



## **Joyas International Holdings Limited**

(Incorporated in Bermuda)

Company Registration Number: 38991

Financial Statements And Related Announcement  
For the half year ended 30 June 2018

# 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 2018 (“1H18”)

##### The Group

	Six months ended 30 June		Change %
	2018	2017	
	(Unaudited) HK\$'000	(Unaudited and restated) HK\$'000	
<b>Revenue</b>	1,143	933	22.5
Other income	12	1,312	(99.1)
Administrative expenses	(2,740)	(3,301)	(17.0)
Finance costs	(766)	(846)	(9.5)
<b>Loss before taxation</b>	<u>(2,351)</u>	<u>(1,902)</u>	23.6
Taxation	-	-	-
<b>Loss for the period</b>	<u><u>(2,351)</u></u>	<u><u>(1,902)</u></u>	23.6
<b>Other comprehensive income after tax:</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences	<u>(1)</u>	<u>(33)</u>	(97.0)
<b>Other comprehensive loss for the period, net of tax of nil</b>	<u>(1)</u>	<u>(33)</u>	(97.0)
<b>Total comprehensive loss for the period</b>	<u><u>(2,352)</u></u>	<u><u>(1,935)</u></u>	21.6
<b>Loss for the period attributable to</b>			
Owners of the Company	(2,231)	(1,733)	28.7
Non-controlling interests	<u>(120)</u>	<u>(169)</u>	(29.0)
	<u><u>(2,351)</u></u>	<u><u>(1,902)</u></u>	23.6
<b>Total comprehensive loss for the period attributable to:</b>			
Owners of the Company	(2,232)	(1,766)	26.4
Non-controlling interests	<u>(120)</u>	<u>(169)</u>	(29.0)
	<u><u>(2,352)</u></u>	<u><u>(1,935)</u></u>	21.6

**Notes to Consolidated Statement Of Profit Or Loss And Other Comprehensive Income**  
**For the first half year ended 30 June 2018**

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

	Six months ended 30 June		Change
	2018	2017	
	(Unaudited) HK\$'000	(Unaudited and restated) HK\$'000	%
Interest income	(12)	(47)	(74.5)
Amortisation of intangible assets	-	1	N.M.
Depreciation of property, plant and equipment	7	7	-
Gain on disposal of subsidiaries	-	(1,265)	N.M.
Operating lease expense in respect of rental premises	153	155	(1.3)
Exchange loss, net	22	701	(96.9)
Interest expenses	766	846	(9.5)

**N.M. = Not meaningful**

**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 2018**

**The Group**

	As at 30 June 2018 (Unaudited) HK\$'000	As at 31 December 2017 (Published#) HK\$'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	55	62
<b>Current assets</b>		
Trade and other receivables	68,265	76,484
Cash and cash equivalents	10,458	9,262
	<u>78,723</u>	<u>85,746</u>
<b>Total assets</b>	<u><u>78,778</u></u>	<u><u>85,808</u></u>
<b>Equity</b>		
<b>Capital and Reserves</b>		
Share capital	19,139	19,139
Accumulated losses	(93,252)	(91,021)
Other reserves	111,545	111,546
Attributable to the owners of the Company	37,432	39,664
<b>Non-controlling interests</b>	<u>2,121</u>	<u>2,241</u>
<b>Total equity</b>	<u>39,553</u>	<u>41,905</u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Convertible bonds	20,798	21,569
Warrants	10	10
	<u>20,808</u>	<u>21,579</u>
<b>Current liabilities</b>		
Trade and other payables	16,949	16,615
Borrowings	1,311	5,552
Current tax liabilities	157	157
	<u>18,417</u>	<u>22,324</u>
<b>Total liabilities</b>	<u>39,225</u>	<u>43,903</u>
<b>Total equity and liabilities</b>	<u><u>78,778</u></u>	<u><u>85,808</u></u>

# As per published accounts in the Annual Report of the Company for the financial year ended 31 December 2017.

**Statement of Financial Position  
As at 30 June 2018**

**The Company**

	As at 30 June 2018 (Unaudited) HK\$'000	As at 31 December 2017 (Published ) HK\$'000
<b>Assets</b>		
<b>Non-current assets</b>		
Subsidiaries	<u>8</u>	<u>8</u>
<b>Current assets</b>		
Trade and other receivables	53,453	59,103
Cash and bank balances	<u>3,012</u>	<u>731</u>
	<u>56,465</u>	<u>59,834</u>
<b>Total assets</b>	<u><u>56,473</u></u>	<u><u>59,842</u></u>
<b>Equity</b>		
<b>Capital and Reserves</b>		
Share capital	19,139	19,139
Accumulated losses	(113,096)	(110,716)
Other reserves	<u>129,317</u>	<u>129,317</u>
<b>Total equity</b>	<u>35,360</u>	<u>37,740</u>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Convertible bonds	20,798	21,569
Warrants	<u>10</u>	<u>10</u>
	<u>20,808</u>	<u>21,579</u>
<b>Current liabilities</b>		
Trade and other payables	<u>305</u>	<u>523</u>
	<u>305</u>	<u>523</u>
<b>Total liabilities</b>	<u>21,113</u>	<u>22,102</u>
<b>Total equity and liabilities</b>	<u><u>56,473</u></u>	<u><u>59,842</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 2018 (Unaudited)		As at 31 December 2017 (Published )	
Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000
1,311	-	5,552	-

### Amount repayable after one year

As at 30 June 2018 (Unaudited)		As at 31 December 2017 (Published )	
Secured HK\$'000	Unsecured HK\$'000	Secured HK\$'000	Unsecured HK\$'000
20,798	-	21,569	-

### Details of any collateral

As at 30 June 2018, the Group's banking facilities granted amounted to approximately HK\$5.4 million (31 December 2017: approximately HK\$5.4 million) of which approximately HK\$Nil (31 December 2017: approximately HK\$4.3 million) were utilised. 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.

As at 30 June 2018, the Group's other borrowings amounted to approximately HK\$1.3 million (31 December 2017: approximately HK\$1.3 million). The facilities were secured by personal guarantees from the director, shareholders and employee of a subsidiary.

As at 30 June 2018, the Group's outstanding principal amount of convertible bonds amounted to approximately S\$3.5 million, equivalent to approximately HK\$20.0 million (31 December 2017: approximately S\$3.5 million, equivalent to approximately HK\$20.0 million).

**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 2018**

**The Group**

	Six months ended 30 June 2018 (Unaudited) HK\$'000	2017 (Unaudited and restated) HK\$'000
<b>Cash flows from operating activities:</b>		
<b>Loss before taxation</b>	(2,351)	(1,902)
Adjustments for:		
Interest income	(12)	(47)
Amortisation of intangible assets	-	1
Depreciation of property, plant and equipment	7	7
Gain on disposal of subsidiaries	-	(1,265)
Interest expenses	766	846
Operating loss before working capital changes	(1,590)	(2,360)
Changes in working capital, net of effects from disposals of subsidiaries:		
Loan and advances	5,280	(8,839)
Trade and other receivables	438	(4,636)
Trade and other payables	273	1,089
<b>Cash generated from / (used in) operations</b>	4,401	(14,746)
Interest paid on bank borrowings	(12)	(153)
<b>Net cash generated from / (used in) operating activities</b>	4,389	(14,899)
<b>Cash flows from investing activities</b>		
Interest received	12	47
Net cash inflow / (outflow) from disposal of subsidiaries (note)	2,500	(5,799)
<b>Net cash generated from / (used in) investing activities</b>	2,512	(5,752)
<b>Cash flows from financing activities</b>		
Interest paid on convertible bonds	(1,464)	(1,426)
Repayment of bank borrowings	(4,240)	(10,777)
(Increase) / decrease in pledged bank deposits	(18)	20,699
<b>Net cash (used in) / generated from financing activities</b>	(5,722)	8,496
<b>Net increase / (decrease) in cash and cash equivalents</b>	1,179	(12,155)
<b>Cash and cash equivalents at the beginning of the period</b>	3,846	13,158
Effects of exchange rate fluctuations on cash and cash equivalents	(1)	-
<b>Cash and cash equivalents at the end of the period</b>	5,024	1,003

**Consolidated Statement of Cash Flows (Continued)**  
**For the first half year ended 30 June 2018**

**The Group**

	Six months ended 30 June	
	2018	2017
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
<b>Analysis of balances of cash and cash equivalents at the end of the period:</b>		
Cash and bank balances	5,024	1,003
Pledged bank deposit	5,434	5,405
	<u>10,458</u>	<u>6,408</u>

Note:

	Six months ended 30 June	
	2018	2017
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Analysis of net cash inflow / (outflow) arising on disposal of Joyas Group Limited and its subsidiaries:		
Cash consideration received	2,500	-
Cash and bank balances	-	(5,799)
	<u>2,500</u>	<u>(5,799)</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 2018**

**The Group**

	Equity attributable to owners of the Company									Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Share option reserve HK\$'000	Capital contribution reserve HK\$'000	Foreign currency translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	
At 1 January 2018 (published)	19,139	51,180	52,677	2,478	5,306	(95)	(91,021)	39,664	2,241	41,905
<b>Loss for the period</b>	-	-	-	-	-	-	(2,231)	(2,231)	(120)	(2,351)
<b>Other comprehensive income</b>										
- Foreign currency translation differences	-	-	-	-	-	(1)	-	(1)	-	(1)
Total comprehensive income for the period	-	-	-	-	-	(1)	(2,231)	(2,232)	(120)	(2,352)
<b>At 30 June 2018 (unaudited)</b>	<b>19,139</b>	<b>51,180</b>	<b>52,677</b>	<b>2,478</b>	<b>5,306</b>	<b>(96)</b>	<b>(93,252)</b>	<b>37,432</b>	<b>2,121</b>	<b>39,553</b>
At 1 January 2017 (published)	19,139	51,180	52,677	2,022	5,252	(96)	(84,426)	45,748	(9,492)	36,256
<b>Loss for the period</b>	-	-	-	-	-	-	(1,733)	(1,733)	(169)	(1,902)
<b>Other comprehensive income</b>										
- Foreign currency translation differences	-	-	-	-	-	(33)	-	(33)	-	(33)
Total comprehensive income for the period	-	-	-	-	-	(33)	(1,733)	(1,766)	(169)	(1,935)
<b>Contributions by and distributions to owners</b>										
Disposal of subsidiaries	-	-	-	-	54	-	-	54	10,611	10,665
<b>Total transactions with owners, recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>54</b>	<b>10,611</b>	<b>10,665</b>
<b>At 30 June 2017 (unaudited)</b>	<b>19,139</b>	<b>51,180</b>	<b>52,677</b>	<b>2,022</b>	<b>5,306</b>	<b>(129)</b>	<b>(86,159)</b>	<b>44,036</b>	<b>950</b>	<b>44,986</b>

**Statement of Changes in Equity  
For the first half year ended 30 June 2018**

**The Company**

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Share option reserve HK\$'000	Accumulated losses HK\$'000	Total equity HK\$'000
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 income 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>
At 1 January 2017 (published)	19,139	51,180	75,659	2,022	(117,181)	30,819
Profit for the period	-	-	-	-	10,636	10,636
Total comprehensive income for the period	-	-	-	-	10,636	10,636
At 30 June 2017 (unaudited)	<u>19,139</u>	<u>51,180</u>	<u>75,659</u>	<u>2,022</u>	<u>(106,545)</u>	<u>41,455</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 2017 and 30 June 2018, ordinary shares of HK\$0.01 each	10,000,000,000	100,000
Issued and fully paid:		
As at 31 December 2017 and 30 June 2018, ordinary shares of HK\$0.01 each	1,913,776,973	19,139

The Group has the following outstanding convertible securities as at 30 June 2018 and 30 June 2017:

	As at 30 June 2018 (Unaudited)	As at 30 June 2017 (Unaudited)
Outstanding Convertible Securities		
Warrants <sup>(1)</sup>	26,924,415	26,924,415
Convertible Bonds <sup>(1)</sup>	S\$3,503,459	S\$3,503,459
Share Options <sup>(2)(3)(4)</sup>	53,000,000	53,000,000

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

	As at 30 June 2018 (Unaudited)	As at 30 June 2017 (Unaudited)
<u>Warrants</u>		
Total number of shares that may be issued on conversion of the Company's outstanding warrants <sup>(1)</sup>	26,924,415	26,924,415
<u>Convertible bonds</u>		
Total number of shares that may be issued on conversion of the Company's convertible bonds <sup>(1)</sup>	76,162,167	76,162,167

<u>Share Options</u>		
Total number of shares that may be issued on conversion of the Company's share options (2)(3) (4)	53,000,000	53,000,000

The total number of issued shares of the Company as at 30 June 2018 and 30 June 2017 was 1,913,776,973 shares respectively. The Company did not have treasury shares and subsidiary holdings as at the respective period.

Notes:

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

Save for the above, the Company did not have any treasury shares, other outstanding convertible securities and subsidiary holdings as at 30 June 2018 and 30 June 2017.

**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.**

<b>The Company and the Group</b>	As At 30 June 2018 (Unaudited)	As At 31 December 2017 (Published)
Total number of issued shares	1,913,776,973	1,913,776,973
Total number of treasury shares	-	-
Total number of issued shares excluding treasury shares	<u>1,913,776,973</u>	<u>1,913,776,973</u>

There were no treasury shares held as at 30 June 2018 and 31 December 2017.

**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 2017, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning from 1 January 2018. 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.**

Please refer to paragraph 4.

**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	
	2018	2017
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company (HK\$’000)	<u>(2,231)</u>	<u>(1,733)</u>
Weighted average number of ordinary shares in issue <sup>(1)</sup>	<u>1,913,776,973</u>	<u>1,913,776,973</u>
Basic and diluted loss per ordinary share <sup>(2)</sup> (HK cents)	<u>(0.12)</u>	<u>(0.09)</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 2018 and 2017, basic earnings/(loss) per ordinary share are same as diluted earnings/(loss) per ordinary share because the exercise prices of share options and warrants are higher than the average market prices for share for the both periods of 2018 and 2017 and the exercise of convertible bonds would result in a decrease in loss per share in the financial period ended 30 June 2018 and 2017 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.**

	<b>Group</b>		<b>Company</b>	
	As at 30 June 2018 (Unaudited)	As at 31 December 2017 (Published)	As at 30 June 2018 (Unaudited)	As at 31 December 2017 (Published)
Net asset value per ordinary share based on issued share capital (HK cents)	1.96	2.07	1.85	1.97

Net asset value per ordinary share is calculated based on the total number of issued shares excluding treasury shares as at 30 June 2018 and 31 December 2017 of 1,913,776,973 ordinary shares respectively.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **Statement of profit or loss and other comprehensive income**

#### *Revenue*

The Group's revenue increased by approximately HK\$210,000 or 22.5% from approximately HK\$933,000 for the six months ended 30 June 2017 ("1H17") to approximately HK\$1.1 million for 1H18.

The increase in revenue was from the financing business due mainly to increase in number of loans disbursed.

The Company did not generate revenue from Nickel Ore during both periods of 1H17 and 1H18 due to export restrictions.

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

	Financing Activities		
	IH18 HK'000	IH17 HK'000	Change %
The PRC (including HK)	819	633	29.4
Others <sup>(1)</sup>	324	300	8.0
Total revenue	<u>1,143</u>	<u>933</u>	<u>22.5</u>

Note:-

(1) Includes mainly customers in the Asia (other than the PRC (including Hong Kong)).

#### *Other income*

Other income decreased by approximately HK\$1.3 million or 99.1% from approximately HK\$1.3 million in 1H17 to approximately HK\$12,000 in 1H18. This was mainly attributed to gain from disposal of subsidiaries of approximately HK\$1.3 million in 1H17, which did not recur in 1H18.

#### *Administrative expenses*

Administrative expenses decreased by approximately HK\$561,000 or 17.0% from approximately HK\$3.3 million in 1H17 to approximately HK\$2.7 million in 1H18. This was mainly attributed to decrease in exchange loss of HK\$679,000. The decrease was partly offset by an increase in professional fee of approximately HK\$218,000 due to higher amount of professional work required, which includes, *inter alia*, valuation and trustee fees.



### *Finance costs*

Finance costs decreased by approximately HK\$80,000 or 9.5% from approximately HK\$846,000 in 1H17 to approximately HK\$766,000 in 1H18 due to lower interest paid on bank borrowing as a result of lower average bank loans utilised.

### *Loss before taxation*

As a result of the above, the Group had recorded a loss before taxation of approximately HK\$2.4 million (1H17: approximately HK\$1.9 million).

## **Statement of financial position**

### *Non-current assets*

Non-current assets decreased by approximately HK\$7,000 from approximately HK\$62,000 as at 31 December 2017 to approximately HK\$55,000 as at 30 June 2018 due mainly to depreciation of property, plant and equipment.

### *Current assets*

Current assets decreased by approximately HK\$7.0 million from approximately HK\$85.7 million as at 31 December 2017 to approximately HK\$78.7 million as at 30 June 2018 mainly due to decrease in trade and other receivables. The decrease in trade and other receivables was mainly attributed to: (a) repayment of loan and advance of approximately HK\$5.3 million from financing activities; and (b) receipt of partial proceeds from the disposal of subsidiaries of HK\$2.5 million. Such decrease was partially offset by an increase in cash and bank balances.

The trade and other receivables includes an amount of approximately HK\$24 million deposit paid to a supplier for purchases of nickel ore. The Group is in discussion with the supplier to recover the deposit. Several options have been discussed which include repayment from future shipment and sale of certain mining concessions held by the owner of the supplier. As at the date of this announcement, no decision is made on which option to adopt.

### *Current liabilities*

Current liabilities decreased by approximately HK\$3.9 million from approximately HK\$22.3 million as at 31 December 2017 to approximately HK\$18.4 million as at 30 June 2018. The decrease was mainly attributed to decrease in bank and other borrowings of approximately HK\$4.2 million due to repayment of bank loans.

### *Non-current liabilities*

Non-current liabilities decreased by approximately HK\$771,000 from approximately HK\$21.6 million as at 31 December 2017 to approximately HK\$20.8 million as at 30 June 2018 due to settlement of accrued interests of convertible bonds.

## **Liquidity and cash flow**

During 1H18, the Group's net cash generated from operating activities was approximately HK\$4.4 million. This was mainly attributed to (a) decrease in loan and advances of approximately HK\$5.3 million (b) decrease in trade and other receivables of approximately HK\$438,000; (c) loss before taxation from operations with

adjustments for non-cash items of approximately HK\$1.6 million; and (d) increase in trade and other payables of approximately HK\$273,000. The Group's net cash generated from investing activities was approximately HK\$2.5 million. This was mainly due to receipt of partial proceeds from the disposal of subsidiaries. The Group's net cash used in financing activities was approximately HK\$5.7 million. This was mainly attributed to repayment of bank borrowings. As a result of the above, the Group's net increase in cash and cash equivalents was approximately HK\$1.2 million.

As at 30 June 2018, the Group had cash and cash equivalents of HK\$10.5 million (31 December 2017: HK\$9.3 million.)

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

No specific forecast 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, the Group's supplier in Philippines has yet to obtain the export approvals due to new additional procedures from the relevant authorities. At the moment, it is difficult to ascertain when such export approvals can be obtained.

The Group's subsidiary, PT Global Linker Indonesia has obtained a specific license to sell nickel ore domestically in Indonesia. The Group has received some orders for nickel ore for the domestic market and is in the process of arranging working capital to facilitate the orders.

During 2016, the Indonesian authorities had announced new procedures and requirements to be met that may allow nickel ore to be exported overseas. Based on the information available to the Group, export permits are granted to companies with smelting production capacity. As the Group does not have such production capacity, it is not able to obtain permits. However, the Group is also exploring other arrangements which enable to it to sell to the overseas market. As at to date, no such other arrangements has been made.

Financing business

For the six months ended 30 June 2018, 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.

**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.**

No interim dividend has been declared or recommended for the financial period ended 30 June 2018.

**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 interested person transaction mandate has been obtained.

There were no interested person transactions with value of S\$100,000 or more 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 2018 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  
Managing Director

Date: 13 August 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

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