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SINCERE WATCH (HONG KONG) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 444)

PROFIT WARNING

This announcement is made pursuant to the provisions of inside information under Part XIVA of the SFO and Rule 13.09(2) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the unaudited management accounts of the Group for the year ended 31 March 2014, a moderate reduction in the revenue and a material decrease in the net profit of the Group for the year ended 31 March 2014 are expected as compared to those for the financial year ended 31 March 2013, mainly attributable to the slowdown in the luxury retail markets for fine watches, the increase in the realised exchange loss by approximately 175% and the incurrence of the unrealised exchange loss of approximately HK\$2.5 million during the review year.

This profit warning announcement is only based on the preliminary review by the Company's management of the unaudited management accounts of the Group for the year ended 31 March 2014.

The audited results of the Group for the financial year ended 31 March 2014 are expected to be announced in June 2014.

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 provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that based on the preliminary review of the unaudited management accounts of the Group for the year ended 31 March 2014, a moderate reduction in the revenue and a material decrease in the net profit of the Group for the year ended 31 March 2014 are expected as compared to those for the financial year ended 31 March 2013, mainly attributable to the slowdown in the luxury retail markets for fine watches, the increase in the realised exchange loss by approximately 175% and the incurrence of the unrealised exchange loss of approximately HK\$2.5 million during the review year.

The information contained in this announcement is only a preliminary review by the management of the Company based on its consolidated management accounts of the Group which have not been audited by the auditors of the Company. The audited results of the Group for the year ended 31 March 2014 are expected to be announced by the Company in June 2014.

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
Chu, Kingston Chun Ho
Vice Chairman and Managing Director

Hong Kong, 5 May 2014

As at the date of the announcement, the Executive Directors of the Company are Mrs. Chu Yuet Wah (Chairman) and Mr. Chu, Kingston Chun Ho (Vice Chairman and Managing Director); and the Independent Non-executive Directors of the Company are Mr. Lau Man Tak, Ms. Lo Miu Sheung, Betty and Dr. Wong Yun Kuen.