





By Hand/ Registered Post/Fax

13th May 2016

Ref: SEC/LEG/16/05/12

To:

The Managing Director

Capital Trust Securities (Private) Limited 42, Mohamed Macan Markar Mawatha, Colombo 3.

Capital Trust Securities (Private) Limited, 42, Mohamed Macan Markar Mawatha, Colombo 3.

<u>Directive issued in terms of Section 13 (c) of the Securities and Exchange Commission of Sri</u> Lanka Act No. 36 of 1987 (as amended)

It has been brought to the notice and information of the Securities and Exchange Commission of Sri Lanka (SEC) that a client of your company by the name of Mr. Xia Liqiang of No. 49, Ring Road, Phase 01, IPZ, Katunayaka, the Chairman of Blue Diamonds Jewellery Worldwide PLC (BLUE) has disposed of a parcel of shares amounting to 15,146,200 pertaining to BLUE on or about 09th May 2016.

The SEC has reason to believe that the above said trade may have been carried out in violation of the provisions of the SEC Act and may involve the commission of one or more offence(s).

Taking account of the above, the Commission acting under and in terms of the Sections 13(c) of the SEC Act hereby directs Capital Trust Securities (Private) Limited to refrain from transferring the sale proceeds of the above trade to Mr. Liqiang or to any agent of Mr. Liqiang, and to maintain the proceeds in the custody of Capital Trust Securities (Private) Limited, until further notice by the SEC.

In the event the proceeds from the said trade referred to above has been released by way of a cheque to Mr. Liqiang or to any agent of Mr. Liqiang, Capital Trust Securities (Private) Limited is hereby further directed to instruct the bank to stop payment on the cheque, and to confirm such instructions promptly thereon, in writing, to the SEC.

Ianthie Jayaratne

Officer in Charge

Copy:

Mr. Rajeeva Bandaranaike, Chief Executive Officer, Colombo Stock Exchange, Level 04, World Trade Centre, Colombo 01. to release to the market

Mr.Xia Ligiang, The Chairman, Blue Diamonds Jewellery Worldwide PLC, No. 49, Ring Road, Phase 01, IPZ, Katunayaka.