



FIRST QUARTERLY REPORT 2014

LARRY JEWELRY

INTERNATIONAL COMPANY LIMITED

Incorporated in Bermuda with limited liability
Stock Code: 8351

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors (the “Directors”) of Larry Jewelry International Company Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

The board of directors (the “Board”) of Larry Jewelry International Company Limited (the “Company”) is pleased to present the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months ended 31 March 2014 together with the unaudited comparative figures for the corresponding period in 2013 as follows:

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	Notes	For the three months ended 31 March	
		2014 HK\$'000	2013 HK\$'000
Revenue	3	56,166	68,653
Cost of sales		(39,200)	(48,572)
Gross profit		16,966	20,081
Other income	3	438	171
Selling and distribution costs		(18,117)	(15,988)
Administrative expenses		(8,886)	(12,034)
Operating loss		(9,599)	(7,770)
Finance costs	4	(5,283)	(5,542)
Loss before income tax	5	(14,882)	(13,312)
Income tax (expense)/credit	6	(25)	15
Loss for the period attributable to the owners of the Company		(14,907)	(13,297)
Loss per share for loss attributable to the owners of the Company during the period			
– Basic and diluted (HK cents)	8	(0.87)	(1.31)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	For the three months ended 31 March	
	2014	2013
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Loss for the period	(14,907)	(13,297)
Other comprehensive income		
Exchange gain/(loss) on translation of financial statements of foreign operations	785	(1,094)
Total comprehensive loss attributable to owners of the Company	(14,122)	(14,391)

NOTES TO THE UNAUDITED CONSOLIDATED FIRST QUARTERLY RESULTS

1. GENERAL INFORMATION

Larry Jewelry International Company Limited (the “Company”) was incorporated in Bermuda with limited liability on 11 June 2009. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of business of the Company is located at 13/F., Pacific House, 20 Queen’s Road Central, Hong Kong. The Company’s shares have been listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM of the Stock Exchange”) since 7 October 2009.

The Company’s principal activity has not changed during the period and consisted of investment holding. The principal activities of its subsidiaries (together with the Company referred to as the “Group”) are principally engaged in designing, sale and retailing of a broad range of fine jewelry products.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The unaudited consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“HKFRS”), Hong Kong Accounting Standards (“HKAS”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules.

The significant accounting policies that have been used in the preparation of these unaudited consolidated financial statements are consistent with those used in the annual audited financial statements for the year ended 31 December 2013, except for the new standards, amendments and interpretations (“the New HKFRSs”) issued by the HKICPA that are adopted for the first time for the current financial statements. The adoption of the New HKFRSs had no material impact on the Group’s financial statements. The Group has not early adopted any New HKFRSs that have been issued but are not yet effective.

The financial statements have been prepared under historical cost convention, except for financial assets at fair value through profit or loss.

3. REVENUE AND OTHER INCOME

Revenue, which is also the Group's turnover, represents total invoiced value of goods sold in the course of the Group's principal activities, net of returns and trade discounts. Revenue and other income recognised during the period are as follows:

	For the three months ended 31 March	
	2014	2013
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Revenue		
Sales	56,166	68,653
Other income		
Exchange gain, net	178	–
Interest income	128	–
Reversal of impairment provision on trade receivables	108	81
Sundry income	24	90
	438	171

4. FINANCE COSTS

	For the three months ended 31 March	
	2014	2013
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Interest charges on other loan and bank loan wholly repayable within five years	1,911	2,341
Imputed interest expenses wholly repayable within five years – convertible notes	3,372	3,201
	5,283	5,542

5. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at after charging the following:

	For the three months ended 31 March	
	2014	2013
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Loss before income tax is arrived at after charging:		
Auditors' remuneration	168	10
Cost of inventories recognised as expense	39,200	48,572
Depreciation	1,170	1,397
Written off/loss on disposals of property, plant and equipment	90	-
Change in fair value of financial assets at fair value through profit or loss	-	122
Employee benefit expense	7,799	10,002
Operating lease rentals in respect of rented premises	13,603	11,825

6. INCOME TAX (EXPENSE)/CREDIT

	For the three months ended 31 March	
	2014	2013
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Current income tax		
- Singapore	(143)	(187)
Deferred tax	118	202
	(25)	15

Pursuant to the rules and regulations of Bermuda and the British Virgin Islands (the "BVI"), the Group is not subject to any income tax in Bermuda and the BVI for the three months ended 31 March 2014 (three months ended 31 March 2013: Nil).

No income tax has been provided for Hong Kong as there is no estimated assessable profit derived from Hong Kong for the three months ended 31 March 2014 (three months ended 31 March 2013: Nil).

Singapore income tax has been provided at the rate of 17% (three months ended 31 March 2013: 17%) on the estimated assessable profit for the three months ended 31 March 2014 and 2013.

No income tax has been provided for the PRC as there is no estimated assessable profit derived from the PRC for the three months ended 31 March 2014 (three months ended 31 March 2013: Nil).

No income tax has been provided for Macau as there is no estimated assessable profit derived from Macau for the three months ended 31 March 2014 (three months ended 31 March 2013: Nil).

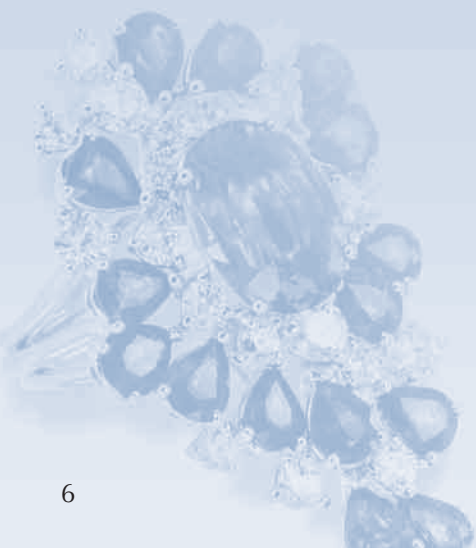
7. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2014 and 2013.

8. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company of HK\$14,907,000 (2013: HK\$13,297,000) and on the weighted average number of 1,717,598,000 ordinary shares (2013: 1,018,065,000 ordinary shares) in issue during the period.

For the three months ended 31 March 2014 and 2013, basic loss per share are same as diluted loss per share as there was no dilutive ordinary share.



9. RESERVES

	Share premium HK\$'000	Capital contribution reserve HK\$'000	Convertible notes equity reserve HK\$'000	Share option reserve HK\$'000	Merger reserve HK\$'000	Translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Balance as at 1 January 2014	413,571	3,988	24,086	5,903	(830)	(4,404)	(229,621)	212,693
Transfer on redemption of convertible notes	-	-	(19,611)	-	-	-	19,611	-
Issue of shares	115,227	-	-	-	-	-	-	115,227
Share issue expenses	(4,419)	-	-	-	-	-	-	(4,419)
Transactions with owners	110,808	-	(19,611)	-	-	-	19,611	110,808
Loss for the period	-	-	-	-	-	-	(14,907)	(14,907)
Other comprehensive income - Exchange gain on translation of financial statements of foreign operations	-	-	-	-	-	785	-	785
Total comprehensive income for the period	-	-	-	-	-	785	(14,907)	(14,122)
At 31 March 2014	524,379	3,988	4,475	5,903	(830)	(3,619)	(224,917)	309,379
Balance as at 1 January 2013	348,344	3,988	24,692	8,408	(830)	(1,033)	(129,465)	254,104
Share options forfeited	-	-	-	(300)	-	-	300	-
Transactions with owners	-	-	-	(300)	-	-	300	-
Loss for the period	-	-	-	-	-	-	(13,297)	(13,297)
Other comprehensive income - Exchange loss on translation of financial statements of foreign operations	-	-	-	-	-	(1,094)	-	(1,094)
Total comprehensive income for the period	-	-	-	-	-	(1,094)	(13,297)	(14,391)
At 31 March 2013	348,344	3,988	24,692	8,108	(830)	(2,127)	(142,462)	239,713

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is principally engaged in design and sale of jewelry products under the Larry Jewelry brand. Our products are unique in design and of superb craftsmanship to meet the needs of individuals who have a discerning taste in jewelries.

BUSINESS REVIEW

During the first quarter of 2014, Larry Jewelry continued to focus on its brand revitalization strategy. The Group progressed with its rebranding initiative in Singapore and began to work towards developing the Larry Splendour event in Singapore to the next level.

Following on from the final quarter of 2013, the ASP of gem-set jewelry across the industry in Hong Kong, Macau and China was lower, as consumers traded-down to lower priced items, reflective of still-weak consumer sentiment underpinned by a soft macroeconomic environment.

In terms of sales, as the Chinese New Year holiday fell in late January in 2014, much earlier than recent years, the Group recorded higher sales in January, but lower sales in February and March. Q1 sales were approximately HK\$56,166,000, down by 18.2% year on year. However, due to the nature of the Company's business, we expect to see some fluctuation in sales value from quarter to quarter. This fluctuation itself evens out throughout the year, and we are cautiously optimistic, that following the rebrand, sales will begin to pick up in the latter part of the year, as consumers are purchasing hard luxury pieces for investment, as they offer price stability.

In March 2014, the Group raised HK\$125.7 million by issuing 1,047,518,325 offer shares at the subscription price of HK\$0.12 per offer share on the basis of seven offer shares for every ten existing shares. The proceeds of the open offer have allowed the Group to enhance its working capital, and the Group now stands in a better position to capture potential business opportunities, facilitate business expansion and enhance its earning potential.

FINANCIAL REVIEW

Revenue

The Group's revenue for the three months ended 31 March 2014 was approximately HK\$56,166,000 as compared to approximately HK\$68,653,000 for the corresponding period in 2013. This represents a reduction of approximately 18.2% which was mainly attributed to the downturn of the luxury retail market in the Southeast Asia and Greater China.

Gross Profit

The gross profit for the period was approximately HK\$16,966,000 as compared to approximately HK\$20,081,000 for the three months ended 31 March 2013, represents a reduction of 15.5%. The gross margin of the Group as reported in the consolidated income statement was 30.2% in comparison to 29.2% in the first three months of 2013.

In preparing the consolidated income statement, the cost of the Sharp Wonder Group's inventories as at 19 July 2011 (the "Acquired Inventories") was recorded at fair market value which was 17.9% higher than the historical cost. If all the inventories were recorded based on historical cost level, the Group's gross profit was approximately HK\$17,672,000 for the three months ended 31 March 2014 as compared to approximately HK\$21,288,000 for the corresponding period in 2013, while the Group's adjusted gross profit margin was 31.5% for the three months ended 31 March 2014 compared to 31.0% for the corresponding period in 2013.

Other Income

The Group's other income for the three months ended 31 March 2014 was approximately HK\$438,000 which included exchange gains due to the favourable movement of the Singapore Dollar to Hong Kong Dollar exchange rate, interest income and the reversal of impairment provision on trade receivables. The Group's other income for the three months ended 31 March 2013 was approximately HK\$171,000

Selling and Distribution Costs

The Group's selling and distribution expenses for the three months ended 31 March 2014 increased by 13.3% to approximately HK\$18,117,000 compared to approximately HK\$15,988,000 for the corresponding period in 2013. The increase was attributable to the higher rental expenses for the replacement of the old Causeway Bay store at the junction of Hennessy Road and Percival Street by the newly located store at 52 Yun Ping Road.

Administrative Expenses

The Group's administrative expenses for the three months ended 31 March 2014 decreased by 26.2% to approximately HK\$8,886,000 compared to approximately HK\$12,034,000 for the corresponding period in 2013, due to the management's effort to adopt the effective cost control measures.

Finance Costs

The Group reduced its finance costs for the three months ended 31 March 2014 to approximately HK\$5,283,000 compared to approximately HK\$5,542,000 for the corresponding period in 2013.

Loss Attributable to the Owners of the Company

Loss attributable to owners of the Company was HK\$14,907,000 for the three months ended 31 March 2014 compared to loss of HK\$13,297,000 for the corresponding period in 2013. The deterioration was mainly attributable to the significant reduction in the sales revenue of the Group.

OUTLOOK

Looking ahead, we expect the business environment will remain challenging as we move into the next quarter. We will continue to implement our brand revitalization strategy, with a larger focus on Singapore this year.

Following previous success with collections designed by Barney Cheng and Leo Wittwer, the Group will continue to introduce collaborative collections with high profile local and international designers, to complement our own product offering, and we are hopeful that these collaborations will increase visibility of the Larry Jewelry brand.

To reflect market demand, we have begun exploring the option of introducing a range of lower-priced items. To further broaden its appeal, the Group will also begin to market its Lazare diamond offering more prominently to the bridal market. The Group believes that the bridal market offers huge growth potential given its base of young consumers for which engagement and wedding rings are often their first serious jewelry purchase. Capturing young consumers as they make their first substantial jewelry purchase offers a significant opportunity to develop lifelong brand loyalty. The Group will also explore the possible development of an e-commerce channel to further expand the reach of its retail offering.

The management is confident that the strategic initiatives being implemented will have a positive impact on the Group, ensuring that the Larry Jewelry brand is attractive to existing and new customers alike.

FACILITY AGREEMENT WITH GE CAPITAL

On 4 July 2012, Larry Jewelry (1967) Pte. Limited and Larry Jewelry Limited, both being wholly owned subsidiaries of the Company (the “Borrowers”), and the Company as one of the guarantors with other subsidiaries of the Company have entered into a facility agreement (the “Facility Agreement”) with GE Capital Services Pte Ltd and GE Commercial Finance (Hong Kong) Limited (collectively, “GE Capital” or the “Lenders”), in relation to the provision of facilities in an aggregate amount up to HK\$234 million (the “Facilities”) to the Group.

The Facilities have a maturity period of three years from the date of the first drawdown under the Facility Agreement. On 17 July 2012, the Borrowers have made the first drawdown under the Facilities provided by GE Capital.

Pursuant to terms of the supplemental agreement to the Facility Agreement, which has been agreed and signed by the Lenders and the Company on 14 March 2013, each of the following will constitute an event of default upon which the facility will, among others, become immediately due and payable:

- (1) Ms. Tsang Po Yee Pauline, who is a director of the Company, and any other individuals who, at the date of the Facility Agreement, own (directly or indirectly) any of the issued share capital of Fullink Management Limited (“Fullink”), cease to collectively hold (directly or indirectly) 51% of the issued share capital of Fullink; and
- (2) the persons who, at the date of the Facility Agreement, have control of an obligor under the Facility Agreement (the “Obligor”) cease to have control of the Obligor, or one or more other persons acquire control of an Obligor after the date of the Facility Agreement, in either case without the prior written consent of the Lenders.

SHARE OPTIONS

The Company has adopted the share option scheme on 21 September 2009 under which certain selected classes of participants (including, among others, fulltime employees) may be granted options to subscribe for the shares. The principal terms of the share option scheme are summarised in the paragraph headed “Share Option Scheme” in appendix V to the prospectus of the Company dated 29 September 2009.

Details of the movements in the share options granted during the three months ended 31 March 2014 under the share option scheme are as follows:

Grantee	Outstanding		Number of share options				Outstanding		Exercise period	Exercise price (Note)
	as at 1 January 2014	Adjustments (Note)	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	as at 31 March 2014	Date of grant		
Directors										
Ms. Tsang Po Yee Pauline	6,733,790	356,891	-	-	-	-	7,090,681	10 March 2011	10 March 2011 to 9 March 2021	HK\$0.614
Mr. Tam B Ray Billy	6,733,790	356,891	-	-	-	-	7,090,681	10 March 2011	10 March 2011 to 9 March 2021	HK\$0.614
Employees	2,318,000	122,854	-	-	-	-	2,440,854	28 March 2012	28 March 2012 to 28 March 2015	HK\$0.631
Total	15,785,580	836,636	-	-	-	-	16,622,216			

Note: As announced on 13 March 2014, the exercise prices and the number of shares of the share options have been adjusted as a result of the open offer.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 March 2014, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long Positions in Share Options of the Company

Name of Director	Date of grant of share options	Exercise period	Exercise price	Number of options directly beneficially owned	Approximate percentage of total issued shares
Ms. Tsang Po Yee Pauline	10 March 2011	10 March 2011 to 9 March 2021	HK\$0.614	7,090,681	0.28%
Mr. Tam B Ray Billy	10 March 2011	10 March 2011 to 9 March 2021	HK\$0.614	7,090,681	0.28%
Total				14,181,362	0.56%

Save as disclosed above, as at 31 March 2014, none of the directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register kept by the Company under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 31 March 2014, other than the interests of certain directors and chief executive of the Company as disclosed under the section headed "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation" above, the interests or short positions of person in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of shareholder	Capacity of interests	Number of issued ordinary shares held	Approximate percentage of shareholding in the Company
Fullink Management Limited (Note 1)	Beneficial owner	265,300,000	10.43%
Mr. Tsang Michael Man-heem (Note 1)	Interest of controlled corporation	265,300,000	10.43%
UNIR (HK) Management Limited (Note 2)	Beneficial owner	195,845,000	7.70%
Dr. Ina Chan Un Chan (Note 2)	Interest of controlled corporation	195,845,000	7.70%
Asia Private Credit Fund Limited	Beneficial owner	188,285,361	7.40%
Diamond Well International Limited (Note 3)	Beneficial owner	172,970,900	6.80%
Ms. Zhang Ya Juan (Note 3)	Interest of controlled corporation	172,970,900	6.80%

Notes:

1. These Shares are held by Fullink Management Limited, which is beneficially owned as to 40% by Mr. Tsang, Michael Man-heem, 15% by Ms. Tsang Po Yee Pauline (who was re-designated from an executive Director to a non-executive Director on 29 April 2014), 15% by Ms. Tsang, Becky Po Kei, 15% by Ms. Tsang, Po De Wendy and 15% by Ms. Tsang, Marina Po Hing. Ms. Tsang Po Yee Pauline (who was re-designated from an executive Director to a non-executive Director on 29 April 2014) is a director of Fullink Management Limited.
2. UNIR (HK) Management Limited is wholly and beneficially owned by Dr. Ina Chan Un Chan.
3. Diamond Well International Limited is wholly and beneficially owned by Ms. Zhang Ya Juan.

Save as disclosed above, as at 31 March 2014, the directors of the Company were not aware of any other person (other than the directors and chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Director's Rights to Acquire Share or Debentures

Apart from as disclosed under the heading "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation" above, at no time during the reporting period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the directors, their respective spouse or children under 18 years of age to acquire such rights in the Company or any other body corporate.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the three months ended 31 March 2014.

DIRECTORS' INTERESTS IN COMPETING INTERESTS

As at the date of this report, none of the Directors of the Company, or any of their respective associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause a significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with such required standard of dealings and its code of conduct regarding securities transactions by directors during the three months ended 31 March 2014.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules throughout the period under review.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors of the Company, namely Mr. Chan Tze Ching Ignatius, Mr. Fung Shing Kwong and Mr. Wong Tat Tung. The unaudited consolidated results of the Group for the three months ended 31 March 2014 have not been audited by the Company's auditors, but have been reviewed by the Audit Committee, who is of the opinion that such statements comply with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures have been made.

By Order of the Board

Larry Jewelry International Company Limited
Chow Liang Shuk Yee Selina

Chairman and Independent Non-Executive Director

Hong Kong, 9 May 2014

As at the date of this report, the Board comprises Mr. Cheng Ping Yat as executive director, Mr. Lau Pak Hong, Ms. Ngai Ki Yee May, Mr. Tam B Ray Billy, Ms. Tsang Po Yee Pauline and Mr. Yip Tai Him as non-executive directors, Mrs. Chow Liang Shuk Yee Selina as chairman and independent non-executive director, and Mr. Chan Tze Ching Ignatius, Mr. Fung Shing Kwong and Mr. Wong Tat Tung as independent non-executive directors.