance TTL directly and/or indirectly via the Company in the future.

By Order of the Board of  
**Joyas International Holdings Limited**

Mr Ong Chor Wei  
Non-Executive Deputy Chairman

19 July 2021

---

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The contact person for the Sponsor is Mr Joseph Au, 16 Collyer Quay, #10-00 Income at Raffles Singapore 049318, sponsorship@ppcf.com.sg.*