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## **ERNEST BOREL HOLDINGS LIMITED**

**依波路控股有限公司**

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

**(Stock Code: 1856)**

### **PROFIT WARNING**

This announcement is made by Ernest Borel Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and under Rule 13.09 of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on the Board’s preliminary review of the unaudited consolidated management accounts of the Group for the ten months ended 31 October 2016, it is expected that the Group will record a significant increase in net loss for the year ending 31 December 2016 as compared to the corresponding period in 2015. This expected decrease is primarily attributable to a decrease in revenue of approximately 34% based on the unaudited consolidated management accounts of the Group for the ten months ended 31 October 2016 and decrease in gross profit and margin due to further deterioration of the premium watches retail market in PRC and Hong Kong in the first ten months of 2016 as compared to the same period in 2015 leading to a decrease in orders placed by watch retailers and authorized distributors.

The information in this announcement is only based on the information currently available to the Company and the Board’s preliminary review of the unaudited consolidated management accounts of the Group for the ten months ended 31 October 2016, which have not been audited or reviewed by the auditors of the Company. Further, the information in this announcement is not based on any figures or information reviewed or approved by the audit committee of the Board. Accordingly, the actual results of the Group for the year ending 31 December 2016 may differ from the information contained in this announcement.

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

By order of the Board of  
**Ernest Borel Holdings Limited**  
**Sit Yau Chiu**  
*Chairman*

Hong Kong, 23 December 2016

As at the date of this announcement, the directors of the Company (the “**Directors**”) are:–

*Executive directors:* Mr. Sit Yau Chiu, Mr. Xiong Wei and Ms. Liu Libing

*Non-executive directors:* Mr. Chan Kwan Pak Gilbert, Mr. Pan Di and Ms. Lou Liuqing

*Independent non-executive directors:* Mr. Lo Chi Chiu, Mr. Choi Tze Kit Sammy and Mr. To Chun Kei