

JOYAS INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Registration No. 38991)

(the "Company")

CLARIFICATION ON THE ANNUAL REPORT FOR FY2014

In response to the request of Singapore Exchange Securities Trading Limited (the "SGX-ST") for clarification on 21 April 2014, the Board of Directors (the "Board") of Joyas International Holdings Limited (the "Company", and together with its subsidiaries, the "Group") wishes to provide the following information in relation to its annual report ("Annual Report") for the financial year ended 31 December 2014:

Question 1: Guideline 11.3 of the Code of Corporate Governance 2012 (the "Code") states that the Board should comment in the Company's Annual Report on whether it has received assurance from the chief executive officer ("CEO") and the chief financial officer ("CFO"):

- (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and
- (b) regarding the effectiveness of the company's risk management and internal control systems.

We note that the Company did not mention if assurance was received from the CFO/Financial Controller. Please explain the reason(s) for the deviation from the recommendation.

Response: With reference to the Company's disclosure on page 58 of the Annual Report, the Board wishes to clarify and confirm that it has received assurance from the Managing Director and the Accounting Manager that (a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and (b) regarding the effectiveness of the company's risk management and internal control systems.

The Board and the Audit Committee of the Company have also reviewed the adequacy and effectiveness of the Group's internal controls and, based on the assurance received from the Managing Director and the Accounting Manager, are of the opinion that the Group's internal controls including financial, operational, compliance and information technology controls, and risk management systems, are adequate to meet the needs of the Group as at 31 December 2014. The Company will review the adequacy and effectiveness of its internal controls on an on-going basis and address any specific issues or risks whenever necessary.

Question 2: On page 62, it was disclosed that S\$745,000 of the placement proceeds was utilized for administrative expenses. Please provide the specific details and breakdown on such administrative expenses as required under the AIP conditions of the placement.

Response: With reference to the Company's disclosure on page 62 of the Annual Report, the Board wishes to clarify that administrative expenses, which the amount of S\$745,000 of net proceeds utilised for general working capital is used for, include: (i) professional expenses, such as the fees of auditors and legal advisers; (ii) wages and salaries; and (iii) office expenses.

By Order of the Board

Lau Chor Beng, Peter
Managing Director

21 April 2015