

JOYAS INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda on 4 October 2006 with limited liability)
(Bermuda Company Registration Number 38991)

QUALIFIED OPINION BY THE AUDITOR ON THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Pursuant to Rule 704(4) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board of Directors (the “**Board**”) of Joyas International Holdings Limited (the “**Company**”) and together with its subsidiaries (collectively the “**Group**”) wishes to announce that the independent auditors of the Company, Baker Tilly TFW LLP (the “**Independent Auditors**”), have issued their report with an “except for” qualified opinion (“**Independent Auditor’s Report**”) in respect of the consolidated financial statements of the Group for the financial year ended 31 December 2022 (“**FY2022**”) (the “**Audited Financial Statements**”).

The Board and the Management of the Company wish to provide their comments and views in relation to certain matters raised in the Independent Auditors’ Report which formed the basis of the “except for” qualified opinion:

Comparative figures and amount due to related party

The comparative figures disclosed in the Audited Financial Statements are based on the financial statements of the Group for the previous financial year ended 31 December 2021, on which the Independent Auditors expressed a disclaimer of opinion on the deposits paid to a supplier, trade payable owing to the supplier, amounts due to related parties, impairment of investment in associate and amount due from an associate. The extract of the basis for disclaimer of opinion on the financial statements of the Group for the financial year ended 31 December 2021 is disclosed in Note 25 to the Audited Financial Statements. The basis for disclaimer of opinion relates to a subsidiary, Hong Kong Silver Basic Group Limited (“**HK Silver**”) except for an amount due to related party of HK\$700,000 which relates to another subsidiary of the Group. HK Silver was disposed of during FY2022 (“**Disposal**”) as disclosed in Note 5 to the Audited Financial Statements.

In view of the matter described above, since the opening balances as at 1 January 2022 enter into the determination of the financial performance, changes in equity and cash flows of the Group for FY2022, the Independent Auditors were unable to determine whether adjustments might have been found necessary in respect of the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for FY2022.

For the amount due to related party of HK\$700,000 which was written back in the financial year ended 31 December 2019 and relates to another subsidiary of the Group, the Group has obtained a letter of waiver from the related party dated 31 December 2022. The Independent Auditors were unable to obtain sufficient appropriate evidence on the accumulated write back of amount due to related party of HK\$700,000 as at 1 January 2022. Consequently, the Independent Auditors were unable to determine whether any adjustments might be necessary in respect the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for FY2022.

The Independent Auditors opinion on the Audited Financial Statements is also modified because of the possible effect of these matters on the comparability of the figures for FY2022 and the corresponding figures.

Since the matter relates to the opening and comparative figures, the Board is in concurrence with the management that it has been addressed in its Audited Financial Statements following the Disposal. Nevertheless, the Company has been providing continual update to this matter, in which the latest update can be found in the Company's announcement dated 24 February 2023.

The Audited Financial Statements and the Independent Auditors' Report can also be found in the Company's annual report for FY2022 ("**FY2022 Annual Report**"), which will be released separately via the SGXNET and despatched to the Company's shareholders on 12 April 2023. Shareholders of the Company are advised to read this announcement in conjunction with the FY2022 Annual Report.

An extract of the relevant sections of the Audited Financial Statements is annexed to this announcement for reference.

BY ORDER OF THE BOARD

Vincent Cheung Chun Wai
Executive Director and Chief Executive Officer
6 April 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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