



SINCERE WATCH LIMITED
Company Registration No: 197700967C

Second Quarter and Half Year Financial Statement And Dividend Announcement for the Period Ended 30 September 2007

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Unaudited consolidated financial results for the second quarter (Q2/FY08) and half year ended 30 September 2007.

	Group					
	Q2			Half Year		
	Jul to Sep 2007 S\$'000	Jul to Sep 2006 S\$'000	Increase / (Decrease) %	Apr to Sep 2007 S\$'000	Apr to Sep 2006 S\$'000	Increase / (Decrease) %
Revenue	100,710	78,675	28.01	195,780	158,074	23.85
Other operating income - see note 1(a)(1)	450	178	152.81	775	456	69.96
Changes in inventories of goods for resale	29,747	10,250	190.21	41,060	24,256	69.28
Purchases of goods for resale	(103,094)	(71,811)	43.56	(187,299)	(144,357)	29.75
Staff cost	(6,990)	(5,782)	20.89	(13,385)	(11,332)	18.12
Rental expense	(3,780)	(2,943)	28.44	(7,404)	(5,867)	26.20
Selling, advertising and promotional expense	(4,703)	(2,994)	57.08	(7,606)	(5,107)	48.93
Depreciation expense	(1,087)	(664)	63.70	(1,935)	(1,281)	51.05
Other operating expenses	(4,727)	27	NM	(6,276)	(6,676)	(5.99)
Finance costs	(285)	(320)	(10.94)	(550)	(639)	(13.93)
Share of profits of associates	82	275	(70.18)	216	157	37.58
Profit before income tax	6,323	4,891	29.28	13,376	7,684	74.08
Income tax	(1,275)	(1,062)	20.06	(2,660)	(1,846)	44.10
Profit for the year	5,048	3,829	31.84	10,716	5,838	83.56
Attributable to:						
Equity holders of the company	4,397	3,226	36.30	9,313	5,219	78.44
Minority interests	651	603	7.96	1,403	619	126.66
	5,048	3,829	31.84	10,716	5,838	83.56

Note: NM - Not Meaningful

Additional information for the income statement

(1) Other operating income comprises the following:

	Group					
	Q2			Half Year		
	Jul to Sep 2007 S\$'000	Jul to Sep 2006 S\$'000	Increase / (Decrease) %	Apr to Sep 2007 S\$'000	Apr to Sep 2006 S\$'000	Increase / (Decrease) %
Dividend income	21	14	50.00	21	14	50.00
Interest income	188	131	43.51	355	282	25.89
Gain on disposal of plant and equipment	155	-	NM	155	-	NM
Others	86	33	160.61	244	160	52.50
	450	178	152.81	775	456	69.96

(2) Profit is arrived at after charging/(crediting) the following:

	Group					
	Q2			Half Year		
	Jul to Sep 2007 S\$'000	Jul to Sep 2006 S\$'000	Increase / (Decrease) %	Apr to Sep 2007 S\$'000	Apr to Sep 2006 S\$'000	Increase / (Decrease) %
Interest on borrowings	285	320	(10.94)	550	639	(13.93)
Allowance for inventories	1,285	1,984	(35.23)	3,269	3,549	(7.89)
Inventories written off	58	-	NM	88	-	NM
Property, plant and equipment written off	-	-	-	1	-	NM
Loss (Gain) on disposal of plant and equipment	-	(3)	NM	-	6	NM
Loss on disposal of available-for-sale investments	-	6	NM	-	6	NM
Foreign exchange (gain) loss - realised	(226)	886	NM	(192)	1,282	NM
Foreign exchange loss (gain) - unrealised	2,946	(2,618)	NM	2,403	1,930	24.51

(3) Adjustments for over provision of tax in respect of prior years:

	Group					
	Q2			Half Year		
	Jul to Sep 2007 S\$'000	Jul to Sep 2006 S\$'000	Increase / (Decrease) %	Apr to Sep 2007 S\$'000	Apr to Sep 2006 S\$'000	Increase / (Decrease) %
Over provision of tax in prior years - current	4	-	NM	4	-	NM

Note: NM - Not Meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	GROUP		COMPANY	
	30 Sep 2007 S\$'000	31 Mar 2007 S\$'000	30 Sep 2007 S\$'000	31 Mar 2007 S\$'000
ASSETS				
Current Assets:				
Cash and bank balances	50,784	52,526	19,958	18,843
Trade receivables	31,497	29,594	4,028	4,930
Other receivables and prepaid expenses	7,200	6,781	6,841	8,158
Derivative financial instruments	44	32	-	32
Inventories	215,526	174,466	46,679	40,836
Total current assets	305,051	263,399	77,506	72,799
Non-current assets:				
Property, plant and equipment	21,443	18,743	13,124	12,659
Investment property	398	398	398	398
Subsidiaries	-	-	41,821	40,914
Associates	6,143	6,319	3,102	3,102
Available-for-sale investments	9,363	9,363	9,277	9,277
Goodwill	882	882	-	-
Other intangible assets	1,075	1,075	219	219
Deferred tax assets	4,469	4,047	1,177	990
Total non-current assets	43,773	40,827	69,118	67,559
Total assets	348,824	304,226	146,624	140,358
LIABILITIES AND EQUITY				
Current liabilities:				
Bank borrowings	21,281	18,521	-	-
Trade payables	145,910	108,919	49,918	40,157
Other payables	21,606	18,302	5,789	5,674
Dividend payables	-	14,480	-	14,480
Derivative financial instruments	95	111	81	101
Current portion of long-term debt	152	157	76	78
Income tax payable	3,883	4,490	605	588
Total current liabilities	192,927	164,980	56,469	61,078
Non-current liabilities:				
Long-term debt	3,000	3,000	3,000	3,000
Finance leases	415	446	159	153
Total non-current liabilities	3,415	3,446	3,159	3,153
Capital, reserves and minority interests:				
Share capital	31,778	19,620	31,778	19,620
Currency translation reserve	(5,782)	(5,499)	-	-
Legal reserve	314	314	-	-
Investment revaluation reserve	139	139	105	105
Accumulated profits	114,424	109,728	55,113	56,402
Equity attributable to equity holders of the company	140,873	124,302	86,996	76,127
Minority interests	11,609	11,498	-	-
Total equity	152,482	135,800	86,996	76,127
Total liabilities and equity	348,824	304,226	146,624	140,358

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/09/07	As at 31/03/07
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Secured	Unsecured	Secured	Unsecured
S\$ 152,000	S\$21,281,000	S\$ 157,000	S\$18,521,000

Amount repayable after one year

As at 30/09/07	As at 31/03/07
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Secured	Unsecured	Secured	Unsecured
S\$415,000	S\$3,000,000	S\$446,000	S\$3,000,000

Details of any collateral

Secured

The secured borrowings relate to the finance lease obligations of the Group which are secured against the respective assets under the finance lease arrangement.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP			
	Q2		Half Year	
	Jul to Sep 2007 S\$'000	Jul to Sep 2006 S\$'000	Apr to Sep 2007 S\$'000	Apr to Sep 2006 S\$'000
Cash flow from operating activities:				
Profit before income tax	6,323	4,891	13,376	7,684
Adjustments for:				
Share of profits of associates	(82)	(275)	(216)	(157)
Depreciation expense	1,087	664	1,935	1,281
Property, plant and equipment written off	-	-	1	-
(Gain) Loss on disposal of property, plant and equipment	(155)	(3)	(155)	6
Loss on disposal of available-for-sale investments	-	6	-	6
Net (gain) loss on fair value changes on foreign exchange contracts	(139)	250	(28)	183
Foreign exchange loss (gain) - unrealised	3,085	(2,868)	2,431	1,747
Interest expense	285	320	550	639
Interest income	(188)	(131)	(355)	(282)
Dividend income	(21)	(14)	(21)	(14)
Operating cash flow before working capital changes	10,195	2,840	17,518	11,093
Trade receivables	5,394	(4,598)	(1,584)	(1,485)
Other receivables and prepaid expenses	(868)	(406)	(862)	3,698
Inventories	(29,747)	(10,250)	(41,060)	(24,256)
Trade payables	19,032	4,969	34,302	18,813
Other payables	391	426	3,244	4
Cash generated from (used in) operations	4,397	(7,019)	11,558	7,867
Interest paid	(285)	(320)	(550)	(639)
Interest received	188	131	355	282
Income tax paid	(2,498)	(3,085)	(3,247)	(3,826)
Net cash from (used in) operating activities	1,802	(10,293)	8,116	3,684
Cash flow from investing activities:				
Purchase of property, plant and equipment (Note A)	(2,490)	(285)	(4,647)	(987)
Proceeds from disposal of property, plant and equipment	155	3	155	6
Dividends received	21	14	21	14
Proceeds from sale of available-for-sale investments	-	19	-	19
Purchase of available-for-sale investments	-	-	-	(8,836)
Net cash used in investing activities	(2,314)	(249)	(4,471)	(9,784)
Cash flow from financing activities:				
Increase in short-term bank borrowings	3,488	1,783	3,250	886
Decrease in long-term debt	(98)	(3,289)	(135)	(3,584)
Dividends paid	(4,617)	(4,159)	(6,939)	(4,159)
Dividends paid to minority interests	(1,178)	-	(1,178)	-
Net cash used in financing activities	(2,405)	(5,665)	(5,002)	(6,857)

1(c) Continuation ... A cash flow statement (for the group)

	GROUP			
	Q2		Half Year	
	Jul to Sep 2007 S\$'000	Jul to Sep 2006 S\$'000	Apr to Sep 2007 S\$'000	Apr to Sep 2006 S\$'000
Decrease in cash and cash equivalents	(2,917)	(16,207)	(1,357)	(12,957)
Cash and cash equivalents at beginning of period	50,652	45,112	48,543	42,823
Effect of foreign exchange rate changes	(444)	475	105	(486)
Cash and cash equivalents at end of period	47,291	29,380	47,291	29,380
Cash and cash equivalents comprise:				
Cash and bank balances	36,781	21,656	36,781	21,656
Fixed deposits	14,003	11,761	14,003	11,761
Bank overdrafts	(3,493)	(4,037)	(3,493)	(4,037)
	47,291	29,380	47,291	29,380
Notes to the consolidated cash flow statement				
A. Cash purchase of property, plant and equipment	2,391	285	4,548	987
Purchase of property, plant and equipment under finance lease agreement	99	-	99	-
Total additions to property, plant and equipment	2,490	285	4,647	987

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to equity holders of the parent					Minority interests	Total equity	
	Issued Capital	Currency Translation Reserve	Legal * Reserve	Investment Revaluation Reserve	Accumulated Profits			Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			S\$'000
GROUP-Statement of changes in equity for 6 months ended 30 September 2006								
Balance as at 1 April 2006	19,620	(3,580)	210	44	105,391	121,685	10,007	131,692
Exchange differences arising on translation of foreign operations	-	(796)	-	-	-	(796)	(222)	(1,018)
Net income recognised directly in equity	-	(796)	-	-	-	(796)	(222)	(1,018)
Net profit for the period	-	-	-	-	1,993	1,993	16	2,009
Total recognised income and expenses for the period	-	(796)	-	-	1,993	1,197	(206)	991
Balance as at 30 June 2006	19,620	(4,376)	210	44	107,384	122,882	9,801	132,683
Balance as at 30 June 2006	19,620	(4,376)	210	44	107,384	122,882	9,801	132,683
Exchange differences arising on translation of foreign operations	-	(111)	-	-	-	(111)	690	579
Net income recognised directly in equity	-	(111)	-	-	-	(111)	690	579
Net profit for the period	-	-	-	-	3,226	3,226	603	3,829
Total recognised income and expenses for the period	-	(111)	-	-	3,226	3,115	1,293	4,408
Final dividend of \$0.01 per share less tax of 20% and special dividend of \$0.0165 per share less tax of 20% paid in respect of previous financial year	-	-	-	-	(4,159)	(4,159)	-	(4,159)
Balance as at 30 September 2006	19,620	(4,487)	210	44	106,451	121,838	11,094	132,932

1(d)(i) Continuation ... A statement of changes in equity (for the issuer and group)

	Attributable to equity holders of the parent					Minority interests	Total equity	
	Issued Capital	Currency Translation Reserve	Legal * Reserve	Investment Revaluation Reserve	Accumulated Profits			Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			S\$'000
GROUP-Statement of changes in equity for 6 months ended 30 September 2007								
Balance as at 1 April 2007	19,620	(5,499)	314	139	109,728	124,302	11,498	135,800
Exchange differences arising on translation of foreign operations	-	596	-	-	-	596	136	732
Net income recognised directly in equity	-	596	-	-	-	596	136	732
Net profit for the period	-	-	-	-	4,916	4,916	752	5,668
Total recognised income and expenses for the period	-	596	-	-	4,916	5,512	888	6,400
Share issue in relation to interim dividend of \$0.09 per share less tax of 18% paid in respect of previous financial year under the Scrip Dividend Scheme	12,158	-	-	-	-	12,158	-	12,158
Balance as at 30 June 2007	31,778	(4,903)	314	139	114,644	141,972	12,386	154,358
Balance as at 30 June 2007	31,778	(4,903)	314	139	114,644	141,972	12,386	154,358
Exchange differences arising on translation of foreign operations	-	(879)	-	-	-	(879)	(250)	(1,129)
Net income recognised directly in equity	-	(879)	-	-	-	(879)	(250)	(1,129)
Net profit for the period	-	-	-	-	4,397	4,397	651	5,048
Total recognised income and expenses for the period	-	(879)	-	-	4,397	3,518	401	3,919
Final dividend of \$0.01 per share less tax of 18% and special dividend I of \$0.002 per share less tax of 18% and special dividend II of \$0.0125 per share (tax exempt) paid in respect of previous financial year	-	-	-	-	(4,617)	(4,617)	-	(4,617)
Dividends paid to minority interests	-	-	-	-	-	-	(1,178)	(1,178)
Balance as at 30 September 2007	31,778	(5,782)	314	139	114,424	140,873	11,609	152,482

1(d)(i) Continuation ... A statement of changes in equity (for the issuer and group)

	Issued Capital	Currency Translation Reserve	Legal * Reserve	Investment Revaluation Reserve	Accumulated Profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
COMPANY-Statement of changes in equity for 6 months ended 30 September 2006						
Balance as at 1 April 2006	19,620	-	-	10	67,875	87,505
Net loss for the period	-	-	-	-	(353)	(353)
Total recognised income and expenses for the period	-	-	-	-	(353)	(353)
Balance as at 30 June 2006	19,620	-	-	10	67,522	87,152
Balance as at 30 June 2006	19,620	-	-	10	67,522	87,152
Net profit for the period	-	-	-	-	3,315	3,315
Total recognised income and expenses for the period	-	-	-	-	3,315	3,315
Final dividend of \$0.01 per share less tax of 20% and special dividend of \$0.0165 per share less tax of 20% paid in respect of previous financial year	-	-	-	-	(4,159)	(4,159)
Balance as at 30 September 2006	19,620	-	-	10	66,678	86,308
COMPANY-Statement of changes in equity for 6 months ended 30 September 2007						
Balance as at 1 April 2007	19,620	-	-	105	56,402	76,127
Net loss for the period	-	-	-	-	(306)	(306)
Total recognised income and expenses for the period	-	-	-	-	(306)	(306)
Share issue in relation to interim dividend of \$0.09 per share less tax of 18% paid in respect of previous financial year under the Scrip Dividend Scheme	12,158	-	-	-	-	12,158
Balance as at 30 June 2007	31,778	-	-	105	56,096	87,979
Balance as at 30 June 2007	31,778	-	-	105	56,096	87,979
Net profit for the period	-	-	-	-	3,634	3,634
Total recognised income and expenses for the period	-	-	-	-	3,634	3,634
Final dividend of \$0.01 per share less tax of 18% and special dividend I of \$0.002 per share less tax of 18% and special dividend II of \$0.0125 per share (tax exempt) paid in respect of previous financial year	-	-	-	-	(4,617)	(4,617)
Balance as at 30 September 2007	31,778	-	-	105	55,113	86,996

* Relates to Sincere Watch Co. Ltd, incorporated in the Republic of China (Taiwan). Legal reserve may be used to offset deficit, if any, and, when the reserve amount exceeds or equals 50% of the capital stock, an amount up to 50% of such reserve may be transferred to capital stock.

- 1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Since the end of the previous financial period, there have been no changes in the Company's issued share capital.

2. **Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The same accounting policies and methods of computation as in the most recently audited financial statements have been applied.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	GROUP			
	Q2		Half Year	
	Jul to Sep 2007	Jul to Sep 2006	Apr to Sep 2007	Apr to Sep 2006
Basic earnings per share	2.13 cents	1.56 cents	4.51 cents	2.53 cents

Basic earnings per share is calculated by dividing the Group's net profit attributable to shareholders by 206,681,104 ordinary shares in issue during the financial period. For comparative purposes, the number of shares in FY2007 is adjusted retrospectively to 206,681,104.

The Group does not have equity instruments which are dilutive in nature. Accordingly, fully diluted earnings per share equals to basic earnings per share.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	GROUP		COMPANY	
	30 Sep 2007	31 Mar 2007	30 Sep 2007	31 Mar 2007
Net asset value per ordinary share based on the issued share capital at the date of this announcement	68.16 cents	60.14 cents	42.09 cents	36.83 cents

The net asset value per ordinary share is calculated based on 206,681,104 ordinary shares in issue on 30 September 2007. For comparative purposes, the number of shares in FY2007 is adjusted retrospectively to 206,681,104.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group achieved very strong performance in H1/FY08 as the growth momentum from Q1/FY08 continued into Q2/FY08.

2ND QUARTER (Q2/FY08)

Group revenue for Q2/FY08 was S\$100.7 million. This was an increase of 28% when compared to S\$78.7 million that was recorded in Q2/FY07. In addition to this revenue growth, average gross margins also improved. As a result, net profit rose 32% to S\$5.0 million for Q2/FY08, up from Q2/FY07's S\$3.8 million.

HALF YEAR (H1/FY08)

In H1/FY08, Group revenue was S\$195.8 million as compared to S\$158.1 million recorded in the previous corresponding period H1/FY07. This represented an increase of 24% in revenue over the two half-years and in view of this, net profit for H1/FY08 grew 84% to S\$10.7 million, up from S\$5.8 million in H1/FY07.

Although competition remained intense, the Group was able to achieve improved overall performance. To capitalise on the region's strong economic growth, increased tourist traffic and demand for luxury timepieces, the Group added more points-of-sales and undertook major refurbishments of its stores during the period.

In comparison with the previous half year, new Sincere Fine Watches ('SFW') stores were opened and extensively renovated in Singapore's Vivocity and Suntec City respectively. Mono brand shops like the new concept Franck Muller ('FM') boutique at Delfi Orchard and the Omega boutique at Raffles City were also introduced. In North Asia, new FM boutiques were opened in Ocean Terminal in Kowloon, Shin Kong Place in Beijing and at the Venetian Casino and Resort in Macao. The existing flagship FM boutique in Central Hong Kong was also considerably refurbished and enlarged. In India, the duty-free travel retail outlet at the Indira Gandhi International Airport in New Delhi commenced its operations in the first quarter.

To complement the expansion of its sales and distribution points, innovative & sustained marketing efforts were stepped up throughout the period. Advertising & promotional, rental, depreciation and staff expenses therefore grew. Additionally, the renewal of leases for some of the shop units also contributed to the increase in rentals for the period.

The Balance Sheet remained strong. Although inventories and trade payables grew as a result of the increased level of business, the Group maintained its net cash position at the end of H1/FY08.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The Group's second quarter results are consistent with the Commentary issued in the announcement of its results for the previous quarter.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Q3/FY08 is the high season for the industry. Even as the Group gears up its marketing activities for the period, new shops will be opened to cater to the growing demand for the Group's timepieces.

In Malaysia, the Group's largest Sincere Fine Watches store of 3,500 sq ft has commenced operations at the Pavilion in Kuala Lumpur, Malaysia in October. In the PRC, the Group will re-open its first FM boutique in Shanghai in November at Plaza 66, Nanjing Xi Lu. The Group has already appointed FM dealerships in Dalian, Hangzhou and Shanghai and is exploring opportunities to form strategic alliances with more dealers. The stronger presence in Beijing and Shanghai will enable the Group to capitalise on the tourism boom that is expected during the upcoming Olympics to be held in China in 2008.

In Singapore, with rising income and the government's continuous efforts to attract more visitors, business will continue to be robust.

The Group will be profitable in the third quarter.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. **If no dividend has been declared/recommendeded, a statement to that effect.**

During the current financial period, no dividend has been declared or recommended.

A final dividend of S\$0.01 per ordinary share less 18% tax and special dividends comprising S\$0.002 per ordinary share less 18% tax and S\$0.0125 per ordinary share (tax exempt) in respect of the year ended 31 March 2007 had been paid on 22 August 2007.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

14. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

15. **A breakdown of sales.**

Not applicable.

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Total Annual Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

	Latest Full Year (S\$'000)	Previous Full Year (S\$'000)
Ordinary	0	0
Preference	0	0
Total:	0	0

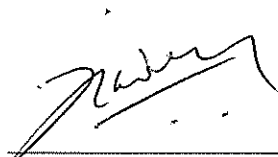
BY ORDER OF THE BOARD

Soh Gim Teik
Company Secretary
12/11/2007

UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2007 : CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

We, Tay Liam Wee and Cecil Vivian Richard Wong, being two directors of Sincere Watch Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited consolidated financial results for the second quarter and six months ended 30 September 2007 to be false or misleading.

On behalf of the Board



Tay Liam Wee
Director

Cecil Vivian Richard Wong
Independent Director

12 November 2007