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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 (the “**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 approximately 40% for the six months ended 30 September 2022 (the “**Period**”) as compared to the consolidated net loss of HK\$32.3 million for the corresponding period of last year. Such increase in the net loss was mainly attributable to (1) the significant drop in revenue and decrease in gross profit of the Group’s watch distribution business caused by the outbreak of the COVID-19 pandemic and lockdown policies; and (2) increase in net foreign exchange loss.

The information contained in this announcement is only based on the Company’s preliminary assessment of unaudited consolidated management accounts of the Group for the Period and information currently available to the Board. Such information has not been finalised by the Company and further reviewed by the audit committee of the Company, and may be subject to change. 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 29 November 2022.

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
Zhang Xiaoliang
Chairman and Chief Executive Officer

Hong Kong, 17 November 2022

As at the date of this announcement, the Executive Directors of the Company are Mr. Zhang Xiaoliang (Chairman and Chief Executive Officer), Mr. Chu, Kingston Chun Ho (Vice Chairman), Mr. Yang Guangqiang and Mr. An Muzong; the Non-executive Director of the Company is Mrs. Chu Yuet Wah; 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.