

Joyas International Holdings Limited

(Incorporated in Bermuda)
(Company Registration Number 38991)

RESPONSES TO QUERIES RAISED BY THE SINGAPORE EXCHANGE REGULATION

The board of directors (the “**Board**”) of Joyas International Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) sets out below the Company’s responses to queries raised by the Singapore Exchange Regulation Pte Ltd (the “**SGX RegCo**”) on 20 January 2022, with reference to the Company’s announcement dated 18 January 2022 (the “**Announcement**”) regarding the entry into a joint cooperation agreement with Splendid Powerful Limited in relation to a proposed joint co-operation.

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

SGX Queries	Company’s Responses
1. Pursuant to the Proposed Joint Co-operation with Splendid Powerful, we note that a new entity, Meta Technology International Limited (“ Meta ”), will be incorporated to undertake strategic opportunity for the Group to venture into the financial technology (“ Fintech ”) services and non-fungible tokens (“ NFTs ”) industry.	
a. Please elaborate on what the Group’s venture into Fintech and NFTs entail. Is this a new business to the Company? Will Meta or the Company be involved in the issuance of the NFTs? What is the rationale for entering into this business?	<p>This is a new business to the Group. The scope of the Group’s Fintech and NFT business has been disclosed in the Announcement under the section titled “<i>The Proposed Joint Cooperation</i>”.</p> <p>Meta and/or the Company will not be involved in the issuance of the NFTs.</p> <p>The rationale for entering into this business is in line with the Group’s strategy of diversifying its revenue streams and enhancing long term shareholder value. The Group is of the view that there is growth potential for this new business. Please refer to the Section titled “<i>Rationale for the Proposed Joint Co-operation</i>” of the Announcement for more information.</p>
b. What is the Company’s role in the new business?	<p>The Group will be principally involved in marketing and sales while most of the work will be outsourced to suppliers or services providers including Splendid Powerful and its related companies. The Group’s management and Directors have extensive commercial experience and network and will contribute such expertise to Meta. The management team of Meta will mainly be derived from Splendid Powerful and the Group’s management team.</p>
c. Will the Company be expecting inflow of funds (i.e. new revenue streams, funds raised from issuance of NFT, etc.) arising from this business? What kind of revenue stream /	<p>Currently, Meta has no plans to raise funds from the issuance of NFTs.</p>

SGX Queries	Company's Responses
<p>expense categories / assets / liabilities will be expected? How will these be recorded in the Company's financial statements? Has the Company consulted its auditors on the respective accounting treatments?</p>	<p>For its revenue, the Company may receive cash or shares or possibly NFTs as consideration for its services. The Company will consult its auditors on the respective accounting treatment of NFTs when such events occur.</p> <p>The expenses may include operational cost or service cost provided by suppliers.</p> <p>The assets may include receivables, cash and bank and possibly inventories (for NFTs).</p> <p>The liabilities may include payables and accruals.</p> <p>The Group is of the view that the funds required for the operation of Meta will be minimal as most of the work are outsourced and variable in nature. However, should Meta require further working capital or funding in the future, the funding will be provided in proportion to the Company's equity interest in Meta.</p>
<p>d. Does the existing Board and management team have the requisite experience and expertise to oversee / run the Fintech and NFT business? If not, who will be running the operations of this new business?</p>	<p>Please refer to Company's response to Query 1b above.</p>
<p>e. What due diligence has the Board and management done on Splendid Powerful, as well as the Fintech and NFT business? Please provide details as well as Board's and management's considerations on why entering into the Joint Co-operation and venturing into this new business are in the best interest of the Company and its shareholders.</p>	<p>The due diligence on Splendid Powerful conducted by the Group include:</p> <ul style="list-style-type: none"> a) Obtaining information on the group structure of Splendid Powerful and its supporting documents such as register of directors and register of shareholders. b) Obtaining the track record details of management team of Splendid Powerful and verifying the track record by interviewing and obtaining supporting documents where available. c) Conducting search on public domain. d) Understanding the future development plan of Splendid Powerful. <p>The due diligence on the Fintech and NFT business conducted by the Group include:</p> <ul style="list-style-type: none"> a) Interviews with various parties such as existing and potential investors in the Fintech and NFT business, operators of the Fintech and NFT business and professional parties such as lawyers and financial advisers regarding Fintech and NFT regulation and market outlook. b) Market research on the market potential of NFT application. c) Market research on the application of blockchain technology.

SGX Queries	Company's Responses
	<p>Based on the due diligence, the Board and management is of the view that the Fintech and NFT business has growth potential and will appeal to the investors in the long term.</p> <p>As the Group has limited experience in this sector other than its extensive commercial experience and network, the Group will need to work with partners and suppliers who have such experience. In addition, the current arrangement requires minimal financial resources of the Group and hence risk while providing the Group exposure into this industry.</p> <p>Considering the factors above, the Group is of the view that the new business and the current set up is in the best interest of the Company and its shareholders.</p>
<p>f. Who introduced Splendid Powerful to the Company? Please provide details on the experience, track record, shareholders, board and key financials of Splendid Powerful.</p>	<p>Splendid Powerful was introduced by a business associate of the Company's Non-Independent Non-Executive Deputy Chairman, Ong Chor Wei.</p> <p>The relevant experience and track record of Splendid Powerful's management team has been disclosed in the Announcement under the section titled "<i>Information on Splendid Powerful</i>".</p> <p>The shareholders of Splendid Powerful are 60% held by Silver Map Holdings Limited and 40% held by Eurasia Development Company Limited. The ultimate shareholders of Silver Map Holdings Limited and Eurasia Development Company Limited are independent third parties. Please refer to the Section titled "<i>Information on Splendid Powerful</i>" of the Announcement for more information.</p> <p>The Group is not privy to the financials of Splendid Powerful. The Group is of the view that this information is not relevant to the Group as the Group is not investing in Splendid Powerful or requires material funding from Splendid Powerful.</p>
<p>g. What are potential uses of the NFTs?</p>	<p>NFTs can be applied on many items including artworks such as paintings, sculptures, photos and music for business and retail users.</p>
<p>h. Will the Company's venture into this new business impact the existing rights of shareholders?</p>	<p>No as there is no issuance of shares under the Joint Cooperation Agreement.</p>
<p>i. What are the Board's plans with regards to the Group's existing core business of licensed money lending?</p>	<p>Currently, the Board plans to continue to operate the money lending business and will continue to raise additional funds (by equity or</p>

SGX Queries	Company's Responses
	debt or both) to expand the working capital base of the Group.

By Order of the Board
Joyas International Holdings Limited

Vincent Cheung Chun Wai
Executive Director and Chief Executive Officer

24 January 2022

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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