

# THE HOUR GLASS

(Incorporated in the Republic of Singapore)

(Company Registration No: 197901972D)

## The Hour Glass Group 1H FY2019:

### Revenue & Net Profit Gains

Unaudited First Half Results	Group		
	30 Sep '18 \$'000	30 Sep '17 \$'000	Change %
For the Period ended:			
Revenue	355,410	337,411	5%
Profit Before Tax	36,138	22,801	58%
Profit After Taxation	28,175	17,999	57%
Earnings per Share (cents)	3.94	2.51	57%

#### Highlights of 1H FY2019 Financial Performance

- 1H revenue rose 5% driven by an upturn in the global specialty luxury watch retail market
- Gross margins improved from 21.7% (1H FY2018) to 24.9% amidst tighter business controls
- Cash and cash equivalents stood at \$159.8 million after making net loan repayments of \$23.7 million

SINGAPORE, 13 November 2018: The Hour Glass Group, one of the world's leading specialist luxury watch retailers, recorded 5% growth in revenue and 57% rise in profit after taxation for the six months ended 30 September 2018 ("1H FY2019").

Improvement in global luxury watch demand and the Group's continued drive to deliver on an enhanced in-boutique service experience contributed to its latest gains.

### **1H FY2019 Results**

1. The Group's profit after taxation rose 57% to \$28.2 million, growing on the back of a 5% increase in revenue to \$355.4 million in 1H FY2019. The Group remained focussed on engaging its customers and raising their service experience in-boutique resulted in higher rates of client satisfaction and engagement.

2. Gross margins stood at 24.9% for 1H FY2019, slightly better than the 21.7% for the same period a year ago.

3. Mr Michael Tay, the Group Managing Director of The Hour Glass said: "There has been some uplift in the global specialist luxury watch market due to improved consumer sentiment and desirability for the brands we partner with. This has provided the Group a mild boost in our first half performance though we remain mindful that the market is prone to swift swings in sentiment."

4. The Group's balance sheet remains robust with consolidated net assets of \$521.8 million with cash and cash equivalents of \$159.8 million. Net repayment of loans amounted to \$23.7 million.

### **Outlook**

5. Looking ahead, the Hour Glass continues to drive its internal transformation programme centred on raising the organisational standards and deliver an improved service proposition to its customers across its network.

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

ISSUED BY

**THE HOUR GLASS LIMITED**

13 November 2018

### **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>

### **For media inquiries, please contact:**

Joseph Rajendran / Casuarina Peck

Tranz Communications

Phone: +65 9228 7801 / +65 9363 5609

Email: [joseph@tranzcomm.com](mailto:joseph@tranzcomm.com) / [casuarina@tranzcomm.com](mailto:casuarina@tranzcomm.com)