

THE HOUR GLASS LIMITED

(Incorporated in the Republic of Singapore)
(Co. Reg. No. 197901972D)

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE SGX-ST LISTING MANUAL

The Hour Glass Limited (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) wishes to announce the following transactions carried out during the second half of the financial year ended 31 March 2022.

1. **Incorporation of Associated Company, THG Prima Times (Vietnam) Company Limited**

The Company’s associated company in Thailand, THG Prima Times Co., Ltd (“**THG Prima Times**”), incorporated a wholly-owned subsidiary, THG Prima Times (Vietnam) Company Limited (“**THG Prima Times (Vietnam)**”), in Vietnam. The Group owns 50% of THG Prima Times.

THG Prima Times (Vietnam) has an initial charter capital of VND 22.65 billion (approximately S\$1.37 million) which is fully paid.

The principal activity of THG Prima Times (Vietnam) is retailing and distribution of watches and related products.

2. **Increase in Shareholding Percentage in Associated Company, Royal Paragon Watch Limited**

THG Prima Times entered into an agreement on 20 December 2021 with Royal Paragon Holding Company Limited (“**Royal Paragon Holding**”) to acquire its entire holding (“**Shares**”) of 300,000 shares (the “**Acquisition**”) in Royal Paragon Watch Limited (“**Royal Paragon Watch**”) for a consideration of Baht 33.6 million (approximately S\$1.35 million) (the “**Consideration**”).

Royal Paragon Watch is incorporated in Thailand and its principal activity is retailing and distribution of watches and related products. Prior to the Acquisition, THG Prima Times held 60% of the registered capital in Royal Paragon Watch and Royal Paragon Holding held the remaining 40%.

The Consideration, satisfied fully in cash, was arrived at on a willing-buyer and willing-seller basis, after taking into account the adjusted unaudited net asset value of the Shares as at 30 September 2021 of Baht 33.6 million (approximately S\$1.35 million).

Upon completion of the Acquisition on 1 April 2022, Royal Paragon Watch became a wholly-owned subsidiary of THG Prima Times.

Neither of the above transactions had a material impact on the net tangible assets and earnings per share of the Group for the financial year ended 31 March 2022.

None of the Directors or controlling shareholders of the Company had any interest, direct or indirect, in the transactions (other than through their shareholding interests, if any, in the Company).

By Order of the Board

Christine Chan
Company Secretary
26 May 2022