# Time Watch Investments Limited
# 時計寶投資有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2033)**

## PROFIT WARNING

This announcement is made by Time Watch Investments Limited (the "**Company**" together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform shareholders of the Company and potential investors that, based on a preliminary review of the Group's unaudited management accounts for the six months ended 31 December 2016, it is expected that the profits of the Group for the six months ended 31 December 2016 will decrease significantly as compared to the that of the corresponding period in 2015.

Based on the relevant information currently available, the Board considers that such decrease in profits is primarily attributable to the following factors:

(i) less favourable operating environment in the watch market in the geographical locations where the Group's business operates, namely, the United States of America, the People's Republic of China (the "**PRC**") and Hong Kong, which in turn increased the costs and expenses;

(ii) the depreciation of Renminbi;

(iii) the absence in the six months ended 31 December 2016 of the one-off gain arising from the reverse of the overprovision for the PRC Enterprise Income Tax for the six months ended 31 December 2015 as a result of preferential tax treatment for the calendar year ended 31 December 2015; and

(iv) the loss incurred in the "global distributing of owned and license international brands of watches" business segment of the Group as it takes time to build up such business following the completion of the Group's acquisition of certain business of design and distribution of different brands of watches (including certain international brands of watches) in November 2015 (details of which are disclosed in the announcements of the Company dated 30 September 2015 and 18 November 2015).

The information contained in this announcement is only based on a preliminary assessment by the Board based on information currently available to it, including the unaudited consolidated management accounts of the Group for the six months ended 31 December 2016, which have not yet been confirmed or reviewed by the Company's auditors or the audit committee of the Company and finalised as at the date of this announcement. The Group's interim results for the six months ended 31 December 2016 will be announced in compliance with the Listing Rules.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company and read the announcement of the interim results of the Company for the six months ended 31 December 2016 carefully when it is published.**

By the order of the Board
**Time Watch Investments Limited**
**Tung Koon Ming**
*Chairman and Executive Director*

Hong Kong, 9 February 2017

*As at the date of this announcement, the executive Directors are Mr. Tung Koon Ming, Mr. Hou Qinghai, Mr. Tung Wai Kit and Mr. Deng Guanglei; and the independent non-executive Directors are Mr. Ma Ching Nam, Mr. Wong Wing Keung Meyrick and Mr. Choi Ho Yan.*