

# THE HOUR GLASS

(Incorporated in the Republic of Singapore)

(Company Registration No: 197901972D)

## The Hour Glass Group FY2018:

### Sustains Y-o-Y Revenue & Net Profit Performance

Unaudited Full Year Results	Group			
	31 Mar '18 \$'000		31 Mar '17 \$'000	Change %
For the Year ended:				
Revenue	691,645		696,056	-1%
Profit Before Taxation	64,759		62,994	3%
Profit After Taxation	50,725		49,642	2%
Earnings per Share (cents)	7.07		6.91	2%

#### Highlights of FY2018 Financial Performance

- Year-on-year Revenue remained steady at \$691.6 million
- Group's FY2018 gross margin of 24.2% (FY2017: 22.7%)
- Cash and cash equivalents at \$180.5 million

SINGAPORE, 22 May 2018: The Hour Glass Group, one of Asia's leading specialist luxury watch retailers, showed today that full year revenue amounted to \$691.6 million while profit after taxation rose 2% to \$50.7 million for the full year ended 31 March 2018 ("FY2018").

### **FY2018 Results**

1. With the Group's year-on-year revenue remaining steady at \$691.6 million in FY2018, profit before taxation edged 3% higher while profit after taxation rose by 2%. The Group continued to manage its business efficiently while enhancing its in-store customer experience. Group inventory decreased to \$282.4 million at the end of FY2018.

2. In FY2018, the Group registered a gross margin of 24.2%, significantly higher from the 22.7% posted in FY2017. The Group reaped the benefits from its on-going business re-engineering that resulted in a notable improvement in the standards of its customer service delivery.

3. Mr Michael Tay, Co-Group Managing Director of The Hour Glass, said: "The interminable fluctuations taking place across the demand-and-supply current of luxury watches, as well as across the different geographies the Group operates in underscores the importance of staying agile and tuned to the marketplace. Our FY2018 results bears on nearly four decades of experience and a business strategy that has been calibrated to meet the expectations of the future luxury watch buyer."

4. The Group's balance sheet remains robust with consolidated net assets of \$507.1 million with cash and cash equivalents of \$180.5 million.

### **Outlook**

5. Looking ahead, The Hour Glass believes consumer sentiment is expected to stay at current levels. In addition, it will continue operating its 38 boutiques in ten key cities throughout the Asia Pacific region while working to improve its retail network, brand portfolio and customer engagement and experience.

6. The Board of Directors recommends a dividend of 2.00 Singapore cents per share for FY2018 (FY2017: 2.00 cents per share).

7. Barring any unforeseen circumstances, the Group expects to remain profitable in FY2019.

ISSUED BY

**THE HOUR GLASS LIMITED**

22 May 2018

### **About The Hour Glass**

The Hour Glass is one of the world's leading specialty luxury watch retail Groups with an established presence of 38 boutiques in ten key cities in the Asia Pacific region. Our network of multi-brand and stand-alone brand boutiques are all strategically located in the key luxury retail corridors in Singapore, Kuala Lumpur, Bangkok, Phuket, Hanoi, Hong Kong, Tokyo, Sydney, Melbourne and Brisbane. We take immense pride in being the official retailer for a carefully curated selection of specialty houses, luxury watch brands and artisans including Rolex, Patek Philippe, Audemars Piguet, Hublot, Richard Mille, A. Lange & Sohne, Breguet, Cartier, Jaeger-LeCoultre, IWC, FP Journe, MB&F, Omega, TAG Heuer, Tudor and the likes. Fostering the appreciation of horological culture in Asia, we endeavour to remain the watch world's leading cultural retail enterprise making it the primary port of call for all watch enthusiasts and collectors alike.

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