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SINCERE WATCH (HONG KONG) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 444)

PROFIT WARNING

This announcement is made by Sincere Watch (Hong Kong) 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 (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (“**Shareholders**”) and potential investors that based on preliminary assessment of information currently available to the Board, the Group is expected to record an increase in the consolidated net loss by more than 20% for the six months ended 30 September 2020 (the “**Period**”) as compared to the corresponding period of last year.

The increase in loss was mainly attributable to the following factors:

- (1) The significant drop in revenue of the Group’s watch distribution business caused by the unprecedented COVID-19 pandemic and the associated combating measures; and
- (2) The fair value loss of investment properties.

The information contained in this announcement is only based on a preliminary assessment of unaudited consolidated management accounts of the Group for the Period, which have not been reviewed or audited by the Company’s auditor. The Company is still in the process of finalising the unaudited consolidated financial statements of the Group for the Period and is expected to publish the interim results announcement for the Period on 27 November 2020.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Sincere Watch (Hong Kong) Limited
Chu Yuet Wah
Chairman

Hong Kong, 20 November 2020

As at the date of this announcement, the Executive Directors of the Company are Mrs. Chu Yuet Wah (Chairman), Mr. Zhang Xiaoliang (Deputy Chairman and Chief Executive Officer), Mr. Chu, Kingston Chun Ho, Mr. Yang Guangqiang and Mr. An Muzong; and the Independent Non-executive Directors of the Company are Ms. Lo Miu Sheung, Betty, Mr. Yu Zhenxin, Mr. Zong Hao and Mr. Chiu Sin Nang, Kenny.