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## **SINCERE WATCH (HONG KONG) LIMITED**

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

**(Stock Code: 444)**

### **BUSINESS UPDATE**

### **MEMORANDUM OF UNDERSTANDING IN RELATION TO**

### **THE PROPOSED FORMATION OF JOINT VENTURE**

This announcement is made by Sincere Watch (Hong Kong) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to keep its shareholders and potential investors of the Company abreast of the latest business development of the Group.

#### **MEMORANDUM OF UNDERSTANDING**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announces that on 7 March 2023 (after trading hours), Club Sincere Limited (a wholly-owned subsidiary of the Company) entered into a non-binding memorandum of understanding (the “**MOU**”) with Shanghai Star Moon Biotechnology Co., Ltd.\* (上海華星曜月生物科技有限公司, “**Shanghai Star Moon**”) and Hainan Juniu Technology Development Co., Ltd.\* (海南聚紐科技發展有限公司, “**Hainan Juniu**”).

Shanghai Star Moon and Hainan Juniu are companies established in the People’s Republic of China with limited liabilities.

Pursuant to the MOU, the parties agreed to form a joint venture (the “**Joint Venture**”) with the intention of: (i) tapping into the Hainan timepiece and jewellery market by selling, distributing and promoting the products and brand names of internationally renowned high-end timepiece and jewellery brands in the Duty Paid & Duty Free Channels; and (ii) Hainan Juniu would enter into a separate purchase agreement with the Group for the purchase of Franck Muller brand products of excess of RMB100 million (the “**Cooperation**”).

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Shanghai Star Moon, Hainan Juniu and their respective ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons.

The Company will make further announcement in respect of the Cooperation as and when appropriate in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**Shareholders of the Company and potential investors are advised to exercise caution in dealing in the securities of the Company.**

By the order of the Board  
**Sincere Watch (Hong Kong) Limited**  
**Zhang Xiaoliang**  
*Chairman and Chief Executive Officer*

Hong Kong, 9 March 2023

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

\* *For identification purposes only*