

# JES INTERNATIONAL HOLDINGS LIMITED

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

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- (1) **COMMENCEMENT OF LEGAL PROCEEDINGS AGAINST MS JU LI LI**
  - (2) **INVESTIGATION INTO FINANCIAL FINDINGS**
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- (1) **COMMENCEMENT OF LEGAL PROCEEDINGS AGAINST MS JU LI LI**

The Board of Directors (the “**Board**”) of JES International Holdings Limited (the “**Company**”, and collectively with its subsidiaries, the “**Group**”) wishes to announce that four (4) of the Company’s subsidiaries in the People’s Republic of China (the “**PRC**”), namely Jiangsu New Eastern Marine Engineering Equipment Co., Ltd, Jiangsu Nereus Shipyard Co., Ltd, Jingjiang Eastern Heavy Steel Structure Co., Ltd, and JYJJP Eastern Shipyard Supplies Co. Ltd, have commenced legal proceedings in the PRC against Ms Ju Li Li for the illegal possession of the Group’s administration records (including the constitutional documents of the Group), as well as the seals of all Chinese subsidiaries of the Company (the “**Seals**”) (the “**Group Paraphernalia**”). Ms Ju Li Li was an administrative officer of Jiangsu Eastern Heavy Industries Co., Ltd and had access to and was in possession of the Group Paraphernalia. Following the resignation of Mr Jin Xin, Ms Ju Li Li had absconded with the Group Paraphernalia.

- (2) **INVESTIGATION INTO FINANCIAL FINDINGS**

The Board also wishes to announce that during the Company’s periodic review of its financials, the Company had uncovered possible unauthorized payment(s) made to Mr Jin Xin, the former Chief Executive Officer (“**CEO**”) and Chairman of the Group, as well as questionable transactions between the Group and companies in which Mr Jin Xin’s interests are not declared. The Company had originally intended to conduct an in-depth investigation into the Company’s financials regarding the same. However, it had come to the Company’s attention that the financial records of the Group, including account books, cheque books and financial seals, had been removed from the custody and possession of the Group by relatives of Mr Jin Xin (“**Associates of JX**”).

As a result, the Company is at present unable to conduct a more in-depth investigation into its findings. The Company is also looking into possible actions against the Associates of JX to recover all Company property, including the aforementioned financial records that are in the possession of the said Associates of JX. Upon the conclusion of the legal proceedings against Ms Ju Li Li and the Company regaining access to the requisite financial information and records, the Company will conduct a more thorough investigation on its findings and keep shareholders of the Company (“**Shareholders**”) updated of the same.

In the event that the Company’s investigation into its financial records shows that there may be financial irregularities in the Group’s accounts, the Company will accordingly engage an independent third party auditor to conduct a special audit on the Company’s financials. The

Company also wishes to assure Shareholders that it will not hesitate to take all necessary action against Mr Jin Xin in relation to the above findings in the event it is uncovered that the financial irregularities are attributed to Mr Jin Xin, including, but not limited to, making of a police report in Singapore against Mr Jin Xin in relation to the above matter, and the commencement of legal proceedings against Mr Jin Xin with regard to the same.

**BY ORDER OF THE BOARD**

Jin Yu  
Chief Executive Officer  
2 July 2015