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## **SINCERE WATCH (HONG KONG) LIMITED**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 444)

### **COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



**KINGSTON SECURITIES LTD.**

The Board is pleased to announce that all the conditions of the GM Placing have been fulfilled and completion of the GM Placing took place on 16 April 2015. An aggregate of 692,000,000 GM Placing Shares have been successfully placed by the Placing Agent to not fewer than six Places at the Placing Price of HK\$0.61 per GM Placing Share pursuant to the terms and conditions of the GM Placing Agreement.

Reference is made to the announcement of Sincere Watch (Hong Kong) Limited (the “**Company**”) dated 29 March 2015 in respect of the Placings (the “**Announcement**”). Unless defined otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

#### **COMPLETION OF THE GM PLACING**

The Board is pleased to announce that all the conditions of the GM Placing have been fulfilled and completion of the GM Placing took place on 16 April 2015. An aggregate of 692,000,000 GM Placing Shares have been successfully placed by the Placing Agent to not fewer than six Places at the Placing Price of HK\$0.61 per GM Placing Share pursuant to the terms and conditions of the GM Placing Agreement.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placees and their ultimate beneficial owners are Independent Third Parties. None of the Placees has become a substantial Shareholder (as defined under the Listing Rules) immediately after completion of the GM Placing. The net proceeds from the GM Placing, after deducting the placing commission and other expenses in connection with the GM Placing from the gross proceeds, is approximately HK\$413.50 million which is intended to be used for (i) the Subscription and (ii) the development of and general working capital for the Boao Xiaoledao Project.

## EFFECTS ON SHAREHOLDING STRUCTURE

The 692,000,000 GM Placing Shares represent approximately (i) 20.00% of the existing issued share capital of the Company immediately before the completion of the GM Placing; and (ii) 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the GM Placing Shares.

Set out below is the shareholding structure of the Company immediately before and after completion of the GM Placing:

Shareholders	Immediately before completion of the GM Placing		Immediately after completion of the GM Placing	
	Number of Shares	Approximate % of shareholding	Number of Shares	Approximate % of shareholding
Sincere Watch Limited (Note 1)	1,530,000,000	44.22	1,530,000,000	36.85
Mrs. Chu Yuet Wah (Note 2)	<u>265,000,000</u>	<u>7.66</u>	<u>265,000,000</u>	<u>6.38</u>
Sub-total	<u>1,795,000,000</u>	<u>51.88</u>	<u>1,795,000,000</u>	<u>43.23</u>
Public Shareholders				
Placees of the GM Placing	—	—	692,000,000	16.67
Other public Shareholders	<u>1,665,000,000</u>	<u>48.12</u>	<u>1,665,000,000</u>	<u>40.10</u>
Total	<u>3,460,000,000</u>	<u>100.00</u>	<u>4,152,000,000</u>	<u>100.00</u>

Notes:

1. These Shares are held by Sincere Watch Limited, the entire issued share capital of which is wholly-owned by Be Bright Limited, which is wholly and beneficially owned by Mrs. Chu.
2. Mrs. Chu, chairman and executive director of the Company.

3. On 27 March 2015, the Company had conditionally agreed to grant to the Grantees an aggregate of 346,000,000 Options which entitled the Grantees to subscribe for an aggregate of 346,000,000 Shares, representing (i) approximately 8.33% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 7.69% of the issued share capital of the Company as enlarged by the Option Shares upon exercise of the Options in full. As two of the Grantees are executive Directors, namely, Mr. Wu Ting Yuk, Anthony (胡定旭先生) (“**Mr. Wu**”) and Mr. Chu, Kingston Chun Ho (朱俊浩先生) (“**Mr. Chu**”) and thus connected persons of the Company under the Listing Rules, the proposed grant of the Options to them constituted a connected transaction of the Company under the Listing Rules and subject to the Shareholder’s approval. The Grantees are Mr. Wu, Mr. Chu, Ms. Gao Xin (高昕女士) and Mr. Sie, Winston (薛焯森先生), who owns 138,400,000 Options, 103,800,000 Options, 51,900,000 Options and 51,900,000 Options, respectively.
4. The percentages are subject to rounding difference, if any.

By order of the Board  
**Sincere Watch (Hong Kong) Limited**  
**Chu Yuet Wah**  
Chairman

Hong Kong, 16 April 2015

As at the date hereof, the Board comprises Mrs. Chu Yuet Wah (Chairman), Mr. Wu Ting Yuk, Anthony (Co-chairman) and Mr. Chu, Kingston Chun Ho (Vice Chairman and Managing Director) as executive Directors and Mr. Lau Man Tak, Ms. Lo Miu Sheung, Betty and Dr. Wong Yun Kuen as independent non-executive Directors.