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SINCERE WATCH (HONG KONG) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 444)

QUARTERLY UPDATE ON STATUS OF RESUMPTION AND CONTINUED SUSPENSION OF TRADING

This announcement is made by Sincere Watch (Hong Kong) Limited (the "**Company**", together with its subsidiaries as the "**Group**") pursuant to Rules 13.09 and 13.24A of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to (1) the announcements of the Company dated 7 December 2022, 20 January 2023, 7 March 2023, 7 August 2025, 29 August 2025 and 28 November 2025; (2) the announcements dated 16 June 2025, 30 June 2025 and 13 August 2025 in relation to the delay in publication of its annual results for the year ended 31 March 2025 (the "**Annual Results**"); (3) the announcement dated 3 February 2026 in relation to the Acquisition of the Target Company and the announcement dated 29 May 2026 in relation to, among others, the termination of the Acquisition; and (4) the announcement dated 26 August 2025 in relation to the Resumption Guidance, the announcement dated 12 May 2026 in relation to the Additional Resumption Guidance and the quarterly update announcements dated 30 September 2025, 31 December 2025 and 31 March 2026 (together as the "**Announcements**"). Unless the context requires otherwise, capitalized terms used herein shall bear the same meanings as defined in the Announcements.

UPDATE ON BUSINESS OPERATIONS

The Group is principally engaged in distribution of branded watches, timepieces and accessories (the "**Watch Distribution Business**") and property investment (the "**Property Investment Business**").

As disclosed in the announcement of the Company dated 29 May 2026, the Watch Distribution Business sector continues to be challenged by subdued discretionary spending and macroeconomic uncertainties, which led to ongoing softness in consumer demand. The luxury goods market is expected to face continued pressure in the near term. The discussions of the Group with other international watch brands are ongoing but there have been no material developments to date since the parties cannot reach consensus on the key commercial terms including but not limited to the relevant minimum purchase amounts. In light of the market conditions as elaborated above, the Group has been prudent in negotiating the terms in particular on the applicable minimum purchase requirements. The Group does not intend to make commitment to significant minimum purchase requirement.

The Property Investment Business remains in its normal operation in the PRC. In light of uncertainty of the Mainland property market, the Company intends to maintain the current business scale rather than further invest significantly in property investment.

In light of the macroeconomic uncertainty, the management has been taking a cautious approach as regards its existing business in order to mitigate the impact of potential risks and uncertainties.

Save as disclosed above, the business operations of the Group are continuing as usual in all material respects notwithstanding the suspension of trading in shares of the Company.

UPDATE ON RESUMPTION STATUS

As disclosed in the announcement of the Company dated 29 May 2026, the Company has engaged an external accounting firm in assisting its preparation of relevant management accounts of the Group. The Company will continue to liaise with the external accounting firm and its auditors for the purpose of preparing the relevant management accounts of the Group and publication of the Annual Results and the 2025 Interim Results. Further announcement(s) will be made by the Company for any material updates in connection with the publication of the Annual Results and the 2025 Interim Results.

Pursuant to Rule 13.49 of the Listing Rules, the Company is required to publish the annual results for the year ended 31 March 2026 (the "**2026 Annual Results**") on a date not later than three months after the end of the financial year of the Company (i.e. on or before 30 June 2026). In light of the aforesaid circumstances, there will be delay in publication of the 2026 Annual Results, which will constitute non-compliance on the part of the Company under Rule 13.49 of the Listing Rules.

Save as disclosed, the Company does not possess any other material information that is required to be disclosed for the Shareholders and potential investors of the Company to appraise the Company's position.

Further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the Listing Rules to update its Shareholders and potential investors on the progress in complying with the Resumption Guidance and the Additional Resumption Guidance.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended from 9:00 a.m. on 2 July 2025 and will remain suspended until further notice. Further announcement(s) will be made by the Company as and when appropriate and in compliance with the requirements under the Listing Rules.

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

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

Hong Kong, 30 June 2026

As at the date of this announcement, the Executive Directors of the Company are Mr. Zhang Xiaoliang (Chairman and Chief Executive Officer), Mr. An Muzong and Mr. Yang Guangqiang; the Non-executive Director of the Company is Ms. Lu Weina; and the Independent Non-executive Directors of the Company are Mr. Zong Hao and Mr. Yu Zhenxin.