

**JOYAS INTERNATIONAL HOLDINGS LIMITED**  
(Incorporated in Bermuda with limited liability)  
(Registration No. 38991)  
(the “Company”)

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**(A) LETTER OF CLEARANCE RECEIVED FROM SGX-ST IN RELATION TO THE CIRCULAR FOR:**

**(1) THE PROPOSED DIVERSIFICATION OF THE BUSINESS OF THE GROUP INTO THE NICKEL DISTRIBUTION AND TRADING BUSINESS (THE “PROPOSED DIVERSIFICATION”);**

**(2) THE PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 354,670,733 WARRANTS BY THE COMPANY (THE “WARRANTS”) AT AN ISSUE PRICE OF S\$0.01 FOR EACH WARRANT (THE “ISSUE PRICE”) AND CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW COMMON SHARE IN THE CAPITAL OF THE COMPANY (THE “NEW SHARE”) AT THE EXERCISE PRICE OF S\$0.10 FOR EACH NEW SHARE, ON THE BASIS OF ONE (1) WARRANT FOR EVERY ONE (1) EXISTING COMMON SHARE IN THE CAPITAL OF THE COMPANY (THE “SHARE”) HELD BY SHAREHOLDERS OF THE COMPANY (THE “SHAREHOLDERS”) AS AT THE BOOKS CLOSURE DATE TO BE DETERMINED (THE “PROPOSED WARRANTS ISSUE”);**

**(3) PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO S\$5,320,060.99 IN AGGREGATE PRINCIPAL AMOUNT OF 7.0 PER CENT. CONVERTIBLE BONDS DUE 2019 (THE “CONVERTIBLE BONDS”), IN THE DENOMINATION OF S\$0.015 FOR EACH CONVERTIBLE BOND, ON THE BASIS OF ONE (1) CONVERTIBLE BOND FOR EVERY ONE (1) SHARE HELD BY SHAREHOLDERS AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED. THE CONVERTIBLE BONDS SHALL HAVE THE RIGHT OF CONVERSION INTO NEW COMMON SHARE(S) IN THE CAPITAL OF THE COMPANY (THE “CONVERSION SHARES”) (THE “PROPOSED CONVERTIBLE BONDS ISSUE”); AND**

**(4) THE PROPOSED AMENDMENTS TO THE JOYAS SHARE OPTION SCHEME (THE “PROPOSED SCHEME AMENDMENTS”);**

**(B) APPROVAL-IN-PRINCIPLE FROM THE SGX-ST OBTAINED IN CONNECTION WITH THE LISTING AND QUOTATION OF THE WARRANTS AND THE NEW SHARES IN RELATION TO THE PROPOSED WARRANTS ISSUE; AND**

**(C) APPROVAL-IN-PRINCIPLE FROM THE SGX-ST OBTAINED IN CONNECTION WITH THE LISTING AND QUOTATION OF THE CONVERTIBLE BONDS AND THE CONVERSION SHARES IN RELATION TO THE PROPOSED CONVERTIBLE BONDS ISSUE.**

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*Unless otherwise defined capitalised terms herein shall have the same meaning as ascribed to them in the Company's announcements dated 16 August 2013 (the "Diversification Announcement") and 16 December 2013 (the "Rights Issue Announcement").*

#### **(A) LETTER OF CLEARANCE FROM SGX-ST**

The Board of Directors (the "**Board**") of Joyas International Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 31 October 2014, received clearance letter from the SGX-ST regarding the circular for the following proposals (the "**Circular**"):

1. Proposed Diversification;
2. Proposed Warrants Issue;
3. Proposed Convertible Bonds Issue; and
4. Proposed Scheme Amendments.

The Shareholders should note that the Company had previously announced in the Diversification Announcement that it intended to diversify its business to include the Education Business and the Resources Business. The Company wishes to clarify that the Company will not be proceeding with the proposed diversification into the Education Business and the Resources Business. Further all agreements entered into by the Company in relation to the proposed diversification into the Education Business and the Resources Business had lapsed because of un-fulfillment of certain conditions precedents in those agreements.

In place of the proposed diversification into the Education Business and the Resources Business, the Company intends to diversify its business into the Nickel Distribution and Trading Business. The proposed business activities of the Nickel Distribution and Trading Business will include the following:

- (a) Obtaining confirmed sales orders from customers (including but not limited to customers in Hong Kong and the PRC);
- (b) Purchasing of nickel supplies from suppliers (including but not limited to suppliers in Indonesia and the Philippines);
- (c) Shipping of the nickel supplies from the port of origin to the port of destination (typically from ports in Indonesia or the Philippines to ports in Hong Kong or the PRC); and
- (d) Distributing the nickel supplies to the customers. For the avoidance of doubt, distribution is one of the activities in the trading business. After nickel supplies are transported to the port of destination, the Company will distribute the supplies to its customers.

The Company will provide further details on the proposed diversification into the Nickel Distribution and Trading Business in the Circular.

In relation to the Proposed Warrants Issue, the Company wishes to update the Shareholders that other than the adjustments made on: (1) the number of warrants to be issued by the Company; and (2) the utilization of the net proceeds from the Proposed Warrants Issue, there is no other revision on the details of the Proposed Warrants Issue, which had been announced in the Rights Issue Announcement.

In relation to the Proposed Convertible Bonds issue, the Company wishes to update the Shareholders that other than the adjustments made on: (1) the total aggregate principal amount of the Convertible Bonds to be issued by the Company; (2) the removal of the option for the Company

to issue further Convertible Bonds; (3) the removal of Company's election to pay additional discretionary interest and (4) the utilization of the net proceeds from the Proposed Convertible Bonds Issue, there is no other revision on the details of the Proposed Convertible Bonds Issue, which had been announced in the Rights Issue Announcement.

The Company intends to utilize the net proceeds from the Proposed Warrants Issue and the Proposed Convertible Bonds Issue in the manner as follows:

Intended Use of Net Proceeds from the Proposed Warrants Issue and the Proposed Convertible Bonds Issue	Percentage allocation
Exploration of and investment in business opportunities in the Nickel Distribution and Trading Business	80%
General working capital purposes, including the general purchase of inventories and payment of operating expenses	20%

The Company will be seeking the approval of Shareholders for, *inter alia*, the Proposed Diversification, the Proposed Warrants Issue, the Proposed Convertible Bonds Issue and the Proposed Scheme Amendments at an extraordinary general meeting (“EGM”) of the Company to be convened. The Circular will be dispatched to Shareholders in due course in connection with the proposed resolutions to be passed at the EGM. The Company will make a further announcement in this regard.

**(B) APPROVAL-IN-PRINCIPLE FROM THE SGX-ST OBTAINED IN CONNECTION WITH THE LISTING AND QUOTATION OF THE WARRANTS AND THE NEW SHARES IN RELATION TO THE PROPOSED WARRANTS ISSUE**

Further to the above, the Board is pleased to announce that the SGX-ST on 31 October 2014 granted its approval in-principle for the listing and quotation of up to 354,670,733 Warrants and up to 354,670,733 New Shares to be issued credited as fully-paid upon the exercise of the Warrants subject to the following conditions:

- (a) Compliance with SGX-ST's listing requirements;
- (b) Shareholders' approval for the Proposed Warrants Issue;
- (c) A written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Proposed Warrants Issue and exercise of Warrants and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
- (d) A written confirmation from financial institution(s) as required under Listing Rule 877(9) that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfill their obligations under its undertakings (if applicable);
- (e) A written confirmation from the Company that there is a satisfactory spread of warrant holders (at least 100) to provide an orderly market for the warrants in compliance with Listing Rule 826;
- (f) A written confirmation from the Company that the terms of the Warrants comply with Listing Rule 829(1);

- (g) A written confirmation from the Company that the terms of the warrant issue do not permit revision of the exercise price/ratio in any form, other than in compliance with Listing Rule 829(1);
- (h) A written confirmation from the Company that Listing Rule 877(10) will be complied with in relation to the allotment of any excess warrants; and
- (i) A written undertaking from the Company that Listing Rules 820, 830 and 831 will be complied with.

The approval-in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Proposed Warrants Issue, the Warrants, the New Shares, the Company and/or its subsidiaries.

**(C) APPROVAL IN PRINCIPLE FROM THE SGX-ST OBTAINED IN CONNECTION WITH THE LISTING AND QUOTATION OF THE CONVERTIBLE BONDS AND THE CONVERSION SHARES IN RELATION TO THE PROPOSED CONVERTIBLE BONDS ISSUE.**

The Board is also pleased to announce that the SGX-ST on 31 October 2014 granted its approval in-principle for the listing and quotation of the Convertible Bonds and the Conversion Shares subject to the following conditions:

- (a) Compliance with SGX-ST's listing requirements;
- (b) Shareholders' approval for the Proposed Convertible Bonds issue;
- (c) Announcement of the conditions under which the price of the Conversion Shares may be adjusted and the conditions under which the Convertible Bonds may be redeemed;
- (d) Submission of:-
  - i. A written confirmation from the Company that the terms of the Convertible Bonds comply with Listing Rule 829(1);
  - ii. A copy of the signed subscription agreement, agent bank agreement, and fiscal agency agreement;
  - iii. A written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Proposed Convertible Bonds Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
  - iv. A written confirmation from financial institution(s) as required under Listing Rule 877(9) that the shareholders who have given the irrevocable undertakings have sufficient financial resources to fulfill their obligations under its undertakings (if applicable);
  - v. A written confirmation from the Company that the terms of the Convertible Bonds do not permit revision of the conversion price/ratio in any form, other than in compliance with Listing Rule 829(1);
  - vi. A written confirmation from the Company that Listing Rule 877(10) will be complied with in relation to the allotment of any excess Convertible Bonds;
  - vii. Adequate disclosure of all risks and material information in the Offer Information Statement to enable investors to make an informed investment decision on the Convertible Bonds;

- viii. A written undertaking from the Company for the Company to make periodic announcements as and when proceeds from the Convertible Bonds issue are materially deployed, and to provide a status report on the use of the proceeds in the annual report of the Company;
- ix. A written undertaking from the Company that the Company will comply with Rule 308(8)(d), Rule 308(8)(e) and Rule 308(8)(f) of the Listing Manual;
- x. A written confirmation from the directors of the Company that a suitable trustee has been appointed prior to the issue of debt securities as required under Rule 308(4) of the Listing Manual;
- xi. A written confirmation from the Company that the requirements in Rule 316 and Part VI of Chapter 7 of the Listing Manual will be complied with by the Company;
- xii. A written undertaking from the Company in the format set out in Appendix 2.3.1 of the Listing Manual; and
- xiii. Other documents, such as a deed poll, that may be applicable to the issue of debt securities as required under Rule 314(7) of the Listing Manual.

The approval-in-principle granted by the SGX-ST is not to be taken as an indication of the merits of the Convertible Bonds, the Conversion Shares, the Company and/or its subsidiaries.

**By Order of the Board**

Lau Chor Beng, Peter  
Managing Director  
Joyas International Holdings Limited  
3 November 2014