



By Hand/Fax

11th July 2016

Ref: SEC/LEG/16/07/04

To: The Colombo Stock Exchange

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

The Securities and Exchange Commission of Sri Lanka (SEC) having deliberated on the circumstances surrounding the disposal of a parcel of shares amounting to 15,146,200 of Blue Diamonds Jewellery Worldwide PLC (BLUE) held by Mr. Xia Liqiang of No. 49, Ring Road, Phase 01, IPZ, Katunayaka, the Chairman of BLUE on or about 09th May 2016, and having, on a *prima facie basis*, evidence to believe that Mr. Xia Liqiang may have carried out the said trade in violation of the provisions of the SEC Act and that such transaction may involve the commission of one or more offence(s) under the SEC Act, has commenced an investigation into the said transaction and the circumstances surrounding the said transaction.

Therefore the Colombo Stock Exchange is hereby directed to take appropriate steps to freeze all Blue Diamond shares in all CDS accounts under the name of Mr. Xia Liqiang and any other account of which he is a beneficiary, until further notice by the SEC.

This directive is effective from the date hereof.

Vajira Wijegunawardane
DIRECTOR GENERAL

Copy:

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