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SINCERE WATCH (HONG KONG) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 0444)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the Group is expected to record a substantial increase in net profit for the year ended 31 March 2012 as compared with that for the financial year ended 31 March 2011.

This positive profit alert announcement is only based on the preliminary review by the Company's management on the unaudited management accounts of the Group, which has not been confirmed nor audited by the Company's auditors.

The audited results of the Group for its financial year ended 31 March 2012 are expected to be announced in May or June 2012.

Shareholders and potential investors should note that the profit forecast in this announcement has not been reported on in accordance with the requirements under Rule 10 of the Takeovers Code. Shareholders and potential investors are advised to exercise caution when dealing in the shares in the Company.

This announcement is made by Sincere Watch (Hong Kong) Limited (the "Company" and, together with its subsidiaries, the "Group") pursuant to the Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Based on the preliminary review by the Company's management of the unaudited management accounts of the Group, the board of directors of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that the Group is expected to record a substantial increase in the net profit for the year ended 31 March 2012 as compared with that for the financial year ended 31 March 2011, mainly attributable to the

significant growth in the Group's business revenue due to the robust conditions in the luxury retail market in Hong Kong.

This positive profit alert announcement is only based on the preliminary review by the Company's management of the unaudited management accounts of the Group, which have not been confirmed or audited by the Company's auditors.

The Company is in the process of finalizing the annual results of the Group for its financial year ended 31 March 2012. The audited results of the Group for its financial year ended 31 March 2012 are expected to be announced in May or June 2012.

This positive profit alert announcement constitutes a profit forecast under Rule 10 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code") and the Company is required to comply with the requirements of Rule 10 of the Takeovers Code with respect to, profit forecasts. Amongst other things the profit forecast in this announcement must be reported on by the Company's auditors and financial adviser and the relevant report must be contained in the next document to be sent to Shareholders.

The audited results of the Group for its financial year ended 31 March 2012 are expected to be announced in May or June 2012 but the composite document containing a mandatory cash offer by Kingston Securities Limited on behalf of Be Bright Limited to acquire all the issued shares in the Company (other than those shares already owned by Be Bright Limited and parties acting in concert with it) (the "Offer") as set out in the joint announcement of the Company and Be Bright Limited dated 29 March 2012, may be issued before then.

Shareholders and potential investors should note that the profit forecast in this announcement has not been reported on in accordance with the requirements under Rule 10 of the Takeovers Code. Shareholders and potential investors should therefore exercise caution in placing reliance on it in assessing the merits and demerits of the Offer.

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

By order of the Board
Sincere Watch (Hong Kong) Limited
Chau Kwok Fun, Kevin
Executive Vice Chairman

Hong Kong, 4 May 2012

As at the date of the announcement, the Executive Directors are Mr. Tay Liam Wee, Mr. Chau Kwok Fun, Kevin and Ms. Tay Liam Wuan; the Non-executive Director is Mr. John Howard Batchelor; and the Independent Non-executive Directors are Mr. Lew, Victor Robert, Dr. King Roger and Mr. Lam Man Bun, Alan.