



Joyas International Holdings Limited

(Incorporated in Bermuda)
Company Registration Number: 38991

Condensed Consolidated Financial Statements
For the third quarter ended 30 September 2021

Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst, 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 For the nine months ended 30 September 2021

The Group

	Note	Third quarter ended 30 September			Nine months ended 30 September		
		2021 (unaudited) HK\$'000	2020 (unaudited) HK\$'000	Change %	2021 (unaudited) HK\$'000	2020 (unaudited) HK\$'000	Change %
Revenue	5	705	470	50.0	2,085	1,170	78.2
Other income	6	196	194	1.0	231	691	(66.6)
Administrative expenses		(946)	(1,160)	(18.4)	(2,958)	(3,049)	(3.0)
Finance costs	7	(102)	(42)	142.9	(185)	(346)	(46.5)
Loss before taxation	8	(147)	(538)	(72.7)	(827)	(1,534)	(46.1)
Taxation	9	(20)	–	100.0	(20)	–	100.0
Loss for the period		<u>(167)</u>	<u>(538)</u>	(69.0)	<u>(847)</u>	<u>(1,534)</u>	(44.8)
Other comprehensive income after tax:							
Other comprehensive income for the period, net of tax of nil		<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	-
Total comprehensive loss for the period		<u>(167)</u>	<u>(538)</u>	(69.0)	<u>(847)</u>	<u>(1,534)</u>	(44.8)
Loss for the period attributable to							
Equity holders of the Company		(259)	(619)	(58.2)	(1,076)	(1,608)	(33.1)
Non-controlling interests		92	81	13.6	229	74	209.5
		<u>(167)</u>	<u>(538)</u>	(69.0)	<u>(847)</u>	<u>(1,534)</u>	(44.8)
Total comprehensive loss for the period attributable to:							
Equity holders of the Company		(259)	(619)	(58.2)	(1,076)	(1,608)	(33.1)
Non-controlling interests		92	81	13.6	229	74	209.5
		<u>(167)</u>	<u>(538)</u>	(69.0)	<u>(847)</u>	<u>(1,534)</u>	(44.8)

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B. Condensed consolidated statement of financial position As at 30 September 2021

The Group

	Note	As at 30 September 2021 (Unaudited) HK\$'000	As at 31 December 2020 (Published#) HK\$'000
Assets			
Non-current assets			
Goodwill		25	–
Current assets			
Financial assets at fair value through profit or loss	11	16,240	–
Trade and other receivables	12	17,044	16,924
Current tax assets		79	–
Cash and bank balances	13	12,003	3,696
		<u>45,366</u>	<u>20,620</u>
Total assets		<u>45,391</u>	<u>20,620</u>
Equity			
Capital and reserves			
Share capital	14	22,139	22,139
Accumulated losses		(122,570)	(121,825)
Other reserves	15	111,239	111,570
Attributable to the owners of the Company		10,808	11,884
Non-controlling interests		<u>(45)</u>	<u>(255)</u>
Total equity		<u>10,763</u>	<u>11,629</u>
Liabilities			
Current liabilities			
Trade and other payables	16	2,499	1,932
Borrowings	17	32,129	6,786
Current tax liabilities		–	238
Warrants	18	–	35
		<u>34,628</u>	<u>8,991</u>
Total liabilities		<u>34,628</u>	<u>8,991</u>
Total equity and liabilities		<u>45,391</u>	<u>20,620</u>

As per published accounts in the Annual Report of the Company for the financial year ended 31 December 2020.

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B. Condensed consolidated statement of financial position As at 30 September 2021 (continued)

The Company

	Note	As at 30 September 2021 (Unaudited) HK\$'000	As at 31 December 2020 (Published) HK\$'000
Assets			
Non-current assets			
Investment in subsidiaries		<u>8</u>	<u>8</u>
Current assets			
Trade and other receivables	12	15,779	15,734
Cash and bank balances	13	<u>110</u>	<u>107</u>
		<u>15,889</u>	<u>15,841</u>
Total assets		<u><u>15,897</u></u>	<u><u>15,849</u></u>
Equity			
Capital and reserves			
Share capital	14	22,139	22,139
Accumulated losses		(146,969)	(145,342)
Other reserves	15	<u>128,724</u>	<u>129,055</u>
Total equity		<u>3,894</u>	<u>5,852</u>
Liabilities			
Current liabilities			
Trade and other payables	16	12,003	9,962
Warrants	18	<u>—</u>	<u>35</u>
		<u>12,003</u>	<u>9,997</u>
Total liabilities		<u>12,003</u>	<u>9,997</u>
Total equity and liabilities		<u><u>15,897</u></u>	<u><u>15,849</u></u>

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C. Condensed consolidated statement of cash flows For the nine months ended 30 September 2021 The Group

	Nine months ended 30 September	
	2021 (unaudited) HK\$'000	2020 (unaudited) HK\$'000
Cash flows from operating activities:		
Loss before taxation	(827)	(1,534)
Adjustments for:		
Interest income	–	(9)
Write back of warrants	(35)	–
Depreciation of property, plant and equipment	–	1
Foreign exchange loss / (gain)	42	(816)
Interest expenses	185	346
Operating loss before working capital changes	(635)	(2,012)
Change in loan and advances	–	3,000
Change in trade and other receivables	(115)	(137)
Change in trade and other payables	477	4,938
Cash (used in) / generated from operations	(273)	5,789
Income tax paid	(337)	–
Net cash (used in) / generated from operating activities	(610)	5,789
Cash flows from investing activities		
Investment in foreign exchange contract	(6,208)	–
Acquisition of subsidiary, net of cash acquired	43	–
Goodwill on acquisition	(25)	–
Interest received	–	9
Net cash (used in) / generated from investing activities	(6,190)	9
Cash flows from financing activities		
Interest paid on convertible bonds	–	(1,365)
Interest paid	(147)	(23)
Redemption of convertible bonds	–	(19,506)
Proceeds from bank borrowings	–	4,494
Proceeds from borrowings	29,370	5,000
Repayment of borrowings	(18,803)	–
Repayment of bank loan	–	(3,522)
(Increase) / decrease in pledged bank deposits	(5,000)	3,828
Net cash generated from / (used in) financing activities	5,420	(11,094)
Net (decrease) / increase in cash and cash equivalents	(1,380)	(5,296)
Cash and cash equivalents at the beginning of the financial period	1,936	11,123
Cash and cash equivalents at the end of the financial period	13	5,827

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D. Condensed interim consolidated statements of changes in equity For the nine months ended 30 September 2021

The Group

	Attributable to equity holders of the Company									
	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	Total equity HK\$'000
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 period	-	-	-	-	-	-	(1,076)	(1,076)	229	(847)
Total comprehensive income for the financial period	-	-	-	-	-	-	(1,076)	(1,076)	229	(847)
Contributions by and distributions to equity holders										
- Acquisition of a subsidiary	-	-	-	-	-	-	-	-	(19)	(19)
- Transfer of share option reserve after vesting date	-	-	-	(331)	-	-	331	-	-	-
Total transactions with equity holders, recognised directly in equity	-	-	-	(331)	-	-	331	-	(19)	(19)
At 30 September 2021 (unaudited)	22,139	53,065	52,677	-	5,306	191	(122,570)	10,808	(45)	10,763
At 1 January 2020 (published)	19,139	51,180	52,677	2,973	5,306	191	(122,017)	9,449	(123)	9,326
Loss for the financial period	-	-	-	-	-	-	(1,608)	(1,608)	74	(1,534)
Total comprehensive income for the financial period	-	-	-	-	-	-	(1,608)	(1,608)	74	(1,534)
Contributions by and distributions to equity holders										
- Share issue expense	-	(49)	-	-	-	-	-	(49)	-	(49)
- Transfer of share option reserve after vesting date	-	-	-	(2,642)	-	-	2,642	-	-	-
Total transactions with equity holders, recognised directly in equity	-	(49)	-	(2,642)	-	-	2,642	(49)	-	(49)
At 30 September 2020 (unaudited)	19,139	51,131	52,677	331	5,306	191	(120,983)	7,792	(49)	7,743

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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 2021 (published)	22,139	53,065	75,659	331	(145,342)	5,852
Loss for the period	-	-	-	-	(1,958)	(1,958)
Total comprehensive loss for the period	-	-	-	-	(1,958)	(1,958)
Contributions by and distribution to equity holders						
- Transfer of share option reserve after vesting	-	-	-	(331)	331	-
Total transactions with equity holders, recognised directly in equity	-	-	-	(331)	331	-
At 30 September 2021 (unaudited)	22,139	53,065	75,659	-	(146,969)	3,894
At 1 January 2020 (published)	19,139	51,180	75,659	2,973	(145,942)	3,009
Loss for the period	-	-	-	-	(1,460)	(1,460)
Total comprehensive loss for the period	-	-	-	-	(1,460)	(1,460)
Contributions by and distribution to equity holders						
- Share issue expense	-	(49)	-	-	-	(49)
- Transfer of share option reserve after vesting	-	-	-	(2,642)	2,642	-
Total transactions with equity holders, recognised directly in equity	-	(49)	-	(2,642)	2,642	(49)
At 30 September 2020 (unaudited)	19,139	51,131	75,659	331	(144,760)	1,500

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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 Group recognised a net loss of HK\$847,000 and net cash used in operating activities of HK\$610,000 for the nine months ended 30 September 2021. The Group's ability to continue as a going concern is dependent upon the continued availability of borrowings and the cash flows generated from the financing business. Management continues to have a reasonable expectation that the Group has adequate resources to continue in operation for at least the next 12 months on the presumption that interest income from the Group's financing business will be received timely and the Group's loans and advances are recoverable and the fact that the Group's operating expenses are mainly overhead costs which are relatively limited.

The Group's net assets as at 30 September 2021 were HK\$10,763,000.

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 interim financial statements of the Company and its subsidiaries (collectively "**the Group**") for the nine months ended 30 September 2021 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

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do not include all the information required 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 annual financial statements for the year ended 31 December 2020.

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 Standards 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:

Fair value measurement of fair value through profit and loss

Assets that do not meet the criteria for amortised cost or fair value through OCI ("FVTOCI") are measured at fair value through profit and loss ("FVTPL"). Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Loss allowance on loans and advances

The Group has loans and advances with a carrying value of HK\$16,256,000 as at 30 September 2021 (31 December 2020 – HK\$16,256,000). 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.

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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.

Impairment of amounts due from subsidiaries and associate and calculation of loss allowance

Determining whether amounts due from subsidiaries and associate 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 30 September 2021, the carrying amounts of amounts due from subsidiaries (non-trade) and associate are HK\$15,699,000 and HK\$Nil (31 December 2020 –HK\$15,699,000 and HK\$Nil) respectively. 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 and associate is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of amounts due from subsidiaries and associate.

3. **Seasonal operations**

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

4. **Segment and revenue information**

The executive directors have identified the Group’s three product lines as operating segments.

- (a) Nickel ore; and
- (b) Financing activities;

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	Nickel Ore		Financing Activities		Elimination		Total	
	30	30	30	30	30	30	30	30
	September	September	September	September	September	September	September	September
	2021	2020	2021	2020	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue								
External	-	-	2,085	1,170	-	-	2,085	1,170
Total revenue	-	-	2,085	1,170	-	-	2,085	1,170
Segment Results								
Segment (loss)/profit								
from operations	(176)	(96)	1,810	968	-	-	1,634	872
Unallocated income							35	683
Unallocated expenses							(2,311)	(2,752)
Finance income							-	9
Finance expense							(185)	(346)
Loss before income tax							(827)	(1,534)
Income tax credit							(20)	-
Loss for the financial period							(847)	(1,534)
	30	31	30	31	30	31	30	31
	September	December	September	December	September	December	September	December
	2021	2020	2021	2020	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Other information								
Segment assets	157	157	16,722	16,731	-	-	16,879	16,888
Unallocated assets							28,512	3,732
Consolidated total assets							45,391	20,620
Segment liabilities	1,535	1,349	20,602	17,233	(20,579)	(17,179)	1,558	1,403
Unallocated liabilities							33,070	7,588
Consolidated total liabilities							34,628	8,991

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 convertible bonds, warrants, 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:

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	Revenue from external customers		Non-current assets other than goodwill	
	Nine months ended 30 September		30 September	31 December
	2021	2020	2021	2020
	(unaudited) HK\$'000	(unaudited) HK\$'000	(unaudited) HK\$'000	(Published) HK\$'000
Principal markets:				
The People's Republic of China (including Hong Kong)	2,085	1,170	–	–

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 three and nine months ended 30 September 2021, there was no revenue from external customers attributed to Bermuda (country of domicile of the Company) (30 September 2020 – HK\$Nil) and no non-current assets were located in Bermuda (31 December 2020 – HK\$Nil).

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

	30 September 2021 HK\$'000	30 September 2020 HK\$'000
The Group		
Customer A (Note)	450	450
Customer B (Note)	450	231
Customer C (Note)	675	349
Customer D (Note)	300	140
	<u>1,875</u>	<u>1,170</u>

Notes:

Derived from the financing activities.

As at 30 September 2021, 69.8% (31 December 2020 – 100%) of the Group's interest receivables/trade receivables were due from these customers.

5. Revenue

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

	Nine months ended 30 September	
	2021 HK\$'000	2020 HK\$'000
The Group		
Interest income	1,785	1,030
Loan referral service income	300	140
Total revenue	<u>2,085</u>	<u>1,170</u>

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6. Other income

	Nine months ended 30 September	
	2021	2020
The Group	HK\$'000	HK\$'000
Bank interest income	–	9
Foreign exchange gain	–	524
Sundry income	–	128
Government grant	–	30
Change in fair value on financial assets at FVTPL	196	–
Write back of Warrants	35	–
	<u>231</u>	<u>691</u>

7. Finance costs

	Nine months ended 30 September	
	2021	2020
The Group	HK\$'000	HK\$'000
Interest expense on		
- bank loan	12	26
- other borrowing	173	93
- convertible bonds	–	227
	<u>185</u>	<u>346</u>

8. Loss before taxation

The following items have been included in arriving at loss before taxation:

	Nine months ended 30 September	
	2021	2020
The Group	HK\$'000	HK\$'000
Audit fees paid to		
- Auditors of the Company	405	405
- Other auditors	–	–
Operating lease expense in respect of rented premises	224	231
Foreign exchange loss/(gain)	64	(524)
Depreciation of property, plant and equipments	–	1
Staff costs		
Directors' fees	348	402
Key management personnel (other than directors)		
- Salaries, wages and other related costs	–	30
- Employer's contributions to defined contribution plans	–	2
Total key management personnel compensation	348	434
Other than key management personnel		
- Salaries, wages and other related costs	90	90
- Employer's contributions to defined contribution plans	4	4
Total staff costs	<u>442</u>	<u>528</u>

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9. Taxation

	Nine months ended 30 September	
	2021	2020
The Group	HK\$'000	HK\$'000
Current Taxation		
Current year	–	–
Under-provision in respect of prior year	20	–
	<u>20</u>	<u>–</u>

10. Dividends

No dividend has been declared or recommended by the board of directors of the Company because the Group is not profitable in third quarter ended 30 September 2021 (“3Q21”).

11. Financial assets at fair value through profit or loss

	30 September	31 December
	2021	2020
The Group	HK\$'000	HK\$'000
Trading of foreign exchange contract – less than 1 year	16,240	–

In the nine months period ended 30 September 2020, the Group’s investment in foreign exchange contract has a fair value of approximately HK\$16,240,000.

Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- Inputs for the assets or liability which are not based on observable market data (unobservable inputs) (Level 3)

The following table presented the assets measured at fair value:

	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 30 September 2021				
<u>Financial asset</u>				
FVTPL investment	16,240	–	–	16,240
At 31 December 2020				
<u>Financial asset</u>				
FVTPL investment	–	–	–	–

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12. Trade and other receivables

	The Group		The Company	
	30 September 2021 HK\$'000	31 December 2020 HK\$'000	30 September 2021 HK\$'000	31 December 2020 HK\$'000
Amount due from subsidiaries (non-trade)	–	–	41,657	41,657
Less: Impairment losses on amount due from subsidiaries	–	–	(25,958)	(25,958)
Amount due from an associated company	10,672	10,672	–	–
Less: Impairment loss on amount due from an associated company	(10,672)	(10,672)	–	–
Amount due from a related company	66	–	–	–
Deposits	17	18	17	17
Loans and advances	17,500	17,500	–	–
Less: Impairment loss on loans and advances	(1,244)	(1,244)	–	–
Trade receivable	–	150	–	–
Interest receivable	485	325	–	–
Other receivables	168	168	11	11
Deposits paid to a supplier ⁽¹⁾	24,377	24,377	–	–
Less: Impairment loss on deposits	(24,377)	(24,377)	–	–
Financial assets	16,992	16,917	15,727	15,727
Prepayments	52	7	52	7
Total trade and other receivables	17,044	16,924	15,779	15,734

- ⁽¹⁾ On 19 March 2015, the Group's subsidiary, Hong Kong Silver Basic Group Limited, 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 was fully impaired and trade payable of nickel ore to the supplier of HK\$10,531,000 was fully written back.

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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 eight loans (31 December 2020 – three) via its Hong Kong subsidiary, CCIG Financial Services Limited (registered money lender in Hong Kong). Total undrawn facility amount at the end of financial period ended 30 September 2021 was HK\$7,500,000 (31 December 2020: HK\$2,500,000). Any drawdown is subject to management approval.

Country	Nature of business of borrowers	Maturity date	Interest rate		Principal amount of the loan	
			30 September 2021 %	31 December 2020 %	30 September 2021 HK\$'000	31 December 2020 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	7,500
Hong Kong	Personal	Within 3 months from Draw down	36	-	1,000	-
Hong Kong	Personal	Within 3 months from Draw down	36	-	1,000	-
Hong Kong	Personal	Within 3 months from Draw down	36	-	1,000	-
Hong Kong	Personal	Within 3 months from Draw down	36	-	1,000	-
Less: Impairment loss for the financial year					(1,244)	(1,244)
					<u>16,256</u>	<u>16,256</u>

The loans and advances are denominated in HKD.

13. Cash and cash equivalents

	The Group		The Company	
	30 September 2021 HK\$'000	31 December 2020 HK\$'000	30 September 2021 HK\$'000	31 December 2020 HK\$'000
Cash in banks	5,285	1,936	110	107
Fixed deposits	6,718	1,760	-	-
Cash and bank balances	12,003	3,696	110	107

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As at 30 September 2021, fixed deposits were pledged to secure bank loans and other banking facilities granted to the Group. Interest accrues on the fixed deposits at HK\$Nil (31 December 2020 – 0.005% to 0.9%) per annum.

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

	30 September 2021	31 December 2020
The Group	HK\$'000	HK\$'000
Cash and bank balances	12,003	3,696
Less: Fixed deposits pledged	(6,718)	(1,760)
Less: Bank overdrafts (Note 17)	(4,729)	–
Cash and cash equivalents	556	1,936

14. Share capital

The Group and the Company	30 September 2021		31 December 2020	
	Number of shares	HK\$'000	Number of shares	HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each				
At 31 December 2020 and 30 September 2021	10,000,000,000	100,000	10,000,000,000	100,000
Issued and fully paid:				
At 31 December 2020 and 30 September 2021	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 2020 to 30 September 2021.

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.

15. Other reserves

	The Group		The Company	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	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
Share option reserve	–	331	–	331
Capital contribution reserve	5,306	5,306	–	–
Foreign currency translation reserve	191	191	–	–
	111,239	111,570	128,724	129,055

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.

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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.

Share option reserve

Share option reserve represents the cumulative expenses recognised on the granting of share options over the vesting period.

Capital contribution reserve

Capital contribution reserve represents the capital contribution from a non-controlling interest to a subsidiary.

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.

16. Trade and other payables

	The Group		The Company	
	30 September 2021 HK\$'000	31 December 2020 HK\$'000	30 September 2021 HK\$'000	31 December 2020 HK\$'000
Amounts due to subsidiary	–	–	11,367	9,439
Amounts due to a former key management personnel ⁽¹⁾	315	80	–	–
Amounts due to related parties (non-trade) ⁽²⁾	690	552	–	–
Other payable	408	95	–	–
Accruals	1,086	1,205	636	523
Total trade and other payables	2,499	1,932	12,003	9,962

- 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.
- 2) The related parties are entities in which one of the Company's directors is also a shareholder of these entities.

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17. Borrowings

The Group	30 September	31 December
	2021	2020
	HK\$'000	HK\$'000
Other borrowing I ⁽¹⁾	5,004	5,000
Other borrowing II ⁽²⁾	5,459	807
Other borrowing III ⁽³⁾	6,997	–
Other borrowing IV ⁽⁴⁾	801	–
Other borrowing V ⁽⁴⁾	8,150	–
Bank overdraft	4,729	–
Bank borrowing ⁽⁵⁾	989	979
Total borrowings	32,129	6,786

- Other borrowing I is repayable in 24 months after each drawdown and bears interest at 1% per annum (31 December 2020-1%). It is a callable loan, therefore the amount is classified under current liabilities.
- Other borrowing II is repayable on demand and bears interest at 12% (31 December 2020 – 12%) per annum.
- Other borrowing III relates to a loan from a related entity in which one of the shareholders is also a shareholder of the Company's subsidiary. The amount is repayable on demand and interest free (31 December 2020 – Nil).
- Other borrowing IV & V is repayable on demand and determined by the Company's subsidiary share of return of the Company's foreign exchange investment (31 December 2020 – Nil).
- The bank borrowing is repayable on demand. Interest is charged at cost of funds plus 0.75% and the interest rate during the period / year ranged from 1.2% to 1.52% (31 December 2020 – 1.18% to 2.65%) per annum. It is secured by pledged fixed deposits and personal guarantee by a director.

18. Warrants

On 23 February 2015, the Company allotted and issued 18,173,980 unlisted warrants with an issue price of S\$0.01 each due on 23 February 2021 (“**2015 Warrants**”), and each warrant carries the right to subscribe for one new common share in the capital of the Company at the exercise price of S\$0.10 for each new share.

On 20 March 2017, the Company has made an adjustment to the exercise price and number of 2015 Warrants (“**Warrants Adjustments**”). Pursuant to the terms of the deed poll dated 15 January 2015 constituting the 2015 Warrants, the Company is required to make the Warrants Adjustments as a result of the proposed non-renounceable and non-underwritten right issue of up to 2,429,236,398 common shares to the capital of the Company (the “**Right Issue**”).

Pursuant to the terms and conditions of the 2015 Warrants, the Warrants Adjustments has been made to both the existing number of 2015 Warrants and the exercise price of the 2015 Warrants. The number of outstanding 2015 Warrants increased by 8,750,435 from 18,173,980 to 26,924,415.

The Group and the Company	Derivative financial liability	
	30 September	31 December
	2021	2020
	HK\$'000	HK\$'000
At the beginning of the year	35	35
Written back	(35)	–
At the end of the period/ year	-	35

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19. Related party transactions

	Transaction amount		Balances	
	September 30 2021	September 30 2020	September 30 2021	31 December 2020
The Group	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Interest income from a related party ⁽¹⁾	–	(400)	–	–
Administrative expense paid to related parties ⁽²⁾	168	183	(690)	(552)
Management fee paid to a related party ⁽¹⁾	–	40	–	–
Advances from a former key management personnel ⁽³⁾	(235)	(80)	(315)	(80)
Expense paid on behalf of a related party ⁽⁴⁾	66	66	–	–
Loan from a related party ⁽⁴⁾	(6,997)	(6,997)	–	–

⁽¹⁾ This relates to a related party in which a subsidiary's director is also a deemed shareholder of the entity. Following the resignation of the director from the subsidiary during year 2020, the entity is no longer a related party of the Group.

⁽²⁾ This relates to entities in which one of the Company's directors is also a shareholder of the entities.

⁽³⁾ This relates to advances given by Mr Wang De Zhou.

⁽⁴⁾ This relates to an entity which is a shareholder of the Company's subsidiary.

20. Subsequent events

Please refer to paragraph 10 of Section F of this announcement for the litigation update.

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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 30 September 2021 (Unaudited)		As at 31 December 2020 (Published)	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
5,718	26,411	979	5,807

Amount repayable after one year

As at 30 September 2021 (Unaudited)		As at 31 December 2020 (Published)	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
-	-	-	-

Please refer to Section E Note 17 of this announcement.

Details of any collateral

Please refer to Section E Note 17 of this announcement.

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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 June 2021 and 30 September 2021, ordinary shares of HK\$0.01 each	10,000,000,000	100,000
Issued and fully paid:		
As at 30 June 2021 and 30 September 2021, ordinary shares of HK\$0.01 each	2,213,776,973	22,139

There was no change in the Company's share capital from 31 December 2020 to 30 September 2021.

The Group had the following outstanding convertible securities as at 30 September 2021 and 30 September 2020.

Outstanding Convertible Securities	As at 30 September 2021	As at 30 September 2020
Warrants	-	26,924,415
Share Options	-	32,000,000

The number of shares that can be issued on conversion of all of the Company's outstanding warrants and share options are as follows:

	As at 30 September 2021	As at 30 September 2020
<u>Warrants</u>		
Total number of shares that may be issued on conversion of the Company's outstanding warrants ⁽¹⁾	-	26,924,415
<u>Share Options</u>		
Total number of shares that may be issued on conversion of the Company's share options ⁽²⁾	-	32,000,000

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Notes:

- (1) For the details in relation to the Warrants, please refer to the Company's announcements dated 23 February 2015. The Warrants have expired on 23 February 2021.
- (2) 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. The August 2016 Options have lapsed on 18 August 2021. Please refer to the announcement in relation to the August 2016 Options dated 19 August 2016.

The total number of issued shares of the Company as at 30 September 2021 and 30 September 2020 was 2,213,776,973 shares and 1,913,776,973 shares respectively.

The Company did not have treasury shares and subsidiary holdings as at the end of 30 September 2021 and 30 September 2020.

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	As At
	30 September 2021 (Unaudited)	31 December 2020 (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 30 September 2021 and 31 December 2020.

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 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 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 figures in this announcement have not been audited or reviewed by the Company's auditors.

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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 2020 ("FY2020") the basis for which has been disclosed on pages 15 and 16 of the Company's Annual Report for FY2020 ("AR2020").

Update on efforts to resolve each outstanding audit issues:

i) Deposit paid to 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 the financial year ended 31 December 2019 ("FY2019"), the auditors were unable to determine whether the deposit of HK\$24,337,000 million ("Deposit") paid by Hong Kong Silver Basic Group Limited ("HK Silver") in 2015 to a supplier in the Philippines ("Supplier") was fairly presented. Consequently, the auditors were unable to determine whether the impairment loss on the Deposit was misstated. The auditors were also unable to obtain sufficient appropriate evidence on the gross amount of trade payable owing to the Supplier of HK\$10,531,000, and the write back of trade payable owing to the Supplier of HK\$10,531,000 and amounts due to related parties of HK\$5,673,000. In addition, the auditors were unable to determine how much of the impairment loss of the Deposit, write back of trade payable owing to the Supplier of HK\$10,531,000 and write back of amounts due to related parties of HK\$5,673,000 relates to profit or loss in prior years.

In view of the matters described above, and in view that the auditors were unable to obtain sufficient appropriate audit evidence on the write back of trade payables of HK\$10,531,000 and write back of amounts due to related parties of HK\$5,673,000 recorded during FY2019, they were unable to determine whether any adjustments might be necessary to the consolidated financial statements for the FY2020.

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.

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

The financial statements of the associates for FY2019 and FY2020 were unaudited. In view of the matters described above, the auditors were not able to obtain sufficient reasonable assurance that the recorded gross investment in associates of HK\$3,355,000, impairment loss on investment in associate of HK\$3,355,000 and recoverability of the amount due from associates as at 31 December 2019 are not misstated.

Management has advised the associate to arrange an audit of its financial statements for FY2020. Audited financial statement of the associate for FY2020 will be provided upon completion of the audit in Indonesia. As at the date of this announcement, the associate has advised that the audit is in progress and the report will be provided as soon as possible.

iii) Impairment of amount due from subsidiaries

As at 31 December 2019, the Company recorded an amount due from subsidiaries of HK\$50,433,000 of which HK\$25,958,000 was impaired during FY2019.

In FY2019, the auditors were unable to determine how much of the impairment loss on amount due from subsidiaries of HK\$25,958,000 relates to profit or loss in prior years, if any. Consequently, they were unable to determine whether any adjustments might be necessary to profit or loss for FY2019 and opening accumulated losses as at 1 January 2019 of the Company.

Their opinion on FY2020's financial statements was also modified because of the possible effect of these matters on the comparability of the FY2020 figures and corresponding figures.

The Board confirms that the impact of all outstanding audit issues, if applicable, on the financial statements of the Group for the nine months ended 30 September 2021 have been adequately disclosed.

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 period as those adopted in the audited financial statements for the financial year ended 31 December 2020, 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 adopted the revised International Financial Reporting Standards and interpretations ("IFRS") that are effective for application from 1 January 2021. The adoption of these revised IFRS and interpretation did not result in material changes to the Group's accounting policies and does not have any material effect on the financial statements of the Group for the current financial period.

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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

	Third quarter ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Loss for the period attributable to: owners of the Company (HK\$'000)	(259)	(619)	(1,076)	(1,608)
Weighted average number of ordinary shares in issue ⁽¹⁾	2,213,776,973	1,913,776,973	2,213,776,973	1,913,776,973
Basic and diluted loss per ordinary share ⁽²⁾ (HK cents)	(0.01)	(0.03)	(0.05)	(0.08)

Notes:

- The weighted average number of ordinary shares is based on the number of shares issued during the respective financial periods.
- For the three and nine months ended 30 September 2021 and 2020, basic loss per ordinary share are the same as diluted loss per ordinary share because the exercise prices of share options and warrants are higher than the average market prices of the Company's shares for both financial periods and are anti-dilutive.

The company did not have outstanding convertible securities as at 30 September 2021.

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:-

- current financial period reported on; and
- immediately preceding financial year.

	Group		Company	
	As at 30 September 2021 (Unaudited)	As at 31 December 2020 (Published)	As at 30 September 2021 (Unaudited)	As at 31 December 2020 (Published)
Net asset value per ordinary share based on issued share capital (HK cents)	0.49	0.54	0.18	0.26

Net asset value per ordinary share is calculated based on the total number of issued shares as at 30 September 2021 and 31 December 2020 of 2,213,776,973 ordinary shares. There were no treasury shares as at both financial periods.

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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 third quarter ended 30 September 2020 ("3Q20") vs the third quarter ended 30 September 2021 ("3Q21"))

Revenue

The Group's revenue increased by approximately HK\$235,000 or 50.0% from approximately HK\$470,000 for 3Q20 to approximately HK\$705,000 for 3Q21.

The increase in revenue was solely 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 3Q21 compared to 3Q20;

All of the Group's revenue from interest income and loan referral services income were from the PRC (including HK).

Revenue	3Q21		3Q20		Year-on-year % change
	HK\$'000	%	HK\$'000	%	
Financing Activities					
-interest income	705	100.0	330	70.2	113.6
-loan referral services income	-	-	140	29.8	(100.0)
	<u>705</u>	<u>100.0</u>	<u>470</u>	<u>100.0</u>	<u>50.0</u>

The Group only operated in one principal market and has one principal business activity, namely financing business, in 3Q21 and 3Q20.

Other income

Other income increased by approximately HK\$2,000 or 1.0% from approximately HK\$194,000 in 3Q20 to HK\$196,000 in 3Q21. This was mainly attributed to foreign exchange investment gain following the Group's expansion into the foreign exchange investment business through Topping Tact Limited. Please refer to the announcement in relation to the acquisition of 51% equity interest in Topping Tact Limited dated 13 July 2021.

The increase is partly offset by: (a) a decrease in exchange gain in 3Q20 which resulted from the movement in foreign currency exchange rate of approximately HK\$35,000 in Singapore dollar ("S\$") and Hong Kong Dollar ("HK\$"); (b) a decrease in government grant of approximately HK\$30,000; and (c) a decrease in sundry income of approximately HK\$128,000.

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Administrative expenses

Administrative expenses decreased by approximately HK\$214,000 or 18.4% from approximately HK\$1.16 million in 3Q20 to approximately HK\$946,000 in 3Q21. This was mainly attributed to lower expenses incurred for the legal and professional fee of approximately HK\$266,000 due to less legal related work such as legal cause of action to recover all outstanding sums in connection with the recovery of the Deposit for the purchase of nickel ore from the guarantors, Mr Wang De Wei and Mr Wang Jun Zhe (who are minority shareholders of HK Silver and who are family members of WDZ) (collectively the “Guarantors”) (“Deposit from the Guarantors”), as well as the charge of shares in a mining company. This was partially offset by an increase in guarantee fee of approximately HK\$40,000 in relation to the financing activities business.

Finance costs

Finance costs increased by approximately HK\$60,000 or 142.9% from approximately HK\$42,000 in 3Q20 to approximately HK\$102,000 in 3Q21 due to higher borrowing to finance the loan and advance in financing activities.

Loss before taxation

As a result of the above, the Group for the 3Q21 had recorded a loss before taxation of approximately HK\$147,000 (3Q20: approximately HK\$538,000).

Taxation

Taxation of approximately HK\$20,000 was provided for Hong Kong subsidiaries in 3Q21 (3Q20: HK\$Nil). The provision in 3Q21 was due to under-provision of taxation of approximately HK\$20,000 in FY2020. (No taxation was provided for 3Q20).

Nine months ended Results (the nine months ended 2020 (“9M20”) vs the nine months ended 2021 (“9M21”))

Revenue

The Group’s revenue increased by approximately HK\$915,000 or 78.2% from approximately HK\$1.17 million for 9M20 to approximately HK\$2.09 million for 9M21.

The increase in revenue was mainly attributed to: (a) increase in interest income; and (b) loan referral services income from the financing business due to an increase in amount of loan disbursements in the PRC (including HK) during 9M21 compared to 9M20;

All of the Group’s revenue from interest income and loan referral services income were from the PRC (including HK).

Revenue	9M21		9M20		Year-on-year % change
	HK\$'000	%	HK\$'000	%	
Financing Activities					
-interest income	1,785	85.6	1,030	88.0	73.3
-loan referral services income	300	14.4	140	12.0	114.3
	<u>2,085</u>	<u>100.0</u>	<u>1,170</u>	<u>100.0</u>	<u>78.2</u>

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The Group only operated in one principal market and has one principal business activity, namely financing business, in 9M21 and 9M20.

Other income

Other income decreased by approximately HK\$460,000 or 66.6% from approximately HK\$691,000 in 9M20 to approximately HK\$231,000 in 9M21. This was mainly attributed to: (a) a decrease in exchange gain in 9M20 which was resulted from the movement in foreign currency exchange rate in relation to settlement of convertible bonds in 9M20 as the convertible bonds were denominated in S\$ and S\$ has weakened against HK\$ during the relevant period; (b) a decrease in government grant of approximately HK\$30,000; and (c) a decrease in sundry income of approximately HK\$128,000. The decrease was partially offset by (a) the write back of Warrants by approximately HK\$35,000 which has expired in February 2021; and (b) foreign exchange investment gain following the Group's expansion into the foreign exchange investment business through Topping Tact Limited.

Administrative expenses

Administrative expenses decreased by approximately HK\$91,000 or 3.0% from approximately HK\$3.05 million in 9M20 to approximately HK\$2.96 million in 9M21. This was mainly attributed to lower expenses incurred for the legal and professional fee of approximately HK\$117,000 due to less legal related work such as legal cause of action to recover all outstanding sums in connection with the Deposit from the Guarantors, as well as the charge of shares in a mining company. This was partially offset by an increase in guarantee fee of approximately HK\$40,000 paid to the financing activities business.

Finance costs

Finance costs decreased by approximately HK\$161,000 or 46.5% from approximately HK\$346,000 in 9M20 to approximately HK\$185,000 in 9M21 due to redemption of the convertible bonds in February 2020 which amounted to approximately HK\$227,000 in 9M20. This was partially offset by an increase in interest expense due to higher borrowing to finance the loan and advance in financing activities.

Share of loss of an associate

The associate, PT Global Linker Indonesia ("PTGLI") has incurred losses of approximately HK\$389,000 in 9M21 (9M20: losses of approximately HK\$992,000) but there was no share of loss of associate recognized in 9M21 and 9M20 as the investment in PTGLI had been fully impaired in financial year ended 31 December 2019 and the Group will no longer further invest or contribute to PTGLI.

Loss before taxation

As a result of the above, the Group had recorded a loss before taxation of approximately HK\$827,000 (9M20: approximately HK\$1.53 million).

Taxation

Taxation of approximately HK\$20,000 was provided for Hong Kong subsidiaries in 9M21 (9M20: HK\$Nil). The provision in 9M21 due to under-provision of taxation of approximately HK\$20,000 in FY2020. (No taxation was provided for 9M20).

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Statement of financial position

Non-current assets

Non-current assets increased by approximately HK\$25,000 from approximately HK\$ Nil as at 31 December 2020 to approximately HK\$25,000 as at 30 September 2021. This was mainly attributed to the goodwill arising from the acquisition of Topping Tact Limited for the foreign exchange investment business.

Current assets

Current assets increased by approximately HK\$24.8 million from approximately HK\$20.6 million as at 31 December 2020 to approximately HK\$45.4 million as at 30 September 2021. This was mainly attributed to: (a) an increase in financial assets at fair value through profit or loss of approximately HK\$16.2 million from the foreign exchange investment business; and (b) an increase in cash and bank balances of approximately HK\$8.3 million due mainly to repayment of loans and advances and proceeds from bank loans.

Current liabilities

Current liabilities increased by approximately HK\$25.6 million from approximately HK\$9.0 million as at 31 December 2020 to approximately HK\$34.6 million as at 30 September 2021. The increase was mainly attributed to: (a) an increase in net borrowings by approximately HK\$25.3 million to finance the working capital and the foreign exchange investment business of the Group; and (b) an increase in trade and other payables by approximately HK\$567,000 due to the increase in other payables.

The increase was partially offset by a decrease in (a) current tax liabilities due to the payment of tax expenses for financing activities; and (b) decrease in Warrants which had expired on 23 February 2021.

Liquidity and cash flow

During 9M21, the Group's net cash used in operating activities was approximately HK\$610,000. This was mainly attributed to: (a) increase in trade and other receivables of approximately HK\$115,000; (b) loss before taxation from operations with adjustments for non-cash items of approximately HK\$635,000; and (c) increase in trade and other payables of approximately HK\$477,000.

The Group's net cash used in investing activities was approximately HK\$6.2 million. This was mainly attributed to: (a) increase in investment in foreign exchange of approximately HK\$6.2 million; and (b) net cash acquired for the acquisition of Topping Tact Limited of approximately HK\$43,000.

The Group's net cash generated from financing activities was approximately HK\$5.4 million. This was mainly attributed to: (a) proceeds from other borrowings of approximately HK\$29.4 million to finance the working capital of the Group; and (b) repayment of other borrowings of approximately HK\$18.8 million; and (c) increase in pledged bank deposits of approximately HK\$5.0 million.

As a result of the above, the Group's net decrease in cash and cash equivalents was approximately HK\$1.4 million.

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As at 30 September 2021, the Group had cash and cash balance of HK\$12.0 million (31 December 2020: HK\$3.7 million) and unutilised banking facilities of approximately HK\$1.0 million (31 December 2020: HK\$781,000). See Section E Note 17 of this announcement.

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 except that Mr. Wang Dezhou (“WDZ”) has made some repayment of approximately USD5,000 recently and will continue to do so when he has surplus funds. The Group will continue to pursue the repayment while considering the various course of action which includes a) arranging the funds required to continue with the legal course of action and b) settlement proposal by WDZ by way of ownership of certain mining concessions in Indonesia (“Proposed Settlement”). However, due to the travel restrictions as result of the COVID-19, the Group’s management is unable to meet with WDZ to discuss the terms further and to visit the mining sites in Indonesia to have a better understanding of the operations of the nickel ore mining concessions owned or managed by WDZ which are part of the terms of the Proposed Settlement. In addition, the Group’s management is also considering and evaluating the listing rules, legal, accounting and operations issues in relation to the Proposed Settlement.

Financing business

During 9M21, 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.

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

Forex investment

As at 13 July 2021, the Group acquired 51% of the total issued and paid-up share capital of Topping Tact Limited (“TTL”). Please refer to the announcement in relation to the acquisition dated 13 July 2021.

TTL is principally operating in the business of the forex investment.

Up to the date of this announcement, the Group has drawn down loan of approximately HK\$7.8 million pursuant to the Loan Agreement as disclosed in the announcement in relation to the acquisition dated 13 July 2021. The loan proceeds are used for the purpose of investment in forex contracts.

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The Group expects the forex investment to contribute to the Group's revenue for the next 6-12 months.

Other updates

The Group is currently still in negotiation with several potential targets on an acquisition opportunity. No definitive agreement has been reached as of to date other than as disclosed in 13 July 2021.

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 9M21, the Group expanded its working capital base via debt. In addition, the Group has expanded its revenue stream to include forex investment as announced on 13 July 2021.

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

In late December 2019, the COVID-19 outbreak in the PRC (including HK) and other countries has led to public health and safety concerns and the implementation of certain policies by the governmental authorities to safeguard the health and safety for the general public and to limit the potential impact of the outbreak. At the same time, it has also resulted in significant slow down in economic activities worldwide.

As at to date, to the best knowledge and information of the management, we are not aware of any of our customers experiencing material adverse financial performance due to the outbreak. Nevertheless, the overall regional economy in the PRC (including HK) will remain challenging for the next 6 months. This in turn will affect the Group's future development in the next reporting period and the next 12 months as potential or current customers may be financially affected by the COVID-19.

As of 30 September 2021, the Group has net assets of approximately HK\$10.7 million and net current assets of HK\$10.7 million, including cash and cash balances of approximately HK\$12.0 million. Cash flow forecast was prepared up to 30 September 2022 and it showed a net positive cash position as at 31 December 2021 and 30 September 2022. Based on the assumptions that there will be no collection problems in the Financing Business 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.

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.

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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 interim dividend has been declared or recommended for the financial period ended 30 September 2021 as the Company is in the loss-making position.

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. 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 Catalyst Rules.

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15. Disclosure of acquisition and sale of shares under Rule 706A

During 3Q21, the Group acquired 51% of the total issued and paid-up share capital of Topping Tact Limited (“TTL”) for HK\$5,100 (equivalent to approximately S\$888 based on an exchange rate of S\$1 : HK\$5.74 as at 12 July 2021). The acquisition was funded by internal resources and is not expected to have any material impact on the Group’s earnings per share and net tangible assets per share for the current financial year ending 31 December 2021. Please refer to the announcement in relation to the acquisition dated 13 July 2021.

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

Vincent Cheung Chun Wai
Executive Director

11 November 2021

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JOYAS INTERNATIONAL HOLDINGS LIMITED

NEGATIVE ASSURANCE CONFIRMATION

Confirmation by Directors pursuant to Catalist Rule 705(5)

We, the undersigned, 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 three and nine months ended 30 September 2021 to be false or misleading in any material aspect.

For and on behalf of the
Board of Directors of
Joyas International Holdings Limited

Vincent Cheung Chun Wai
Executive Director

Ong Chor Wei
Non Executive Director

Date: 11 November 2021

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

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