



Joyas International Holdings Limited

(Incorporated in Bermuda)
Company Registration Number: 38991

Condensed Consolidated Financial Statements For the fourth quarter and full year ended 31 December 2022

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

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A. Condensed consolidated statement of profit or loss and other comprehensive income

The Group

	Note	3 months ended 31 December			Financial year ended 31 December		
		2022 (unaudited) ("4Q2022") HK\$'000	2021 (unaudited) ("4Q2021") HK\$'000	Change %	2022 (unaudited) ("FY2022") HK\$'000	2021 (published#) ("FY2021") HK\$'000	Change %
Revenue	5	912	1,161	(21.4)	3,936	3,442	14.4
Other income	6	943	38	2381.6	994	73	1261.6
Administrative expenses		(736)	(973)	(24.4)	(3,296)	(3,931)	(16.2)
Net reversal of impairment losses/ (impairment losses) on trade and other receivables		390	(298)	n.m.	800	(298)	n.m.
Finance costs	7	(288)	(373)	(22.8)	(1,271)	(558)	127.8
Profit/ (loss) before taxation	8	1,221	(445)	n.m.	1,163	(1,272)	n.m.
Taxation	9	(128)	(125)	2.4	(128)	(145)	(11.7)
Profit/ (loss) and total comprehensive profit/ (loss) for the financial period/ year		1,093	(570)	n.m.	1,035	(1,417)	n.m.
Profit/ (loss) and total comprehensive profit/ (loss) for the financial period/ year attributable to							
Equity holders of the Company		975	(527)	n.m.	639	(1,603)	n.m.
Non-controlling interests		118	(43)	n.m.	396	186	112.9
		1,093	(570)	n.m.	1,035	(1,417)	n.m.

n.m. denotes not meaningful

As per published accounts in the Annual Report of the Company for the financial year ended 31 December 2021.

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B. Condensed consolidated statement of financial position

The Group

	Note	As at 31 December 2022 (Unaudited) HK\$'000	As at 31 December 2021 (Published) HK\$'000
Assets			
Current assets			
Trade and other receivables	10	16,052	18,824
Cash and bank balances	11	10,542	13,668
		<u>26,594</u>	<u>32,492</u>
Total assets		<u>26,594</u>	<u>32,492</u>
Equity			
Capital and reserves			
Share capital	12	22,139	22,139
Accumulated losses		(117,152)	(123,097)
Other reserves	13	105,742	111,239
		<u>10,729</u>	<u>10,281</u>
Attributable to the owners of the Company		10,729	10,281
Non-controlling interests		<u>660</u>	<u>(126)</u>
Total equity		<u>11,389</u>	<u>10,155</u>
Liabilities			
Current liabilities			
Trade and other payables	14	1,187	2,478
Borrowings	15	13,904	19,744
Current tax liabilities		114	115
		<u>15,205</u>	<u>22,337</u>
Total liabilities		<u>15,205</u>	<u>22,337</u>
Total equity and liabilities		<u>26,594</u>	<u>32,492</u>

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B. Condensed consolidated statement of financial position (continued)

The Company

	Note	As at 31 December 2022 (Unaudited) HK\$'000	As at 31 December 2021 (Published) HK\$'000
Assets			
Non-current asset			
Investment in subsidiaries		8	8
Current assets			
Trade and other receivables	10	15,160	15,887
Cash and bank balances	11	164	306
		<u>15,324</u>	<u>16,193</u>
Total assets		<u><u>15,332</u></u>	<u><u>16,201</u></u>
Equity			
Capital and reserves			
Share capital	12	22,139	22,139
Accumulated losses		(149,664)	(147,582)
Other reserves	13	128,724	128,724
Total equity		<u>1,199</u>	<u>3,281</u>
Liabilities			
Current liabilities			
Trade and other payables	14	14,133	12,920
		<u>14,133</u>	<u>12,920</u>
Total liabilities		<u>14,133</u>	<u>12,920</u>
Total equity and liabilities		<u><u>15,332</u></u>	<u><u>16,201</u></u>

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C. Condensed consolidated statement of cash flows

The Group

Note	4Q2022 (unaudited) HK\$'000	4Q2021 (unaudited) HK\$'000	FY2022 (unaudited) HK\$'000	FY2021 (published) HK\$'000	
Cash flows from operating activities:					
	Profit/ (loss) before taxation	1,221	(445)	1,163	(1,272)
	Adjustments for:				
	Fair value gain on financial assets at fair value	–	(6)	–	(202)
	Gain on disposal of subsidiaries	(900)	(36)	(900)	(36)
	Interest expenses	288	373	1,271	558
	Interest income	(41)	(2)	(70)	(2)
	Net (reversal of impairment losses)/ impairment losses on trade and other receivables	(390)	298	(800)	298
	Write back of warrants	–	–	–	(35)
	Foreign exchange (gain)/ loss	–	(16)	–	26
	Operating profit/ (loss) before working capital changes	178	166	664	(665)
	Change in financial assets at fair value through profit or loss (“FVTPL”)	–	10,145	–	8,538
	Change in trade and other receivables	(374)	(1,530)	439	(11,073)
	Change in loan and advances	100	(2,000)	2,500	(2,000)
	Change in trade and other payables	664	(2,097)	455	(1,620)
	Cash generated from/ (used in) operations	568	4,684	4,058	(6,820)
	Income tax (paid)/ refund	(64)	70	(129)	(267)
	Net cash generated from/ (used in) operating activities	504	4,754	3,929	(7,087)
Cash flows from investing activities					
	Acquisition of a subsidiary, net of cash acquired	–	–	–	43
	Disposal of subsidiaries, net of cash disposed	(14)	(40)	(14)	(40)
	Interest received	41	2	70	2
	Net cash generated from/ (used in) investing activities	27	(38)	56	5
Cash flows from financing activities					
	Interest paid	(144)	(296)	(1,066)	(443)
	Repayment of borrowings	(41)	(6,257)	(4,410)	(25,060)
	Proceeds from borrowings	–	3,500	–	32,870
	Repayment of bank loan	(959)	–	(959)	–
	(Repayment)/ proceeds from bank overdraft	(359)	4,986	(677)	9,713
	Funds (placed in)/ withdraw from non-liquid deposits	–	(1,733)	1,733	(1,733)
	Increase in pledged bank deposits	(40)	(8,268)	(69)	(8,268)
	Net cash (used in)/ generated from financing activities	(1,543)	(8,068)	(5,448)	7,079
	Net decrease in cash and cash equivalents	(1,012)	(3,352)	(1,463)	(3)
	Cash and cash equivalents at the beginning of the financial period/year	1,482	5,285	1,933	1,936
	Cash and cash equivalents at the end of the financial period/year	470	1,933	470	1,933

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D. Condensed consolidated statements of changes in equity

The Group

	Attributable to equity holders of the Company							Total	Non-controlling interests	Total equity
	Share capital	Share premium	Contributed surplus	Share option reserve	Capital contribution reserve	Foreign currency translation reserve	Accumulated losses			
	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
Balance at 1 January 2021 (published)	22,139	53,065	52,677	331	5,306	191	(121,825)	11,884	(255)	11,629
Loss for the financial year	-	-	-	-	-	-	(1,603)	(1,603)	186	(1,417)
Total comprehensive (loss)/ income for the financial year	-	-	-	-	-	-	(1,603)	(1,603)	186	(1,417)
Contributions by and distributions to equity holders										
- Acquisition of a subsidiary	-	-	-	-	-	-	-	-	(19)	(19)
- Disposal of a subsidiary	-	-	-	-	-	-	-	-	(38)	(38)
- Transfer of share option reserve after vesting date	-	-	-	(331)	-	-	331	-	-	-
Total transactions with equity holders, recognised directly in equity	-	-	-	(331)	-	-	331	-	(57)	(57)
Balance at 31 December 2021 and 1 January 2022 (published)	22,139	53,065	52,677	-	5,306	191	(123,097)	10,281	(126)	10,155
Profit for the financial year	-	-	-	-	-	-	639	639	396	1,035
Total comprehensive income for the financial year	-	-	-	-	-	-	639	639	396	1,035
Contributions by and distributions to equity holders										
- Disposal of a subsidiary	-	-	-	-	(5,306)	(191)	5,306	(191)	386	195
- Incorporation of a subsidiary	-	-	-	-	-	-	-	-	4	4
Total transactions with equity holders, recognised directly in equity	-	-	-	-	(5,306)	(191)	5,306	(191)	390	199
Balance at 31 December 2022 (unaudited)	22,139	53,065	52,677	-	-	-	(117,152)	10,729	660	11,389

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D. Condensed consolidated statements of changes in equity (continued)

The Company

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus reserve HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Balance at 1 January 2021 (published)	22,139	53,065	75,659	331	(145,342)	5,852
Loss for the financial year	-	-	-	-	(2,571)	(2,571)
Total comprehensive loss for the financial year	-	-	-	-	(2,571)	(2,571)
Contributions by and distributions to equity holders						
- Transfer of share option reserve after vesting date	-	-	-	(331)	331	-
Total transactions with equity holders, recognised directly in equity	-	-	-	(331)	331	-
Balance at 31 December 2021 and 1 January 2022 (published)	22,139	53,065	75,659	-	(147,582)	3,281
Loss for the financial year	-	-	-	-	(2,082)	(2,082)
Total comprehensive loss for the financial year	-	-	-	-	(2,082)	(2,082)
Balance at 31 December 2022 (unaudited)	<u>22,139</u>	<u>53,065</u>	<u>75,659</u>	<u>-</u>	<u>(149,664)</u>	<u>1,199</u>

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E. Notes to the condensed consolidated financial statements

1. Corporate information

Joyas International Holdings Limited ("**the Company**") was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda on 4 October 2006. The registered office of the Company is located at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and its principal place of business is located at Rm 1415, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong. The Company's shares have been listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") since 13 March 2008. On 5 May 2016, the listing of the Company's shares was transferred from the Main Board to Catalist of the SGX-ST.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are in the area of the provision of financing activities. The directors consider the ultimate holding company to be Joyas Investment Group Limited, a company incorporated in the British Virgin Islands (the "BVI").

The financial statements are presented in Hong Kong Dollar ("HK\$"), which is the Company's functional currency and all information presented in Hong Kong Dollar are rounded to the nearest thousand ("HK\$'000") except when otherwise indicated.

2.1. Going concern

The Company and its subsidiaries (collectively the "**Group**") reported a loss after tax of HK\$665,000 after excluding the one-off gain on disposal of HK Silver of HK\$900,000 and net reversal of impairment losses on trade and other receivables of HK\$800,000. The Group recognised net cash generated from operating activities of HK\$3,929,000 for the financial year ended 31 December 2022. Management continues to have a reasonable expectation that the Group has adequate resources to continue in operation for at least the next 12 months and that the going concern basis of preparation of these condensed consolidated financial statements remain appropriate.

The Group's net assets as at 31 December 2022 were HK\$11,389,000.

The appropriateness of the going concern basis of accounting is dependent on continued availability of borrowings and the cash flows generated from the financing business. As at the date of this announcement, the directors are satisfied that the Group had sufficient headroom on its borrowing facilities, interest income from the Group's financing business will be received timely and the Group's loans and advances are recoverable. In addition, the Group's operating expenses are mainly overhead costs which are relatively limited.

Based on the above factors, the condensed consolidated financial statements have been prepared on a going concern basis.

2.2. Basis of preparation

The condensed financial statements of the Group for the fourth quarter and full year ended 31 December 2022 have been prepared in accordance with International Accounting Standards ("IAS") 34 Interim Financial Reporting issued by the International Accounting Standards Board ("IASB"). The condensed interim financial statements do not include all the information required

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for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in Group's financial position and performance of the Group since the last interim financial statements for the period ended 30 September 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with International Financial Reporting Standards ("IFRS").

New and amended standards adopted by the Group

A number of amendments to the IFRSs have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The significant accounting estimates and assumptions used and areas involving a significant judgement are described below:

Significant accounting estimates and assumptions used in applying accounting policies

Loss allowance on loans and advances

The Group has loans and advances with a carrying value of HK\$15,624,000 as at 31 December 2022 (31 December 2021 – HK\$17,880,000). The Group assesses whether or not there is an impairment of loans and advances by conducting credit assessment on a loan-by-loan basis. The Group assessed the probability of default and loss given default of each loan. In making their judgements, the Group considers the financial capabilities of the borrowers of the loan granted which includes assessing the credit portfolio of the borrowers and the assessment of the loan to security ratio.

When measuring estimated credit loss ("ECL"), the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions with consideration on the impact of the Coronavirus Disease 2019 ("COVID-19") pandemic and how these conditions will affect the Group's ECL assessment. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical loss rates, assumptions and expectations of future conditions. As the calculation of loss allowance on loans and advances is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of loans and advances. If the financial conditions of borrowers were to deteriorate, resulting in increased probability of default, allowances for impairment may be required.

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Impairment of amounts due from subsidiaries and calculation of loss allowance

Determining whether amounts due from subsidiaries are impaired requires an estimation of the amounts and timing of future cash flows based on historical loss experience for assets with similar credit risk.

As at 31 December 2022, the carrying amount of amounts due from subsidiaries (non-trade) is HK\$15,131,000 (31 December 2021 – HK\$15,699,000). Management has evaluated ECL of the amounts using reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL.

Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. As the calculation of loss allowance on amounts due from subsidiaries is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amount of amounts due from subsidiaries.

3. **Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

4. **Segment and revenue information**

The executive directors have identified the Group's three product lines as operating segments:

- (a) Nickel ore which is currently dormant;
- (b) Financing activities; and
- (c) Others

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	Nickel Ore		Financing Activities		Others		Elimination		Total	
	4Q2022	4Q2021	4Q2022	4Q2021	4Q2022	4Q2021	4Q2022	4Q2021	4Q2022	4Q2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue										
External	–	–	912	1,155	–	6	–	–	912	1,161
Total revenue	–	–	912	1,155	–	6	–	–	912	1,161

Segment Results

Segment profit/(loss)										
from operations	–	17	1,017	646	(5)	(26)	–	–	1,012	637
Unallocated income									900	–
Unallocated expenses									(444)	(711)
Finance income									41	2
Finance expense									(288)	(373)
Profit/(loss) before income tax									1,221	(445)
Income tax expenses									(128)	(125)
Profit/ (loss) for the financial period									1,093	(570)

	FY2022		FY2021		FY2022		FY2021		FY2022		FY2021	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue												
External	–	–	3,936	3,240	–	202	–	–	3,936	3,442		
Total revenue	–	–	3,936	3,240	–	202	–	–	3,936	3,442		

Segment Results

Segment profit/(loss)	248	(159)	3,819	2,456	(85)	116	–	–	3,982	2,413		
from operations												
Unallocated income									900	35		
Unallocated expenses									(2,518)	(3,164)		
Finance income									70	2		
Finance expense									(1,271)	(558)		
Profit/(loss) before income tax									1,163	(1,272)		
Income tax expenses									(128)	(145)		
Profit/ (loss) for the financial year									1,035	(1,417)		

	Nickel Ore		Financing Activities		Others		Elimination		Total			
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
Other information												
Segment assets	–	157	15,989	18,349	–	–	–	–	15,989	18,506		
Unallocated assets									10,605	13,986		
Consolidated total assets									26,594	32,492		

Segment liabilities	–	1,595	13,930	18,843	77	–	(13,781)	(18,700)	226	1,738		
Unallocated liabilities									14,979	20,599		
Consolidated total liabilities									15,205	22,337		

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Segment assets

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments other than deposits, prepayment, other receivables and cash and cash equivalents. These assets are classified as unallocated assets.

Segment liabilities

The amounts provided to the management with respect total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments other than current tax liabilities, borrowings and other payables. These liabilities are classified as unallocated liabilities.

The Group's revenue from external customers and non-current assets other than goodwill are categorised into the following geographical areas:

	Revenue from external customers				Non-current assets other than goodwill	
	4Q2022 (unaudited) HK\$'000	4Q2021 (unaudited) HK\$'000	FY2022 (unaudited) HK\$'000	FY2021 (Published) HK\$'000	FY2022 (unaudited) HK\$'000	FY2021 (Published) HK\$'000
Principal markets:						
Europe	–	6	–	202	–	–
The People's Republic of China (including Hong Kong) (the "PRC (including HK)")	912	1,155	3,936	3,240	–	–
Total	912	1,161	3,936	3,442	–	–

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

During the financial year ended 31 December 2022, there was no revenue from external customers attributed to Bermuda (country of domicile of the Company) (31 December 2021 – HK\$Nil) and no non-current assets were located in Bermuda (31 December 2021 – HK\$Nil).

Revenue from customers contributing over 10% of total sales of the Group is as follows:

The Group	4Q2022 HK\$'000	4Q2021 HK\$'000	FY2022 HK\$'000	FY2021 HK\$'000
Customer A (Note)	–	–	–	150
Customer A (Note)	142	150	592	600
Customer B (Note)	–	75	–	750
Customer C (Note)	150	150	450	450
Customer D (Note)	150	150	600	450
Customer E (Note)	270	–	1,080	–
	712	525	2,722	2,400

Notes:

Derived from the financing activities.

As at 31 December 2022, 76% (31 December 2021 – 64%) of the Group's interest receivables/trade receivables were due from these customers.

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5. Revenue

Revenue from the Group's principal activities recognised during the financial period/year are as follows:

The Group	4Q2022 HK\$'000	4Q2021 HK\$'000	FY2022 HK\$'000	FY2021 HK\$'000
Interest income	762	1,005	3,486	2,790
Loan referral service income	150	150	450	450
Change in fair value on financial assets at FVTPL	–	6	–	202
Total revenue	912	1,161	3,936	3,442

6. Other income

The Group	4Q2022 HK\$'000	4Q2021 HK\$'000	FY2022 HK\$'000	FY2021 HK\$'000
Bank interest income	41	2	70	2
Gain on disposal of subsidiaries	900	36	900	36
Government grant	2	–	24	–
Write back of warrants	–	–	–	35
	943	38	994	73

7. Finance costs

The Group	4Q2022 HK\$'000	4Q2021 HK\$'000	FY2022 HK\$'000	FY2021 HK\$'000
Interest expense on				
- bank loan	–	2	6	14
- bank overdraft	103	37	244	37
- other borrowing	185	334	1,021	507
	288	373	1,271	558

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8. Profit/ (loss) before taxation

The following items have been included in arriving at profit/ (loss) before taxation:

The Group	4Q2022 HK\$'000	4Q2021 HK\$'000	FY2022 HK\$'000	FY2021 HK\$'000
Audit fees paid to				
- Auditors of the Company	142	165	570	570
- Other auditors	35	35	35	35
Reversal of impairment losses on trade and other receivable				
- (Reversal of impairment losses)/ Impairment losses on loans and advances	(227)	376	(244)	376
- Reversal of impairment losses on deposits	–	(78)	(398)	(78)
- Reversal of impairment losses on amount due to a former subsidiary	(163)	–	(163)	–
- Written off on other receivable	–	–	5	–
Foreign exchange (gain)/ loss	(14)	(15)	17	49
Operating lease expense in respect of rented premises	36	82	266	306
Staff costs				
Directors' fees	99	99	396	447
Key management personnel (other than directors)				
- Salaries, wages and other related costs	45	45	180	180
- Employer's contributions to defined contribution plans	2	2	6	6
Total key management personnel compensation	146	146	582	633
Other than key management personnel				
- Salaries, wages and other related costs	–	–	–	–
- Employer's contributions to defined contribution plans	–	–	–	–
Total staff costs	146	146	582	633

9. Taxation

The Group	4Q2022 HK\$'000	4Q2021 HK\$'000	FY2022 HK\$'000	FY2021 HK\$'000
Current Taxation				
Current year	128	125	128	125
Under-provision in respect of prior years	–	–	–	20
	128	125	128	145

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10. Trade and other receivables

	The Group		The Company	
	31 December 2022 HK\$'000	31 December 2021 HK\$'000	31 December 2022 HK\$'000	31 December 2021 HK\$'000
Amount due from subsidiaries (non-trade)	–	–	41,089	41,657
Less: Impairment losses on amount due from subsidiaries	–	–	(25,958)	(25,958)
Amount due from an associated company	–	10,672	–	–
Less: Impairment loss on amount due from an associated company	–	(10,672)	–	–
Amount due from a former subsidiary	25,094	–	–	–
Less: Impairment loss on amount due from a former subsidiary	(25,094)	–	–	–
Deposits	13	17	14	17
Loans and advances	17,000	19,500	–	–
Less: Impairment loss on loans and advances	(1,376)	(1,620)	–	–
Trade receivable	150	150	–	–
Interest receivable	206	310	–	–
Other receivables	35	298	–	11
Deposits paid to a supplier ⁽¹⁾	–	24,299	–	–
Less: Impairment loss on deposits	–	(24,299)	–	–
Financial assets	16,028	18,655	15,145	15,727
Prepayments	24	169	15	160
Total trade and other receivables	16,052	18,824	15,160	15,887

- ⁽¹⁾ On 19 March 2015, the Group's former subsidiary, Hong Kong Silver Basic Group Limited (“**HK Silver**”), entered into an exclusive agency agreement with the supplier for being an exclusive agent for the sale of nickel ore in the PRC (including HK), which is produced by the supplier. A former key management personnel of the Group, Mr Wang De Zhou, is a shareholder and director of the supplier. Mr Wang De Zhou is also a close member of the family of a key management personnel of the Group. The deposits paid for purchases of nickel ore are unsecured and interest-free. During the financial year ended 31 December 2019, the deposits paid of HK\$24,377,000 (“**Deposit**”) was fully impaired and trade payable of nickel ore to the supplier of HK\$10,531,000 was fully written back. During the financial year ended 31 December 2022 and 31 December 2021, the Group received HK\$398,000 and HK\$78,000 respectively from Mr. Wang De Zhou, being partial repayment of the Deposit. Following the disposal of HK Silver as announced by the Company on 14 October 2022, the balance is no longer consolidated in the Group.

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Loans and advances

Loan and receivables are non-derivate financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the reporting date which are presented as non-current assets.

The Group has offered and granted six loans (31 December 2021 – eight) via its Hong Kong subsidiary, CCIG Financial Services Limited (registered money lender in Hong Kong). Total undrawn facility amount at the end of financial year ended 31 December 2022 was HK\$7,600,000 (31 December 2021: HK\$7,500,000). Any drawdown is subject to management approval.

Country	Nature of business of borrowers	Maturity date	Interest rate		Principal amount of the loan	
			31 December 2022 %	31 December 2021 %	31 December 2022 HK\$'000	31 December 2021 HK\$'000
<u>At amortised cost:</u>						
British Virgin Islands	Investment company	Revolving in nature	12	12	5,000	5,000
Hong Kong	Purchasing of consumer debt folio & manage and recover debt	Revolving in nature	12	12	5,000	5,000
Hong Kong	Personal	Revolving in nature	12	12	2,500	2,500
Hong Kong	Personal	Within 3 months from Draw down	36	36	3,000	3,000
Hong Kong	Personal	Within 3 months from Draw down	–	36	–	1,000
Hong Kong	Personal	Revolving in nature	36	36	1,000	1,000
Hong Kong	Personal	Within 3 months from Draw down	–	36	–	1,000
Hong Kong	Personal	Within 6 months from Draw down	30	30	500	1,000
Less: Impairment loss for the financial year					(1,376)	(1,620)
					<u>15,624</u>	<u>17,880</u>

The loans and advances are denominated in HKD.

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11. Cash and cash equivalents

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cash in banks	470	3,666	164	306
Fixed deposits	10,072	10,002	–	–
Cash and bank balances	10,542	13,668	164	306

As at 31 December 2022, fixed deposits were pledged to secure bank loans and other banking facilities granted to the Group. Interest accrues on the fixed deposits at 3.25% to 5.30% (31 December 2021 – 0.14% to 0.25%) per annum.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following:

The Group	31 December	31 December
	2022	2021
	HK\$'000	HK\$'000
Cash and bank balances	10,542	13,668
Less: Fixed deposits pledged	(10,072)	(10,002)
Less: Non-liquid cash in banks	–	(1,733)
Cash and cash equivalents	470	1,933

12. Share capital

The Group and the Company	31 December 2022		31 December 2021	
	Number of shares	HK\$'000	Number of shares	HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each	10,000,000,000	100,000	10,000,000,000	100,000
Issued and fully paid:				
Ordinary shares of HK\$0.01 each	2,213,776,973	22,139	2,213,776,973	22,139

There was no movement in the issued and paid-up capital of the Company from 31 December 2021 to 31 December 2022.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

13. Other reserves

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Share premium	53,065	53,065	53,065	53,065
Contributed surplus reserve	52,677	52,677	75,659	75,659
Capital contribution reserve	–	5,306	–	–
Foreign currency translation reserve	–	191	–	–
	105,742	111,239	128,724	128,724

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Share premium

Share premium represents the excess of proceeds from the issue of new ordinary shares over the nominal value of the shares issued, net of share issue expenses.

Contributed surplus reserve

Contributed surplus reserve of the Group arose from the capital reduction exercise undertaken during the financial year ended 31 December 2010 whereby the par value of each share of the Company was reduced from HK\$0.50 to HK\$0.01 resulting in a transfer of a credit balance of HK\$52,677,000 from share capital to contributed surplus reserve.

Contributed surplus reserve of the Company relates to the aforesaid capital reduction amounting to HK\$52,677,000 and the excess of the nominal value of the Company's shares issued over the combined net assets of the subsidiaries acquired amounting to HK\$22,982,000.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of a company is available for distribution.

Capital contribution reserve

Capital contribution reserve represents the capital contribution from a non-controlling interest to a subsidiary. Following the disposal of the subsidiary during the current financial year, the balance is no longer consolidated in the Group.

Foreign currency translation reserve

The foreign currency translation reserve of the Group arises from the translation of financial statements of group entities whose functional currencies are different from the presentation currency. Following the disposal of the subsidiary during the current financial year, the balance is no longer consolidated in the Group.

14. Trade and other payables

	The Group		The Company	
	31 December 2022 HK\$'000	31 December 2021 HK\$'000	31 December 2022 HK\$'000	31 December 2021 HK\$'000
Amounts due to subsidiary	–	–	13,561	12,100
Amounts due to a former key management personnel ⁽¹⁾	–	316	–	–
Amounts due to a related party (non-trade) ⁽²⁾	–	735	–	–
Amount due to a related party (non-trade) ⁽³⁾	26	–	–	–
Amount due to a former subsidiary (non-trade)	476	–	–	–
Other payable	67	114	–	–
Accruals	618	1,313	572	820
Total trade and other payables	1,187	2,478	14,133	12,920

- 1) This relates to advances given by Mr Wang De Zhou. The amount is unsecured, interest-free and repayable on demand. An amount of HK\$5,373,000 has been written back during the financial year ended 31 December 2019. Following the disposal of HK Silver as announced by the Company on 14 October 2022, the balance is no longer consolidated in the Group.
- 2) The related party is an entity in which one of the Company's directors is a shareholder. Following the disposal of HK Silver as announced by the Company on 14 October 2022, the balance is no longer consolidated in the Group.
- 3) The related party is an entity in which one of the Company's subsidiary's directors is a shareholder.

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15. Borrowings

	31 December 2022	31 December 2021
The Group	HK\$'000	HK\$'000
Other borrowing ⁽¹⁾	4,587	9,001
Bank borrowing ⁽²⁾	-	993
Bank overdraft ⁽³⁾	9,317	9,750
Total borrowings	13,904	19,744

- 1) Other borrowing is repayable on demand and bears interest at 12% to 18% (31 December 2021 – 12% to 18%) per annum.
- 2) The bank borrowing is repayable on demand. Interest is charged at cost of funds plus 0.75% and the interest rate during the period ranged from 1.62% to 2.31% (31 December 2021 – 1.2% to 1.62%) per annum. It was secured by pledged fixed deposits and personal guarantee by a director. The borrowing has been fully repaid on 28 April 2022.
- 3) The bank overdraft is repayable on demand. Interest is charged at cost of funds plus 1.5% per annum. It is secured by pledged fixed deposits.

16. Related party transactions

The Group	Transaction amount		Balances	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Administrative expense paid to related parties ⁽¹⁾	202	248	-	(735)
Advances from a former key management personnel ⁽²⁾	77	236	-	(316)
Advances from a related party ⁽³⁾	26	-	(26)	-
Loan from a related party ⁽⁴⁾	-	(1,950)	-	-
Repayment of loan to a related party⁽⁴⁾	-	5,850	-	-

- (4) This relates to entities in which one of the Company's directors is also a shareholder of the entities.
- (2) This relates to advances given by Mr Wang De Zhou. Following the disposal of HK Silver as announced by the Company on 14 October 2022, Mr Wang is no longer a related party of the Group.
- (3) This relates to an entity which is held by a shareholder of the Company's subsidiary.
- (4) This relates to an entity which is held by a shareholder of the Company's subsidiary, HK Silver. Following the disposal of the subsidiary during the current financial year, the entity is no longer a related party of the Group.

17. Subsequent events

Please refer to paragraph 10 of Section F of this announcement for the litigation update. There are no known subsequent events which have led to adjustments to this set of financial statements.

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F. Other information pursuant to Appendix 7C of the Catalist Rules

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

Amount repayable in one year or less, or on demand

As at 31 December 2022 (Unaudited)		As at 31 December 2021 (Published)	
Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000
9,317	4,587	10,743	9,001

Amount repayable after one year

As at 31 December 2022 (Unaudited)		As at 31 December 2021 (Published)	
Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000
-	-	-	-

Please refer to Section E Note 15 of this announcement.

Details of any collateral

As at 31 December 2022, the banking facilities granted to the Group amounted to approximately HK\$10.0 million (31 December 2021: approximately HK\$11.7 million) of which approximately HK\$9.3 million (31 December 2021: approximately HK\$10.7 million) were utilised. These facilities were secured by legal charges over certain bank deposits of the Group of approximately HK\$10.1 million (31 December 2021: approximately HK\$11.7 million). Personal guarantee was provided by a non-executive director of the Company for the banking facilities as at 31 December 2021.

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- 1(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 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 September 2022 and 31 December 2022, ordinary shares of HK\$0.01 each	10,000,000,000	100,000
Issued and fully paid:		
As at 30 September 2022 and 31 December 2022, ordinary shares of HK\$0.01 each	2,213,776,973	22,139

There was no change in the Company's share capital from 30 September 2022 to 31 December 2022.

The Group did not have outstanding convertible securities as at 31 December 2022 and 31 December 2021.

The total number of issued shares of the Company as at 31 December 2022 and 31 December 2021 was 2,213,776,973 shares.

The Company did not have treasury shares and subsidiary holdings as at the end of 31 December 2022 and 31 December 2021.

- 1(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 2022 (Unaudited)	As At 31 December 2021 (Published)
Total number of issued shares	<u>2,213,776,973</u>	<u>2,213,776,973</u>

There were no treasury shares as at 31 December 2022 and 31 December 2021.

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- 1 (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 during and as at the end of the current financial period reported on.

- 1 (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 during and as at the end of the current financial period reported on.

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

The condensed consolidated statement of financial position of Joyas International Holdings Limited and its subsidiaries as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period and full year then ended and certain explanatory notes have not been audited or reviewed.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications 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 2021 ("FY2021") the basis for which has been disclosed on page 14 of the Company's Annual Report for FY2021 ("AR2021").

Update on efforts to resolve each outstanding audit issues:

- i) Deposit paid to a supplier, trade payable owing to the supplier and amounts due to related parties**

The auditors' qualifications in respect of the matter were as follows:

In 31 December 2021 ("FY2021"), the auditors were unable to satisfactorily perform confirmation procedures to satisfy themselves that the gross amounts of the deposits paid of HK\$24,299,000 (2020: HK\$24,377,000) and trade payables owing to the

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supplier of HK\$10,531,000 (2020: HK\$10,531,000), before the impairment and write back respectively, were fairly stated. Consequently, the auditors were unable to obtain sufficient appropriate evidence on the accumulated impairment loss on deposits paid of HK\$24,299,000 (2020:HK\$24,377,000) and accumulated write back of trade payables of HK\$10,531,000 (2020: HK\$10,531,000). The auditors were also unable to obtain sufficient appropriate evidence on the accumulated write back of amount due to related parties of HK\$5,673,000 (2020: HK\$5,673,000).

In view of the matters described above, the auditors were unable to determine whether any adjustments might be necessary to the consolidated financial statements for FY2021. The auditor's report of the Group for FY2020 included a similar basis for disclaimer on this matter.

Please refer to paragraph 10 of this announcement for further details and actions taken to recover the Deposit. For amounts due to related parties, the Group did not receive any subsequent claims and has obtained a letter from the trade creditors and related parties that they will not claim against the Group until the Deposit and amount due from associate of HK\$10,672,000 are fully settled. On 14 October 2022, the Group disposed HK Silver. Please refer to the Company's announcement dated 14 October 2022. Following the disposal of HK Silver, the audit procedures in relation to the Deposit, trade payables owing to supplier and amount due to related parties which the auditors were unable to perform in the FY2021 audit may not be required in FY2022 audit.

ii) Unaudited financial information, impairment of investment in associate and amount due from an associate

The financial statements of the associate for FY2021 were unaudited and the auditors were unable to obtain sufficient appropriate audit evidence about the financial information of the associate for FY2021. Accordingly, the auditors were unable to obtain reasonable assurance that the recorded gross investment in associate of HK\$3,355,000 and the corresponding accumulated impairment loss of HK\$3,355,000, and the amount due from associate of HK\$10,672,000 and accumulated impairment loss on amount due from associate of HK\$10,672,000 as at FY2021 are not materially misstated in the consolidated financial statement of the Group. The auditor's report of the Group for FY2020 included a similar basis for disclaimer on this matter.

On 14 October 2022, the Group disposed HK Silver. Please refer to the Company's announcement dated 14 October 2022. Following the disposal of HK Silver, the audit procedures in relation to the investment in associate and amount due from an associate may not be required to be performed.

The Board confirms that the impact of all outstanding audit issues, if applicable, on the financial statements of the Group for the financial year ended 31 December 2022 have been adequately disclosed.

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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 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 2021, except as set out in Paragraph 5 below.

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 and the Company have adopted the revised International Financial Reporting Standards and interpretations (“IFRSs”) that are relevant to its operations and effective for the annual period beginning on or after 1 January 2022. The adoption of these IFRSs did not have any significant effect on the financial statements of the Group and the Company.

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

	4Q2022 HK\$'000	4Q2021 HK\$'000	FY2022 HK\$'000	FY2021 HK\$'000
Profit/ (loss) for the period/ year attributable to: owners of the Company (HK\$'000)	975	(527)	639	(1,603)
Weighted average number of ordinary shares in issue ⁽¹⁾	2,213,776,973	2,213,776,973	2,213,776,973	2,213,776,973
Basic and diluted profit/ (loss) per ordinary share ⁽²⁾ (HK cents)	0.04	(0.02)	0.03	(0.07)

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 3 months and 12 months ended 31 December 2022 and 2021, basic profit/ (loss) per ordinary share are the same as diluted profit/ (loss) per ordinary share because there were no potentially dilutive securities in issue as at 31 December 2022 and 31 December 2021.

The company did not have outstanding convertible securities as at 31 December 2022.

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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 2022 (Unaudited)	As at 31 December 2021 (Published)	As at 31 December 2022 (Unaudited)	As at 31 December 2021 (Published)
Net asset value per ordinary share based on issued share capital (HK cents)	0.48	0.46	0.05	0.15

Net asset value per ordinary share is calculated based on the total number of issued shares as at 31 December 2022 and 31 December 2021 of 2,213,776,973 ordinary shares. There were no treasury shares as at both financial years.

- 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

Quarter results (the fourth quarter ended 31 December 2021 (“4Q21”) vs the fourth quarter ended 31 December 2022 (“4Q22”))

Revenue

The Group's revenue decreased by approximately HK\$249,000 or 21.4% from approximately HK\$1.2 million for 4Q21 to approximately HK\$912,000 for 4Q22.

The decrease in revenue was mainly attributed to the decrease in interest income from the financing business due to a decrease in amount of loan disbursements in the PRC (including HK) during 4Q22 compared to 4Q21. In addition, the Group recognised a foreign exchange investment gain in 4Q21 following the Group's investment into a foreign exchange investment business through Topping Tact Limited. The Group disposed the equity interest of Topping Tact Limited with effect from 30 December 2021. Thus, the Group did not have foreign exchange investment gain in 4Q22.

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

	Foreign Exchange Investment			Financing Activities		
	4Q22	4Q21	Change	4Q22	4Q21	Change
	HK'000	HK'000	%	HK'000	HK'000	%
USA	-	-	-	-	-	-
Europe	-	6	(100.0)	-	-	-
The PRC (including HK)	-	-	-	912	1,155	(21.0)
Total turnover	-	6	(100.0)	912	1,155	(21.0)

Revenue	4Q22		4Q21		period-on-period % change
	HK\$'000	%	HK\$'000	%	
Financing Activities					
-interest income	762	83.6	1,005	86.6	(24.2)
-loan referral services income	150	16.4	150	12.9	-
Foreign exchange investment	-	-	6	0.5	(100.0)
	<u>912</u>	<u>100.0</u>	<u>1,161</u>	<u>100.0</u>	<u>(21.4)</u>

The Group only operated in one principal market and has one principal business activity, namely financing business, in 4Q22 while the Group operated in two principal markets and has two principal business activities, namely financing business and foreign exchange investment in 4Q21.

Other income

Other income increased by approximately HK\$905,000 or 2381.6% from approximately HK\$38,000 in 4Q21 to HK\$943,000 in 4Q22. This was mainly attributed to: (a) a government grant of approximately HK\$2,000 in 4Q22; (b) an increase in bank interest income of approximately HK\$39,000; and (c) gain on disposal of the equity interest in HK Silver of approximately HK\$900,000 for 4Q22 compared to a gain on disposal of Topping Tact Limited of HK\$36,000 for 4Q21.

Administrative expenses

Administrative expenses decreased by approximately HK\$237,000 or 24.4% from approximately HK\$973,000 in 4Q21 to approximately HK\$736,000 in 4Q22. This was mainly attributed to: (a) less professional fees compared to corresponding previous period by approximately HK\$130,000; (b) decrease in rent and property tax of approximately HK\$47,000 incurred by HK Silver which has since been disposed; and (c) decrease in guarantee fee of approximately HK\$20,000 in relation to the financing activities business in 4Q21.

Net reversal of impairment losses/ (impairment losses) on trade and other receivable

The Group has net reversal of impairment losses on trade and other receivable approximately HK\$390,000 in 4Q22. This was mainly attributed to: (a) reversal of impairment losses on loans and advances of approximately HK\$227,000 due to the reversal of expected credit loss; and (b) reversal of impairment losses on amount due to a former subsidiary of approximately HK\$163,000 due to the partial repayment of the deposit by Mr Wang De Zhou. In 4Q21, the Group has impairment losses on trade and other receivable of approximately HK\$298,000. The amount comprises approximately HK\$376,000 from impairment losses on loans and advances and

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reversal impairment losses on deposits of approximately HK\$78,000 due to the partial repayment of the deposit by Mr Wang De Zhou.

Finance costs

Finance costs decreased by approximately HK\$85,000 or 22.8% from approximately HK\$373,000 in 4Q21 to approximately HK\$288,000 in 4Q22 due to lower borrowing to finance the loan and advance in financing activities.

Profit/ (Loss) before taxation

As a result of the above, the Group for the 4Q22 had recorded a profit before taxation of approximately HK\$1.2 million (4Q21: loss before taxation of approximately HK\$445,000).

Taxation

Taxation of approximately HK\$128,000 was provided for Hong Kong subsidiaries in 4Q22 for FY2022 (4Q21: approximately HK\$125,000). The provision in 4Q21 included provision of current year taxation of approximately HK\$128,000. (4Q2021: approximately HK\$125,000).

Full Year Results (year ended 31 December 2021 (“FY2021”) vs year ended 31 December 2022 (“FY2022”))

Revenue

The Group’s revenue increased by approximately HK\$494,000 or 14.4% from HK\$3.4 million in FY2021 to approximately HK\$3.9 million in FY2022.

The increase in revenue was mainly attributed to increase in interest income from the financing business due to an increase in amount of loan disbursements in the PRC (including HK) during FY2022 compared to FY2021. The increase was partially offset by the absence of foreign exchange investment gain in FY2022.

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

	Foreign Exchange Investment			Financing Activities		
	FY2022	FY2021	Change	FY2022	FY2021	Change
	HK'000	HK'000	%	HK'000	HK'000	%
USA	-	-	-	-	-	-
Europe	-	202	(100.0)	-	-	-
The PRC (including HK)	-	-	-	3,936	3,240	76.3
Total turnover	-	202	(100.0)	3,936	3,240	76.3

Revenue	FY2022		FY2021		Year-on-year
	HK\$'000	%	HK\$'000	%	% change
Financing Activities					
-interest income	3,486	88.6	2,790	81.0	24.9
-loan referral services income	450	11.4	450	13.1	-
Foreign exchange investment	-	-	202	5.9	(100.0)
	<u>3,936</u>	<u>100.0</u>	<u>3,442</u>	<u>100.0</u>	<u>14.4</u>

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The Group only operated in one principal market and has one principal business activity, namely financing business, in FY2022 and two principal market and has two principal business activity, namely financing business and foreign exchange investment in FY2021.

Other income

Other income increased by approximately HK\$921,000 or 1261.6% from approximately HK\$73,000 in FY2021 to approximately HK\$994,000 in FY2022. This was mainly attributed to: (a) an increase in government grant of approximately HK\$24,000; (b) an increase in bank interest income of approximately HK\$67,000, and (c) gain on disposal of HK Silver of approximately HK\$900,000 for 4Q22 compared to a gain on disposal of Topping Tact Limited of HK\$36,000 for 4Q21. The increase was partially offset by the write back of warrants of approximately HK\$35,000 which has expired in February 2021.

Administrative expenses

Administrative expenses decreased by approximately HK\$635,000 or 16.2% from approximately HK\$3.93 million in FY2021 to approximately HK\$3.30 million in FY2022. This was mainly attributed to: (a) less professional fees compared to corresponding previous year of approximately HK\$405,000; (b) lower director remuneration of approximately HK\$51,000 mainly attributable to lower level of director fees for the new directors of the Company appointed in April 2021; (c) decrease in rent and property tax of approximately HK\$40,000 incurred by HK Silver which has since been disposed; and (d) decrease in guarantee fee of approximately HK\$60,000 in relation to the financing activities business in 4Q21; and (e) decrease in exchange loss.

Finance costs

Finance costs increased by approximately HK\$713,000 or 127.8% from approximately HK\$558,000 in FY2021 to approximately HK\$1.27 million in FY2022. This was mainly attributed to: (a) higher borrowing cost to finance the loan and advance in financing activities; and (b) higher interest on bank overdraft of approximately HK\$207,000 due to higher amount outstanding.

Profit/ (loss) before taxation

As a result of the above, the Group had recorded a profit before taxation of approximately HK\$1.2 million (FY2021: loss before taxation approximately HK\$1.27 million).

Taxation

Taxation of approximately HK\$128,000 was provided for Hong Kong subsidiaries in FY2022 (FY2021: approximately HK\$145,000). The provision in FY2022 included provision of taxation for the current year of approximately HK\$128,000. (FY2021: comprised of provision of taxation for FY2021 of HK\$125,000 and under provision of HK\$20,000 in prior year).

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Statement of financial position

Current assets

Current assets decreased by approximately HK\$5.9 million from approximately HK\$32.5 million as at 31 December 2021 to approximately HK\$26.6 million as at 31 December 2022. This decrease was mainly attributed to: (a) decrease in loan and advances under trade and other receivables of approximately HK\$2.5 million due to repayment from a borrower; and (b) decrease in cash and bank balances of approximately HK\$3.1 million due mainly to repayment of other borrowings and bank borrowings.

Current liabilities

Current liabilities decreased by approximately HK\$7.1 million from approximately HK\$22.3 million as at 31 December 2021 to approximately HK\$15.2 million as at 31 December 2022. The decrease was mainly attributed to: (a) repayment of bank and other borrowings by approximately HK\$5.8 million; and (b) the decrease in trade and other payables by approximately HK\$1.7 million following the disposal of HK Silver which previously had HK\$1.7 million of trade and other payables prior to disposal. The decrease is partially offset by an increase in other payables which consists mainly of amount due to HK Silver of approximately HK\$476,000.

Liquidity and cash flow

During FY2022, the Group's net cash generated from operating activities was approximately HK\$3.9 million. This was mainly attributed to: (a) decrease in trade and other receivables of approximately HK\$439,000; (b) profit before taxation from operations with adjustments for non-cash items of approximately HK\$664,000; (c) decrease in loans and advances of approximately HK\$2.5 million; and (d) increase in trade and other payables (excluding the trade and other payables relating to HK Silver) of approximately HK\$455,000.

The Group's net cash generated from investing activities was approximately HK\$56,000. This was mainly attributed to: (a) receipt of bank interest of approximately HK\$70,000; and (b) net cash disposed for the disposal of HK Silver of approximately HK\$14,000.

The Group's net cash used in financing activities was approximately HK\$5.4 million. This was mainly attributed to: (a) repayment of borrowings of approximately HK\$4.4 million; (b) interest paid of approximately HK\$1.07 and (c) fund withdrawn in non-liquid deposits of approximately HK\$1.7 million.

As a result of the above, the Group's net decrease in cash and cash equivalents was approximately HK\$1.5 million.

As at 31 December 2022, the Group had cash and cash balance of HK\$10.5 million (31 December 2021: HK\$13.7 million) and unutilised banking facilities of approximately HK\$683,000 (31 December 2021: HK\$990,000). Please refer to Section E Note 16 of this announcement for details on the banking facilities.

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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

Up to the date of this announcement, there is no material update since the last results announcement dated 11 November 2022 except that Mr. Wang De Zhou (“WDZ”) has made further repayment of approximately HK\$163,000 and will continue to do so when he has surplus funds.

As disclosed in the announcement dated 18 March 2022 and 26 October 2022, based on the financial check conducted by a professional firm, there are no substantial assets held by WDZ, Mr Wang De Wei and Madam Wang Jun Zhe in Hong Kong and Singapore, other than shareholding in PT Shenniu Mining Indonesia. Accordingly, upon considering the limited assets, uncertainty for recovery and substantial legal efforts, potential significant cost and time required, pursuing a legal course of action may not be the most appropriate course of action for the Group at the moment.

The Group will continue to pursue the repayment while considering the various course of actions which include a) arranging funds required to continue with the legal course of action such as to enforce the share charge of the shareholding in PT Shenniu Mining Indonesia and claiming against Mr Wang De Wei and Madam Wang Jun Zhe. Such action will be considered when the Group has excess funds and b) the Proposed Settlement proposal by WDZ. With the opening of borders for the PRC and Indonesia, the Director plans to meet WDZ to discuss the Proposed Settlement within the next two months.

The Board is of the opinion that the current approach by the management is in the best interest of the Company and shareholders under the current circumstances.

On 14 October 2022, the Group has disposed its entire 70% of the total issued and paid-up share capital of HK Silver. Please refer to the Company’s announcement dated 14 October 2022. As disclosed in the announcement dated 26 October 2022, the disposal will not affect the Group’s right in the legal course of action in respect of the recoverability of the Deposit as the plaintiff to the legal course of action is Asiapac Growth Holdings Limited which continues to be a subsidiary of the Group. In addition, the disposal will also resolve the Group’s audit qualifications issues as mentioned in the Section 3A above.

Financing business

During FY2022, 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.

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The management will continue to raise additional funds (by equity or debt or both) to expand the working capital base of the Group.

Fintech and blockchain related services

On 18 January 2022, the Group, through its wholly-owned subsidiary, Asiapac Growth Holdings Limited (“Asiapac”), entered into a joint cooperation agreement (“Joint Cooperation Agreement”) with Splendid Powerful Limited (“Splendid Powerful”) in relation to a proposed joint co-operation as detailed below (the “Proposed Joint Co-operation”). Please refer to the announcement in relation to the Proposed Joint-cooperation dated 18 January 2022.

Pursuant to the Joint Cooperation Agreement, a new entity, Meta Technology International Limited (“Meta”), will be incorporated in Hong Kong, with an issued share capital of HK\$10,000. Asiapac will own 60% of the issued share capital of Meta while Splendid Powerful will own the remaining 40% of the issued share capital of Meta.

The Proposed Joint Co-operation involves the setting up of Meta which will be engaged in the provision of Fintech and blockchain related service.

The Group is still exploring and evaluating the various business and investment opportunities in the Fintech and blockchain industry. There are no developments in the Joint Co-operation as of the date of this announcement and the Company will provide updates when there are material developments. The Group is hopeful that the fintech and blockchain will provide a new revenue stream to the Group.

Other updates

The Group is currently still in negotiation with several potential targets on an acquisition or cooperation opportunity. No definitive agreement has been reached as of to date.

Previously, the Group generates revenue only from the financing business and has a limited working capital base. As a result, the Company may be deemed as a cash company pursuant to Catalist Rule 1017 if it fails to demonstrate the sustainability and viability of the Group’s business by, amongst others, (i) improving the financial position of the Group by expanding its working capital base via equity and/or debt; and (ii) increasing the revenue stream of the Group. During FY2021, the Group expanded its working capital base via debt. In addition, the Group has expanded its revenue stream to include fintech and blockchain related services as announced on 18 January 2022.

The Company will update shareholders via SGXNET as and when there are any material developments on the above matters.

As of 31 December 2022, the Group has net assets of approximately HK\$11.4 million and net current assets of HK\$11.3 million, including cash and cash balances of approximately HK\$10.5 million. Cash flow forecast was prepared up to 30 June 2024 and it showed a net positive cash position as at 31 December 2023 and 30 June 2024. Based on the assumptions that there will be no collection problems in the Financing

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Business, the current customers are not financially affected by the COVID-19 in the next 12 months and the loans can be repayable on demand, the Company should have sufficient resources to meet its obligations for at least 12 months from the date of this announcement. The assumptions are considered to be reasonable based on the past track record. To date, there are no customers who are financially affected by 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 has been declared or recommended for FY2022 as the Group reported a loss after tax of HK\$665,000 for FY2022 after excluding the one-off gain on disposal of HK Silver of HK\$900,000 and has accumulated losses as at 31 December 2022.

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- 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. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to Section F Paragraph 8 for the review of the Group's performance.

- 15. A breakdown of sales.**

Year ended 31 December

	2022 (Unaudited) HK\$'000	2021 (Unaudited/ published) HK\$'000	Change %
The Group			
Sales reported for the first half	2,148	1,380	55.7
Operating profit/loss after tax before deducting non-controlling interest reported for first half year	(85)	(680)	(87.5)
Sales reported in the second half	1,788	2,062	(13.3)
Operating profit/loss after tax before deducting non-controlling interest reported for second half year	1,120	(737)	(252.0)

- 16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable. No dividend has been declared or recommended for FY2022 and FY2021.

- 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 Catalyst (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.

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- 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.

- 19. Disclosure of acquisition and sale of shares under Rule 706A**

Save for the Company's announcements dated 31 January 2022 and 14 October 2022 in relation to the disposal of equity interest of 51% in Topping Tact Limited and 70% in HK Silver respectively, there is no acquisition and sale of shares under Catalist Rule 706A for financial year ended 31 December 2022.

**By order of the Board of Directors of
Joyas International Holdings Limited**

Vincent Cheung Chun Wai
Executive Director and Chief Executive Officer

24 February 2023

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.

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