

**SINCERE WATCH LIMITED**  
**COMPANY REGISTRATION NO: 197700967C**

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**SINCERE WATCH ISSUES 10,481,104 NEW SHARES TO PARTICIPATING  
SHAREHOLDERS IN SINCERE WATCH LIMITED SCRIP DIVIDEND  
SCHEME (THE “SCHEME”)**

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**SINGAPORE, April 24, 2007** --- Mainboard-listed Sincere Watch Limited (“Sincere” or “the Group”), the world premier watch specialist, is pleased to announce that 10,481,104 New Shares (“New Shares”) have been issued and allotted today to all shareholders who have elected to participate in the Sincere Watch Limited Scrip Dividend Scheme, previously approved by the shareholders on 8 January 2007 (the “Scheme”).

The Scheme applies to the interim dividend of 9 cents per ordinary share of the Company for the financial year ended 31 March 2007. Each New Share was issued at S\$1.16, and the price was determined in accordance with the terms and conditions of the Scheme, being not more than 10% discount to, nor exceeding the average of the last dealt share prices for each of the market day during the price determination period from 5 March 2007 to 7 March 2007.

Using yesterday’s closing share price of S\$1.24, the interim dividend represents a yield of 7.26%. This exercise allows Sincere to substantially utilise its Section 44A tax credit balance of approximately \$3.5m before the tax credit expires on 31 December 2007.

Commenting on the response to the Scheme, Mr. Tay Liam Wee, the Group Managing Director of Sincere, said: “This is the first time we have embarked on a scrip dividend scheme. We are pleased with the overwhelming response with more than 80% of shareholders electing to obtain the scrip in lieu of cash.

We will continue to look for new ways to reward our shareholders and will also seek ways to improve the liquidity of our shares in the long run.”

The issue of the New Shares brings the total number of issued and paid up shares from 196.2 million to over 206.6 million, which is an increase of more than five percent.

Trading in the New Shares on SGX will commence at 9.00 a.m. on 25 April 2007.

Shareholders who did not elect to participate in the Scheme are paid the interim dividend of 9 cents per ordinary share (less 18% tax) in cash on 24 April 2007.

### **About Sincere Watch**

Listed on the mainboard of the Singapore Exchange, Sincere Watch Limited, the watch specialist, is one of Singapore’s oldest and most established retailers of brand-name luxury watches. The Group began as a sole proprietorship in 1954 with a single shop along Singapore’s North Bridge Road and was listed on the Singapore Exchange in 1993. From a chain of just four boutiques during its pre-listing days, the Group has grown rapidly and today, it operates over 35 outlets with a distribution network spanning 12 countries – Australia, China, Hong Kong, Indonesia, Malaysia, Singapore, South Korea, Taiwan, The Philippines, Thailand, Vietnam and India. The Group is renowned for delivering a comprehensive range of high-quality watches and timepieces. It has successfully innovated and implemented several retail concepts and marketing programmes to meet the varied lifestyle needs of customers throughout the region.

Upholding the highest level of integrity and excellence, it has built strong partnerships with its brand owners and customers. It is a member of the most prestigious, internationally recognized trade and professional organizations in the watch industry, the Watchmakers of Switzerland Training and Education Program (WOSTEP).

In July 2001, Sincere launched “emotus Time Culture”, a new watch retailing concept offering young, contemporary customers a modern, exciting and carefree shopping environment. To date, there are three emotus outlets spanning Singapore and Kuala Lumpur, Malaysia.

In a bid to further penetrate the top-end of the market, Sincere launched the Sincere Haute Horlogerie boutique – a new benchmark in luxury retailing - in 2005. This luxurious boutique is specially catered for watch aficionados to enjoy and appreciate the art of high-watch making in a private and opulent shopping environment. Mr. Tay Liam Wee was also named the Ernst & Young Entrepreneur of the Year 2004 and STB’s Tourism Entrepreneur of the Year Award 2005.

Sincere’s subsidiary – Sincere Watch (Hong Kong) Limited is listed on the mainboard of the Hong Kong Stock Exchange since 2005.

Both Sincere and SWHK have a combined market capitalization of approximately S\$300 million. Sincere is the only homegrown watch specialist with public listings on the Mainboard of two of Asia’s largest and most vibrant stock exchanges.

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**Issued on behalf of Sincere Watch Limited**

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