

JES INTERNATIONAL HOLDINGS LIMITED

(Company Registration No. 200604831K)
(Incorporated in the Republic of Singapore)

BOARD STATEMENT TO THE EMPHASIS OF MATTER BY AUDITORS ON FINANCIAL STATEMENTS

JES International Holdings Limited (the “**Company**”) refers to its announcement released on 4 April 2014 titled as “Corrigendum to announcement released on 4 April 2014 (Reference No. SG140404OTHRU9BT)” (Announcement Reference: SG140404OTHR80IX) (the “**Earlier Announcement**”). The capitalized terms used in this announcement shall have the same meaning as set out in the Earlier Announcement.

Further to the Earlier Announcement, the Board of the Company wishes to add that the Company and the Group would be able to continue as a going concern and its shares can continue trading on the SGX-ST. In arriving at its opinion, the Board has considered, *inter alia*, the following:

(i) Continued support from the Group’s principal bankers

The Group’s principal bankers are aware of the current financial position of the Group. The Group has not encountered and currently does not encounter difficulties in continuing to utilise its existing banking facilities. The Group does not foresee any sudden recall of such borrowings from its bankers. In addition, the Group has secured additional banking facilities amounting to RMB135 million from various financial institutions subsequent to the financial year end. The Group is also in the process of securing an Equity Line Facility from another investor of up to approximately RMB217 million (or approximately US\$35,000,000).

(ii) Fund raising via capital market

The Company may also look to raise additional funds from other avenues in the debt and equity market. For example, the Company has on 3 March 2014 entered into placement agreements with Merlion Capital Pte Ltd, Mr Lee Loi Sing, YA Global Master SPV and Mr Yin Xiangdong (the “**Subscribers**”), pursuant to which the Subscribers have agreed to subscribe for 50,000,000 new ordinary shares (the “**Subscription Shares**”) at S\$0.14463 for each Subscription Share (the “**Placement**”). The gross proceeds from the Placement of approximately S\$7,231,500 (approximately RMB36 million) will be used towards the Company’s general working capital requirements, including but not limited to, trade payables and administrative expenses.

BY ORDER OF THE BOARD

JIN XIN
Chairman and Chief Executive Officer

7 April 2014