

THE HOUR GLASS

(Incorporated in the Republic of Singapore)

(Company Registration No: 197901972D)

The Hour Glass Group FY2019: Group Continues to Advance

Unaudited Results For the Year ended:	Group			
	31 Mar '19 \$'000		31 Mar '18 \$'000	Change %
Revenue	720,925		691,645	4%
Profit Before Taxation	90,049		64,759	39%
Profit After Taxation	71,404		50,725	41%
Earnings per Share (cents)	9.99		7.07	41%

Highlights of FY2019 Financial Performance

- Year-on-year revenue rose to \$720.9 million, buoyed by positive consumer sentiment and steady growth across its regional retail network.
- Profit after taxation of \$71.4 million.
- Group's FY2019 gross margins improved to 27.0%. (FY2018: 24.2%)
- Cash and cash equivalent at \$181.0 million.
- Bank loans stood at \$15.0 million, after making net repayments of \$33.6 million.

SINGAPORE, 28 May 2019: The Hour Glass Group, one of the world's leading specialist luxury watch retailers, reported today profit after taxation of \$71.4 million for the full year ended 31 March 2019 ("FY2019"), thus setting a new benchmark for the Group.

FY2019 Results

1. The Group's year-on-year revenue climbed 4% to \$720.9 million in FY2019 and profit after taxation rose 41% to \$71.4 million. The continued transformation within the Group with the aim of meeting the discerning needs of a newer generation of customers and ongoing operational efficiencies lent to its stellar performance.

2. In FY2019, the Group registered gross margins of 27.0%, significantly higher from the 24.2% posted in FY2018. After experiencing sluggish demand for some years, the trend for luxury watches in Asia picked up and stabilised during the course of FY2019.

3. Mr Michael Tay, Group Managing Director of The Hour Glass, said: "The Group's journey to transform itself began about three years ago and these efforts continue to bear results. We have remained steadfast in our goal to tighten coordination and improve our operational effectiveness and this is reflected in our overall performance. In tandem, initiatives to tailor services to meet the needs of an increasingly sophisticated market are yielding returns."

4. The Group's balance sheet remains robust with consolidated net assets of \$560.2 million with cash and cash equivalents of \$181.0 million. Bank loans stood at \$15.0 million, after net repayment of loans amounting to \$33.6 million.

Outlook

5. Prospective shifts in global geopolitics and economics continue to cast concerns over the positivity of consumer sentiment amongst watch buyers.

6. The Board of Directors recommends a first and final dividend of 3.00 Singapore cents per share for FY2019 (FY2018: 2.00 cents per share).

7. Barring any unforeseen circumstances, the Group expects to be profitable for the next financial year.

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THE HOUR GLASS LIMITED

28 May 2019

About The Hour Glass

At The Hour Glass, our mission is to advance watch culture. Known for our thoughtfully curated selection of brands, our passion in designing uniquely immersive retail experiences and our team of highly knowledgeable watch specialists, we strive to become the primary port of call for all enthusiasts and watch collectors alike. Everyday across our combined network of 40 boutiques in the Asia Pacific region, we are poised to further your awareness and appreciation of watches and ready to guide you in your hunt for a superlative timepiece.

<https://www.thehourglass.com>

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