



## **Joyas International Holdings Limited**

(Incorporated in Bermuda)

Company Registration Number: 38991

Financial Statement And Related Announcement  
For the year ended 31 December 2014

# JOYAS INTERNATIONAL HOLDINGS LIMITED

## Full Year Financial Statement And Related Announcement for the Year Ended 31/12/2014

### 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 Comprehensive Income For the year ended 31 December 2014

##### The Group

	2014 (Unaudited) HK\$'000	2013 (Audited) HK\$'000	Change %
<b>Revenue</b>	81,930	91,618	(10.6)
Cost of sales	(75,674)	(72,346)	4.6
<b>Gross profit</b>	6,256	19,272	(67.5)
Other income	15,907	9,283	71.4
Selling and distribution costs	(2,904)	(4,449)	(34.7)
Administrative expenses	(11,369)	(19,598)	(42.0)
Other operating expenses	(23)	(475)	(95.2)
Finance costs	(1,035)	(1,086)	(4.7)
<b>Profit before income tax</b>	6,832	2,947	131.8
Income tax expense	(266)	(1,828)	(85.4)
<b>Profit for the year attributable to the owners of the Company</b>	6,566	1,119	486.8
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange gains on translation of financial statements of foreign operations	-	349	(100.0)
Reclassification adjustment for translation reserve upon disposal of subsidiaries	-	(6,810)	(100.0)
<b>Total other comprehensive income, net of tax</b>	-	(6,461)	(100.0)
<b>Total comprehensive income for the year attributable to the owners of the Company</b>	6,566	(5,342)	NM

NM: not meaningful

The Group's profit before income tax is arrived at after charging/(crediting):

	2014 (Unaudited) HK\$'000	2013 (Audited) HK\$'000	Change %
Interest income	(3)	(30)	(90.0)
Other income	(86)	(271)	(68.3)
Sales of scrap materials	(29)	(91)	(68.1)
Rental income from investment properties	(88)	(420)	(79.0)
Auditors' remuneration	780	670	16.4
Bad debts recovered	(108)	(1,293)	(91.6)
Cost of inventories recognised as expense, including	75,674	72,346	4.6
- Write-down of inventories to net realisable value	4,212	2,560	64.5
- Reversal of write-down of inventories to net realisable value	(2,160)	(14,791)	(85.4)
Impairment losses on trade receivables	7	412	(98.3)
Reversal of impairment loss on other receivables	-	(791)	(100.0)
Amortisation of leasehold land and land use rights	-	7	(100.0)
Depreciation of property, plant and equipment and investment properties	2,127	2,789	(23.7)
Write off of property, plant and equipment	15	63	(76.2)
Gain on disposals of subsidiaries	-	(6,305)	(100.0)
Gain on disposals of investment properties	(7,853)	-	NM
Gain on disposals of property, plant and equipment	(7,740)	(82)	9,339.0
Exchange losses, net	152	598	(74.6)
Operating lease rentals in respect of rented premises	805	2,344	(65.7)
Interest expenses	<u>1,035</u>	<u>1,086</u>	(4.7)

NM: 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.**

**Statement of Financial Position  
As at 31 December 2014**

**The Group**

	2014 (Unaudited) HK\$'000	2013 (Audited) HK\$'000
<b>ASSETS AND LIABILITIES</b>		
<b>Non-current assets</b>		
Property, plant and equipment	12,510	17,547
Investment properties	-	3,924
	<u>12,510</u>	<u>21,471</u>
<b>Current assets</b>		
Inventories	16,802	26,717
Trade receivables	15,765	17,630
Deposits, prepayments and other receivables	1,180	3,551
Prepaid tax	135	-
Pledged time deposits	-	2,241
Cash and bank balances	15,923	15,799
	<u>49,805</u>	<u>65,938</u>
<b>Current liabilities</b>		
Trade payables	14,448	7,125
Other payables and accruals	14,469	35,353
Bank borrowings	6,958	24,937
Tax payables	54	176
	<u>35,929</u>	<u>67,591</u>
<b>Net current assets/(liabilities)</b>	<u>13,876</u>	<u>(1,653)</u>
<b>Net assets</b>	<u>26,386</u>	<u>19,818</u>
<b>EQUITY</b>		
<b>Equity attributable to the owners of the Company</b>		
Share capital	3,548	3,547
Reserves	22,838	16,271
<b>Total equity</b>	<u>26,386</u>	<u>19,818</u>

**Statement of Financial Position (continued)**  
**As at 31 December 2014**

**The Company**

	2014 (Unaudited) HK\$'000	2013 (Audited) HK\$'000
<b>ASSETS AND LIABILITIES</b>		
<b>Non-current assets</b>		
Interests in subsidiaries	8	8
<b>Current assets</b>		
Prepayments and other receivables	291	278
Amount due from a subsidiary	4	-
Cash and bank balances	4,036	7,582
	<u>4,331</u>	<u>7,860</u>
<b>Current liabilities</b>		
Other payables and accruals	557	540
Amounts due to a subsidiary	7	8
	<u>564</u>	<u>548</u>
<b>Net current assets</b>	<u>3,767</u>	<u>7,312</u>
<b>Net assets</b>	<u><u>3,775</u></u>	<u><u>7,320</u></u>
<b>EQUITY</b>		
Share capital	3,548	3,547
Reserves	227	3,773
<b>Total equity</b>	<u><u>3,775</u></u>	<u><u>7,320</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 31 December 2014		As at 31 December 2013	
Secured (Unaudited) HK\$'000	Unsecured (Unaudited) HK\$'000	Secured (Audited) HK\$'000	Unsecured (Audited) HK\$'000
6,958	-	24,937	-

**Amount repayable after one year**

As at 31 December 2014		As at 31 December 2013	
Secured (Unaudited) HK\$'000	Unsecured (Unaudited) HK\$'000	Secured (Audited) HK\$'000	Unsecured (Audited) HK\$'000
-	-	-	-

**Details of any collateral**

As at 31 December 2014, the Group's banking facilities granted amounted to approximately HK\$8.0 million (31 December 2013: approximately HK\$28.3 million) of which approximately HK\$7.0 million (31 December 2013: HK\$24.9 million) were utilised. These facilities were secured by legal charges over certain of the Group's leasehold land classified as finance lease and leasehold buildings, and personal guarantee provided by one executive director of the Company.

**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 year ended 31 December 2014**

**The Group**

	2014 (Unaudited) HK\$'000	2013 (Audited) HK\$'000
<b>Cash flows from operating activities</b>		
Profit before income tax	6,832	2,947
Adjustments for:		
Interest income	(3)	(30)
Depreciation	2,127	2,789
Amortisation	-	7
Gain on disposals of investment properties	(7,853)	-
Gain on disposals of property, plant and equipment	(7,740)	(82)
Gain on disposals of subsidiaries	-	(6,305)
Bad debts recovered	(108)	(1,293)
Impairment losses on trade receivables	7	412
Reversal of impairment loss on other receivables	-	(791)
Write-down/(Reversal of write-down) of inventories to net realisable value, net	2,052	(12,231)
Write-off of property, plant and equipment	15	63
Interest expenses	1,035	1,086
Operating loss before working capital changes	(3,636)	(13,428)
Decrease in inventories	7,863	6,842
Decrease/(Increase) in trade receivables	1,966	(2,732)
Decrease in deposits, prepayments and other receivables	1,491	2,312
Increase in trade payables	7,323	984
Decrease in other payables and accruals	(19,885)	(1,527)
<b>Cash used in operations</b>	(4,878)	(7,549)
Interest paid	(1,035)	(1,086)
Income tax paid	(523)	(1,456)
<b>Net cash used in operating activities</b>	(6,436)	(10,091)

**Consolidated Statement of Cash Flows (continued)**  
**For the year ended 31 December 2014**

**The Group (continued)**

	2014 (Unaudited) HK\$'000	2013 (Audited) HK\$'000
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(285)	(464)
Proceeds from disposals of investment properties	11,688	-
Proceeds from disposals of property, plant and equipment	10,670	82
Net cash inflow/(outflow) from disposals of subsidiaries	220	(388)
Interest received	3	30
<b>Net cash generated/(used in) from investing activities</b>	<b>22,296</b>	<b>(740)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	2	6,276
Share issuing expense	-	(128)
Proceeds from new bank borrowings	27,408	69,436
Repayments of bank borrowings	(44,286)	(60,804)
Decrease/(Increase) in pledged time deposits	2,241	(12)
Capital element of finance lease rental payments	-	(326)
<b>Net cash (used in)/generated from financing activities</b>	<b>(14,635)</b>	<b>14,442</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,225</b>	<b>3,611</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>14,698</b>	<b>11,082</b>
<b>Effect of foreign exchange rate changes</b>	<b>-</b>	<b>5</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>15,923</b>	<b>14,698</b>
<b>Analysis of balances of cash and cash equivalents</b>		
Cash and bank balances	15,923	15,799
Bank overdrafts	-	(1,101)
	<b>15,923</b>	<b>14,698</b>

**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.**

**Statement of Changes in Equity  
For the year ended 31 December 2014**

**The Group**

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Statutory reserve HK\$'000	Translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Balance as at 1 January 2013 (audited)	3,225	22,890	52,677	58	6,461	(66,299)	19,012
Issue of shares upon placing	320	5,907	-	-	-	-	6,227
Issue of shares upon exercise of warrants	2	47	-	-	-	-	49
Share issuing expense	-	(128)	-	-	-	-	(128)
Transactions with owners	322	5,826	-	-	-	-	6,148
Transfer to reserve	-	-	-	(58)	-	58	-
Profit for the year	-	-	-	-	-	1,119	1,119
Other comprehensive income:							
- Exchange gain on translation of financial statements of foreign operations	-	-	-	-	349	-	349
- Reclassification adjustment for translation reserve upon disposals of subsidiaries	-	-	-	-	(6,810)	-	(6,810)
Total comprehensive income for the year	-	-	-	-	(6,461)	1,119	(5,342)
Balance as at 31 December 2013 and 1 January 2014 (audited)	3,547	28,716	52,677	-	-	(65,122)	19,818
Issue of shares upon exercise of warrants	1	1	-	-	-	-	2
Transaction with owners	1	1	-	-	-	-	2
Profit and total comprehensive income for the year	-	-	-	-	-	6,566	6,566
Balance as at 31 December 2014 (unaudited)	3,548	28,717	52,677	-	-	(58,556)	26,386

**Statement of Changes in Equity (continued)**  
**For the year ended 31 December 2014**

**The Company**

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Balance as at 1 January 2013 (audited)	3,225	22,890	75,659	(98,222)	3,552
Issue of shares upon placing	320	5,907	-	-	6,227
Issue of shares upon exercise of warrants	2	47	-	-	49
Share issuing expense	<u>-</u>	<u>(128)</u>	<u>-</u>	<u>-</u>	<u>(128)</u>
Transactions with owners	322	5,826	-	-	6,148
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,380)</u>	<u>(2,380)</u>
Balance as at 31 December 2013 and 1 January 2014 (audited)	3,547	28,716	75,659	(100,602)	7,320
Issue of shares upon exercise of warrants	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>2</u>
Transaction with owners	1	1	-	-	2
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,547)</u>	<u>(3,547)</u>
Balance as at 31 December 2014 (unaudited)	<u>3,548</u>	<u>28,717</u>	<u>75,659</u>	<u>(104,149)</u>	<u>3,775</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, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

	Note	Number of shares	HK\$'000
Authorised:			
As at 1 January 2013, 31 December 2013, 1 January 2014 and 31 December 2014, ordinary shares of HK\$0.01 each		10,000,000,000	100,000
Issued and fully paid:			
As at 1 January 2013, ordinary shares of HK\$0.01 each		322,510,638	3,225
Issue of shares upon placing of HK\$0.01 each		32,000,000	320
Issue of shares upon exercise of warrants of HK\$0.01 each		160,000	2
As at 31 December 2013 and 1 January 2014, ordinary shares of HK\$0.01 each		354,670,638	3,547
Issue of shares upon exercise of warrants of HK\$0.01 each	(i)	95	1
As at 31 December 2014, ordinary shares of HK\$0.01 each		354,670,733	3,548

Note:

- (i) On 2 January 2014, 95 warrants have been exercised. 160,095 warrants have been exercised since the issue date. As at 31 December 2014, the number of outstanding warrants was 107,343,448.

As at the end of the financial period currently being reported on, the number of shares that could have been issued on conversion of the Company's outstanding warrants is as follows:

	As at 31 December 2014 (Unaudited)	As at 31 December 2013 (Audited)
Total number of shares that may be issued on conversion of the Company's outstanding warrants	<u>107,343,448</u>	<u>107,343,543</u>

Except as discussed above, there were no outstanding options or other convertible securities as at 31 December 2014.

**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.**

**The Company and the Group**

	As at 31 December 2014 (Unaudited)	As at 31 December 2013 (Audited)
Total number of issued shares	354,670,733	354,670,638
Total number of treasury shares	-	-
Total number of issued shares excluding treasury shares	<u>354,670,733</u>	<u>354,670,638</u>

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**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 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 2013, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning from 1 January 2014. The adoption of the new/revised accounting standards and interpretations does not have any material effect on the financial statements of the Group.

**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.**

Not applicable.

**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**

	Year ended 31 December 2014 (Unaudited)	2013 (Audited)
Profit for the year attributable to owners of the Company (HK\$'000)	<u>6,566</u>	<u>1,119</u>
Weighted average number of ordinary shares in issue ('000)	<u>354,671</u>	<u>342,456</u>
Basic and diluted earnings per ordinary share (HK cents)	<u>1.85</u>	<u>0.33</u>

**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.**

**The Group**

	As at 31 December 2014 (Unaudited)	As at 31 December 2013 (Audited)
Net asset value per ordinary share (HK cents)	<u>7.44</u>	<u>5.59</u>

**The Company**

	(Unaudited)	(Audited)
Net asset value per ordinary share (HK cents)	<u>1.06</u>	<u>2.06</u>

Net asset value per ordinary share is calculated based on the total number of issued shares excluding treasury shares as at 31 December 2014 of 354,670,733 (31 December 2013: 354,670,638) ordinary shares.

**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 Comprehensive Income**

*Revenue*

The Group's revenue decreased by approximately HK\$9.7 million or 10.6% from approximately HK\$91.6 million in FY2013 to approximately HK\$81.9 million in FY2014.

Revenue	FY2014		FY2013		Year-on-year
	HK\$'000	%	HK\$'000	%	% change
Metal Gift Products	60,272	73.6	70,667	77.1	(14.7)
Jewellery Products	21,658	26.4	20,951	22.9	3.4
Total	81,930	100.0	91,618	100.0	(10.6)

The lower sales in metal gift products was due to lesser demand from a major customer and lower orders from customers due to weak markets in particular USA.

*Cost of sales and gross profit*

Cost of sales increased by approximately HK\$3.4 million or 4.6% from approximately HK\$72.3 million in FY2013 to approximately HK\$75.7 million in FY2014. The higher cost of sales was mainly due to (a) increase in subcontracting charge of approximately HK\$6.8 million in FY2014 as all production of metal gift products were outsourced; and (b) the reversal of write down of inventories of approximately HK\$2.2 million in FY2014 (FY2013: HK\$14.8 million). The increase was partly offset by a decrease in direct labour cost of approximately HK\$11.0 million in FY2014 and manufacturing overhead for electricity and water of approximately HK\$2.9 million in FY2014 as a result of the disposals of subsidiaries in FY2013, which were manufacturing function to the Group.

Decrease in overall gross profit margin from 21.0% in FY2013 to 7.6% in FY2014 was mainly due to sale of aged inventories to a former subsidiary at lower profit margin. The overall gross profit decreased by approximately HK\$13.0 million or 67.5% from approximately HK\$19.3 million in FY2013 to approximately HK\$6.3 million in FY2014. The decrease was mainly due to drop in sales in metal gift products and lower gross profit margins.

*Other income*

Other income increased by approximately HK\$6.6 million or 71.4% from approximately HK\$9.3 million in FY2013 to approximately HK\$15.9 million in FY2014. The increase was mainly attributed to gain on disposals of property, plant and equipment and investment properties. There was no such gains in FY2013.

### *Selling and distribution costs*

Selling and distribution costs decreased by approximately HK\$1.5 million or 34.7% from approximately HK\$4.4 million in FY2013 to approximately HK\$2.9 million in FY2014. The decrease was mainly attributed to downsizing of staff.

### *Administrative expenses*

Administrative costs decreased by approximately HK\$8.2 million or 42.0% from approximately HK\$19.6 million in FY2013 to approximately HK\$11.4 million in FY2014. The decrease was mainly attributed to reduction of expenses in the People's Republic of China (the "PRC") due to disposal of subsidiary located in the PRC in FY2013.

### *Other operating expenses*

Other operating expenses decreased by approximately HK\$452,000 or 95.2% from approximately HK\$475,000 in FY2013 to approximately HK\$23,000 in FY2014. The decrease was mainly attributed to less provision for impairment losses on trade receivables in FY2014 compared to FY2013.

### *Finance costs*

Finance costs decreased by approximately HK\$51,000 or 4.7% from approximately HK\$1.1 million in FY2013 to approximately HK\$1.0 million in FY2014 due to repayment of bank loans towards the end of the year.

### *Profit before income tax*

The Group had recorded a profit before income tax of approximately HK\$6.8 million in FY2014 (FY2013: approximately HK\$2.9 million). The increase was mainly attributed to gain on disposals of property, plant and equipment and investment properties.

### *Income tax expense*

Income tax expense of HK\$266,000, of which approximately HK\$260,000 was in respect of under provision in prior years, were provided for the Hong Kong subsidiaries in FY2014 (FY2013: HK\$226,000).

For FY2013, HK\$1.6 million in respect of additional estimated tax assessment for offshore claims on manufacturing operations and assessable profits in prior years for two former subsidiaries.

## **Statement of Financial Position**

### *Non-current assets*

Non-current assets decreased by approximately HK\$9.0 million from approximately HK\$21.5 million as at 31 December 2013 to approximately HK\$12.5 million as at 31 December 2014. The decrease in property, plant and equipment was mainly due to disposals of property, plant and equipment and investment properties.

### *Current assets*

Current assets decreased by approximately HK\$16.1 million from approximately HK\$65.9 million as at 31 December 2013 to approximately HK\$49.8 million as at 31 December 2014. The decrease was mainly due to (a) decrease in trade receivables of approximately HK\$1.9 million as a result of lower turnover; and (b) decrease in inventories of approximately HK\$9.9 million as a result of lower level of inventories kept by the Group.

### *Current liabilities*

Current liabilities decreased by approximately HK\$31.7 million from approximately HK\$67.6 million as at 31 December 2013 to approximately HK\$35.9 million as at 31 December 2014. The decrease was mainly due to (a) decrease in bank borrowings; and (b) decrease in other payables due to settlement of other payables which comprised mainly of balance due to former subsidiaries.

### **Liquidity and cash flow**

As at 31 December 2014, the Group had cash and bank balances of approximately HK\$15.9 million and no bank overdraft (31 December 2013: cash and bank balances of approximately HK\$15.8 million and bank overdraft of approximately HK\$1.1 million), and unutilised banking facilities of approximately HK\$1.0 million (31 December 2013: approximately HK\$3.4 million).

### **Use of Net Proceeds from the placement**

The Board wishes to update the shareholders of the Company on the Group's utilisation of the net proceeds of approximately S\$984,000 from the placement as at 20 August, 2013 as set out below:

<b>Use of proceeds</b>	<b>Amount of net proceeds allocated (S\$'000)</b>	<b>Amount utilised to date (S\$'000)</b>	<b>Amount unutilised to date (S\$'000)</b>
General working capital	984	745 <sup>1</sup>	239
Total	984	745	239

The allocation and utilisation of the proceeds from the placement is in accordance with the intended use as stated in the placement announcements. The Company will make further announcements when the remaining net proceeds from the placement are materially disbursed.

<sup>1</sup>The amount of net proceeds for general working capital utilised is used for administrative expenses.

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

Not applicable.

**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.**

The Group expects the outlook of its principal markets, namely USA and Europe, will continue to be uncertain and sales to USA and Europe will remain weak.

The Group will continue its efforts to expand sales, apply stringent cost controls and develop new and innovative design of its products to enhance competitiveness.

On 8 January 2015, the Group has obtained shareholders' approval for the proposed diversification of the Company's business to include the nickel distribution and trading business.

On 16 February 2015, the Group made an announcement in relation to the valid acceptances and excess applications for the Warrants and Convertible Bonds received in relation to the Offer Information Statement dated 26 January 2015. The Group received SGD181,740 of gross proceeds from the Warrants and SGD3,503,460 from the Convertible Bonds.

On 16 February 2015, pursuant to the diversification above, the Group's wholly owned subsidiary, Asiapac Growth Holdings Limited ("Asiapac"), has entered into an investment agreement with Hong Kong Silver Basic Group Limited ("HK Silver"), represented by Ms Wang Jun Zhe and Mr Wang De Zhou, the Chief Executive Officer of HK Silver. Asiapac will acquire 70% of the total issued and paid up share capital of HK Silver with a purchase consideration of HK\$700,000 in cash, to be paid six (6) months after completion of the Investment Agreement. Please refer to announcement made on 17 February 2015 for details.

From time to time, the Group is looking for suitable investment opportunities to improve shareholders returns.

**11. Dividend**

***(a) Current Financial Period Reported On***

Any dividend recommended/declared for the current financial period reported on?

None.

***(b) Corresponding Period of the Immediately Preceding Financial Year***

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared/recommendeded, a statement to that effect.**

The Directors did not recommend any payment of dividend for the financial year ended 31 December 2014.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Information regarding the Group's reportable segments as provided to the Group's executive directors is set out below:

Year ended 31 December

	<b>Metal gift products</b>		<b>Jewellery products</b>		<b>Total</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
Reportable segment revenue:						
From external customers	<u><b>60,272</b></u>	<u>70,667</u>	<u><b>21,658</b></u>	<u>20,951</u>	<u><b>81,930</b></u>	<u>91,618</u>
Reportable segment (loss)/profit	<u><b>(3,084)</b></u>	<u>1,740</u>	<u><b>(411)</b></u>	<u>(2,764)</u>	<u><b>(3,495)</b></u>	<u>(1,024)</u>
Amortisation/depreciation of leasehold land and land use rights and property, plant and equipment and investment properties	<b>1,851</b>	2,320	<b>3</b>	59	<b>1,854</b>	2,379
Bad debts recovered	-	-	<b>(108)</b>	(1,293)	<b>(108)</b>	(1,293)
Impairment losses on trade receivables	-	95	<b>7</b>	317	<b>7</b>	412
Write-down/(Reversal of write-down) of inventories to net realisable value, net	<b>696</b>	(8,824)	<b>1,356</b>	(3,407)	<b>2,052</b>	(12,231)
Reportable segment assets	<b>13,674</b>	30,142	<b>28,090</b>	26,264	<b>41,764</b>	56,406
Additions to non-current segment assets during the year	<b>280</b>	444	<b>5</b>	6	<b>285</b>	450
Reportable segment liabilities	<u><b>18,420</b></u>	<u>34,512</u>	<u><b>7,365</b></u>	<u>4,944</u>	<u><b>25,785</b></u>	<u>39,456</u>

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

	<b>2014</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2013 (Audited) HK\$'000
Reportable segment revenues	<u><b>81,930</b></u>	<u>91,618</u>
Group revenues	<u><b>81,930</b></u>	<u>91,618</u>
Reportable segment loss	<b>(3,495)</b>	(1,024)
Gain on disposals of property, plant and equipment	<b>7,500</b>	82
Gain on disposals of investment properties	<b>7,853</b>	-
Unallocated corporate income	<b>96</b>	7,994
Corporate legal and professional fees	<b>(1,819)</b>	(1,089)
Unallocated corporate expenses	<b>(2,268)</b>	(1,930)
Finance costs	<b>(1,035)</b>	(1,086)
Profit before income tax	<u><b>6,832</b></u>	<u>2,947</u>
Reportable segment assets	<b>41,764</b>	56,406
Pledged time deposits	-	2,241
Cash and bank balances	<b>15,923</b>	15,799
Other corporate assets	<u><b>4,628</b></u>	<u>12,963</u>
Group assets	<u><b>62,315</b></u>	<u>87,409</u>
Reportable segment liabilities	<b>25,785</b>	39,456
Bank borrowings	<b>6,958</b>	24,937
Other corporate liabilities	<u><b>3,186</b></u>	<u>3,198</u>
Group liabilities	<u><b>35,929</b></u>	<u>67,591</u>

The Group's revenue from external customers and its non-current assets are divided into the following geographical areas:

	<b>Revenue from external customers</b>		<b>Non-current assets</b>	
	<b>2014</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2013 (Audited) HK\$'000	<b>2014</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2013 (Audited) HK\$'000
<b>Principal markets:</b>				
USA	<b>22,949</b>	26,823	-	-
Europe	<b>10,443</b>	10,384	-	-
The PRC (including Hong Kong)	<b>45,249</b>	49,064	<b>12,510</b>	21,471
Others	<u><b>3,289</b></u>	<u>5,347</u>	<u>-</u>	<u>-</u>
	<u><b>81,930</b></u>	<u>91,618</u>	<u><b>12,510</b></u>	<u>21,471</u>

The geographical location of customers is based on the location of the customers whilst that non-current assets is based on their physical location.

During the year, there was no revenue from external customers attributed to Bermuda (domicile) and no non-current assets were located in Bermuda (2013: Nil). The country of domicile is the country where the Company was incorporated for the purpose of the disclosures as required by IFRS 8 "Operating Segments".

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

As explained in paragraph 8.

**15. A breakdown of sales.**

Year ended 31 December

	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	Change %
<b>The Group</b>			
Sales reported for the first half	46,857	46,325	1.1
Net profit after tax reported for the first half	1,017	1,103	(7.8)
Sales reported in the second half	35,073	45,293	(22.6)
Net profit after tax reported in the second half	5,549	16	34,581.3

**16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

No dividend has been declared or recommended for FY2014 and FY2013.

**17. Summary of Interested Person Transactions for the financial year ended 31 December 2014.**

		Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
Interested Person	Description	FY2014 (Unaudited) HK\$'000	FY2013 (Audited) HK\$'000	FY2014 (Unaudited) HK\$'000	FY2013 (Audited) HK\$'000
Not Applicable					

**18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or CEO or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lau Ka Yiu	41	Son of the Managing Director, Mr Lau Chor Beng, Peter and nephew of the Executive Director, Mr Cheung Wai Hung, Danny	<p><b><u>Current Position:</u></b> General Manager of Royce Gifts &amp; Accessories Limited, a major subsidiary of Joyas International Holdings Limited ("JIHL"). He was previously the General Manager of Joyas Manufacturing Limited which was disposed during FY2013.</p> <p><b><u>Duties:</u></b> Responsible for the sales and marketing operation of the Group's Metal Gift Business</p> <p><b><u>Year position first held:</u></b> 15 May 2012</p>	Nil
Lau Chor Wing	56	Brother of the Managing Director, Mr Lau Chor Beng, Peter	<p><b><u>Current Position:</u></b> General Manager of Jewellery Business and Managing Director of J &amp; J Design Limited, a major subsidiary of JIHL. He was previously the General Manager of Jewellery Business and Managing Director of Master Creations Limited which was disposed during FY2013.</p> <p><b><u>Duties:</u></b> Responsible for daily operations and oversees the design and development of the Group's jewellery products.</p> <p><b><u>Year position first held:</u></b> 23 May 2012</p>	Nil

**BY ORDER OF THE BOARD**

Lau Chor Beng, Peter  
Managing Director  
27 February 2015