



SINCERE WATCH LIMITED

(Incorporated in Singapore)

(Company Registration Number 197700967C)

APPLICATION OF THE SINCERE WATCH LIMITED SCRIP DIVIDEND SCHEME (THE "SCHEME") TO THE INTERIM DIVIDEND OF 9 CENTS PER SHARE LESS TAX FOR THE FINANCIAL YEAR ENDED 31 MARCH 2007

Further to the announcements dated 6 February 2007 and 16 February 2007, Sincere Watch Limited (the "**Company**") wishes to clarify that with the proposed reduction in the corporate tax rate with effect from year of assessment 2008, the rate of deduction of tax from the above interim dividend will be 18% instead of 20%.

BY ORDER OF THE BOARD

Lim Gwee Koon
Company Secretary

28 February 2007