DE GRISOGONO S.A.

Plan-les-Ouates

Meeting of the Board of Directors Held on October 14th, 2013

DATE, TIME AND VENUE: On October 14, 2013, at 14:00 p.m. local time, at the offices of the Company in Plan-les-Ouates, Geneva.

ATTENDANCE: The following members of the Board of directors are present in person:

- Mr. Mario Moreira Leite da Silva
- Mr. Fawaz Gruosi
- Mr. John Leitao
- Mr. Farid Koppel
- Mr. Moises Mauricio Toledano

MM. Vasco Rites and Eduardo Sequeira are excused and have given a power of attorney to be represented to the extent permissible by Mr. Leitao, respectively by Mr. Da Silva.

Also invited are Me Benoît Lambercy, of the law firm Python & Peter and Mr. Ricardo Jorge, the CFO of the Company.

Mr. da Silva opens the meeting at 14:20 PM and takes the Chair. He designates Mr. John Leitao to take the minutes of the meeting.

Mr. da Silva presents the agenda.

The convening of the meeting and the agenda are accepted without objection. The Chairman continues with the first point on the agenda.

1. **Review of 2013**

M. Leitao distributes a new presentation to the board that updates the one sent by email.

He gives a summary of the presentation, which shows the key milestones implemented in 2013.

Mr. Leitao explains to board members that the Allegra bracelet, the first high volume product, was successfully launched and had already become the biggest single reference since 2008. The 2014 watch novelties have been developed in record time and are expected to be presented at the next Baselworld. A clear production management was established and allows the Company to improve delivery and stock efficiency. Mr. Leitao indicates that the Company has recently been able to successfully deliver the wholesalers.

Mr. Leitao confirms the imminent opening of a boutique in Courchevel (approx. mid December) and the plan to open a boutique in Miami. The Tokyo and Las Vegas

boutiques were closed and the launch of a new subsidiary in Middle East (Dubai) is planned. Efforts are also made to reconquer the Harrods boutique.

The new advertisement campaign was implemented. PR was improved by focusing on key products. Clear guidelines and goals were also established. In the near future (next quarter) PR will be monitored quarterly. A CRM project was implemented to track event attendants' purchases and measure the ROI of such events. Finally, new website, app, catalogue and visuals were implemented in 2013.

Mr. Gruosi presents to the board members the results of initial contacts with Mrs. Sharon Stone, who was already the Ambassador of the Company this year in Cannes. He precises that although there is no ROI data on Sharon Stone's effect, feedbacks from wholesalers are very good.

Mr. Leitao indicates that a former employee of the Boston Consulting Group has just joined the Company. He will focus on long term business strategy.

Mr. Leitao report to the board members that sales are CHF 14'000'000.- below budget. As a result, the EBITDA without restructuring costs is CHF 3'900'000.- below budget.

The lower sales performance is due to large shortfall in high jewelry/private sales, partly compensated by above expected wholesale. Consequently, the annual sales target has been reduced from CHF 92'000'000 to CHF 79'000'000.-.

Mr. Gruosi explains to the board members that two important events are still to come in 2013 (Saudi Arabia and Bergdorf) and that the situation may evolve satisfactorily as private sales are highly unpredictable.

Mr. Leitao explains that the sales shortfall was nevertheless compensated by an improvement in financial margin by 13%, from 37% in 2012 to 50% in 2013. Upon question of Mr. Gruosi, Mr. Leitao explains that the important transaction realized in the summer is not the only cause of such improvement.

Mr. Leitao indicates that, although operational cash needs have been greatly reduced by improved production control and leverage of stone consignment, most costs of the company still came in the first three quarters resulting in a lack of cash flow. Thus, shareholders have had to invest CHF 5'000'000 more.

Upon question, Mr. Leitao indicates that, mainly due to higher efficiency, the many investments in management and control have not increased the headquarter's costs. He mentions that the IT system had become uncontrollable.

To conclude, Mr. Leitao recalls that execution of forecasts are of course dependent on sales performance until the end of the year. In particular, private sales will need to reach their new reduced target of CHF 15'000'000, CHF 10'000'000 below its current stand. Nevertheless, turnaround is well underway with real sales (as opposed as dump sales) growing at over 20% and EBITDA improving despite marketing investment increase of 70%.

Mr. da Silva congratulates the team for its good job and wants to emphasize on the increase of good sales (+30%) and of the financial margin (+13% from 37% to 50%). He sees the 2013 total sales more around CHF 85'000'000 than CHF 79'000'000.-

He explains to the board members that fixed costs must remain under control and that HR must be reviewed. He purposes to recruit a new person for this job.

Aggressiveness of sale teams must be increased and private sale teams must be reinforced. A huge investment must also be made to increase trust with partners. He also wishes a better coordination and cooperation between marketing and creative team.

Finally, he reports to board members that shareholders are ready to increase their commitment with the company to support the significative investments needed for the next three years.

No questions are raised concerning 2013 and the next point on the agenda is treated.

2. Strategic vision for the next three years

Mr. Leitao presents the strategic vision of the Company for the next three years to the board members.

As concerns the products, Mr. Leitao explains that the jewelry collections should be reduced and rejuvenated. The Company should become a reference player in watch segment by launching new iconic collections for men and women. In the high jewelry segment, the Company should become a creditable and widely recognized player in the value storage product segment. Mr. Leitao recalls that the decision was taken not to offer large discounts (so-called dump sales) anymore in the future.

As concerns the channels, the Company should focus on profitable boutiques and nevertheless expand its regional presence. The key next goal is to set up a Dubai boutique. In the private sales segment, the Company should establish a team of highly regarded jewelry/gem specialists which cater to ultra high end client needs. The Company plans to reach such goal both in-house (gemology trainings) or through external development.

With regards to the geographical expansion, Mr. Leitao explains that the company plans to open a new boutique in Europe (Courchevel is opening in December), another new boutique in Turkmenistan, set up a Middle East subsidiary in Dubai and expand the wholesale presence in the USA. The company plans to launch presence in China in 2015.

As concerns the restructuring of retail network, Mr. da Silva recalls that the USA are still the biggest luxury market in the world. He emphasizes on the need for coherence in terms of budget and a clear definition of the company's strategy. The three years plan involves new investments between CHF 50'000'000 and CHF 80'000'000.-.

Upon question, Mr. Leitao explains that although it is not part of the three years vision, expansion in Africa will be assured through events and capturing African citizens when they are travelling. Mr. da Silva indicates that an event will be organized in Angola in the beginning of next year.

Concerning rental issues, Mr. da Silva explains to the board members that the company is considering the creation of a new entity focused on real estate, which could rent the boutiques to the Company. This would permit to split the two different activities and mitigate the risks.

3. Presentation of 2014 strategic plan

Mr. Leitao shortly presents to the board members the draft goals for 2014, which include the continued restructuring of the jewelry assortment, the launch of new watches, the development of new high jewelry pieces and development of market credibility in the value storage segment. Three jewelry projects are currently in development.

The margins should be improved by increased pressure on suppliers in order to obtain reductions around 10 to 20 % and through better sourcing and production planning.

The Company's objective is to reach a positive EBITDA for the first time since 2008.

Mr. da Silva explains that marketing investment should remain at the same volume as in 2013. Mr. Leitao explains that the 2014 budget will be build out of the presented plan and goals. The 2014 budget will be presented to the board members in December.

Mr. Leitao indicates that, at this stage, no validation of the board members is required but inputs are of course welcome.

No questions are raised.

The Chairman of the Meeting

5. Miscellaneous

None

The next board meeting will take place on Tuesday 6th of December	of 2013	at the
company's offices at 14.00 PM.		
There being no further business the meeting closed at 4:35 pm.		
There exing no realist submiss are insetting closed at the plan		

The Secretary of the Meeting

Mario Moreira Leite da Silva	John Leitao	