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**LARRY JEWELRY INTERNATIONAL COMPANY LIMITED**

**俊文寶石國際有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 8351)**

**RESIGNATION OF AUDITOR,  
FURTHER DELAY IN PUBLICATION OF AUDITED ANNUAL RESULTS  
ANNOUNCEMENT AND ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019  
AND  
SUSPENSION OF TRADING**

The Board announces that Moore Stephens has resigned as auditor of the Company with effect from 14 August 2020.

Reference is made to the announcements of Larry Jewelry International Company Limited (the “**Company**”) dated 31 March 2020, 3 April 2020, 17 April 2020, 14 May 2020, 5 June 2020, 7 July 2020, 21 July 2020, 31 July 2020 and 4 August 2020 (the “**Announcements**”) in relation to, among other things, (i) the delay in publication of the audited annual results announcement of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2019, (ii) the grant of waiver by the Stock Exchange from strict compliance with Rules 18.03, 18.48A and 18.50C of the GEM Listing Rules and (iii) the notice of Board meeting. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

As disclosed in the Announcements, among others, (i) the audit process for the 2019 Annual Results had not been completed due to the recent pervasive development of COVID-19 in Hong Kong and the Stock Exchange had granted on 31 July 2020, a waiver from strict compliance with the requirements under Rules 18.03, 18.48A and 18.50C of the GEM Listing Rules if the Company could publish its 2019 Annual Results on 14 August 2020 and publish its 2019 Annual Report on or before 20 August 2020, and (ii) the Company originally scheduled to convene a Board meeting on 14 August 2020 to consider and approve, inter alias, the 2019 Annual Results.

The Board announces that Moore Stephens CPA Limited (“**Moore Stephens**”) has resigned as auditor of the Company with effect from 14 August 2020 (the “**Resignation**”). In reaching a conclusion on the Resignation, Moore Stephens have taken into account several factors, including but not limited to, unable to obtain sufficient appropriate audit evidence regarding the appropriateness of management’s use of going concern basis of accounting in the preparation of the consolidated financial statements of the Group for the year ended 31 December 2019, whereby, among others, the Group has certain other borrowings and convertible bonds, which were matured but not repaid/redeemed respectively and the Group has yet been able to obtain extensions or repayments of such balances prior to the date of the Resignation letter.

Apart from the above, Moore Stephens were unable to perform sufficient and appropriate audit work to address the predecessor auditor’s qualification on the opening balances of certain financial line items, the prepayments, deposits and other receivables, and other borrowings and bonds, as described under the heading “Basis for qualified opinion” in the predecessor auditor’s report dated 31 March 2019 for the year ended 31 December 2018, to carry out physical inspection for certain inventories and leasehold improvements in the PRC, other audit procedures on the prepayments, deposit and other receivables, and, impairment assessment in respect of the intangible assets of the Group (including the brand names of jewelry business in Singapore and Hong Kong and Tung Fong Hung business in the PRC, Hong Kong and Macau).

Moore Stephens had communicated with the management of the Group on the above matters and had not been provided with sufficient information. These outstanding matters remained unresolved up to the date of the Resignation letter.

Based on the current status in resolving the outstanding matters, current circumstances, and Moore Stephens’s internal resources in light of the current work flows, they are not in a good position to form a precise estimate about the date by which they foresee they are able to complete the necessary audit procedures and to conclude the audit of the consolidated financial statements of the Group for the year ended 31 December 2019. Having considered the significance of the unresolved matters and inability to reach a consensus with the management of the Group on the timetable of completing the audit, they decided to tender their Resignation.

Save for the aforesaid, Moore Stephens has confirmed to the Company that they are not aware of any other matters that should be brought to the attention of the Shareholders.

Save for the reasons of Resignation as stated above, the Board and the audit committee of the Company confirm that there is no disagreement between the Company and Moore Stephens, and they are not aware of any other matters that should be brought to the attention of the Shareholders.

The Company is in the course of identifying suitable auditor actively to fill up the vacancy as soon as practicable, further announcement will be made by the Company as and when appropriate.

In this connection, the publication of the 2019 Annual Results and the 2019 Annual Report will be further delayed to a date to be agreed with the new auditor of the Company and the date for convening the 2020 annual general meeting of the Company will be further postponed.

Further announcement(s) will be issued by the Company as and when appropriate if there are any material development in the completion of the audit process and the publication of the 2019 Annual Results and the 2019 Annual Report.

The Board would like to take this opportunity to express its gratitude to Moore Stephens for their professional services in the past.

## **SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange will be suspended from 9:00 a.m. on 17 August 2020 pending the publication of the 2019 Annual Results and the 2019 Annual Report.

By order of the Board  
**Larry Jewelry International Company Limited**  
**Lan Yang**  
*Executive Director*

Hong Kong, 14 August 2020

*As at the date of this announcement, the Board comprises Mr. Lan Yang as an executive Director, Ms. Lai Pik Chi Peggy as a non-executive Director and Mr. Lin Qiu Fa, Mr. Chung Kwok Pong and Mr. Ke Jun as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement 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 announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the website of GEM ([www.hkgem.com](http://www.hkgem.com)) for at least 7 days from its date of publication and on the website of the Company at [www.larryjewelryinternational.com](http://www.larryjewelryinternational.com).*