

**THE HOUR GLASS LIMITED**  
(Co. Reg. No. 197901972D)

**MINUTES OF THE 43RD ANNUAL GENERAL MEETING OF THE HOUR GLASS LIMITED  
HELD BY WAY OF ELECTRONIC MEANS ON FRIDAY, 29 JULY 2022 AT 10.00 A.M.**

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**Present**

Shareholders ) As per Attendance Lists  
Invitees )

**In Attendance**

**Board of Directors**

Dr Henry Tay Yun Chwan	Executive Chairman
Mr Michael Tay Wee Jin	Group Managing Director
Mr Lock Wai Han	Lead Independent Director
Dr Kenny Chan Swee Kheng	Non-Executive Director
Mr Kuah Boon Wee	Non-Executive Director
Mr Liew Choon Wei	Independent Director and Chairman of the Audit Committee
Mr Jeffrey Lee Yu Chern	Independent Director and Chairman of the Nomination and Remuneration Committee

**Management**

Mr Ho Mang Chan Chief Financial Officer

**Company Secretary**

Ms Christine Chan

**Independent Auditor**

Mr Terry Wee Hiang Bing Partner-in-charge, Ernst & Young LLP

**Scrutineer**

Ms Chew Pei Tsing Representing DrewCorp Services Pte Ltd

**1. Opening Address**

- 1.1 Dr Henry Tay, the Executive Chairman, took the chair of the Meeting. He welcomed attendees to the 43rd Annual General Meeting (“**AGM**”).
- 1.2 The Chairman stated that as the COVID-19 situation in Singapore continued to evolve, the AGM was being held and conducted in a virtual format pursuant to the COVID-19 Order<sup>1</sup> and the joint guidance by ACRA, MAS and SGX of 4 February 2022. Those attending the AGM via the live audio-visual webcast or live audio stream would be treated as present.
- 1.3 The Chairman introduced the other members of the Board of Directors, the Chief Financial Officer, the Company Secretary, the partner-in-charge of the Independent Auditor and the

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<sup>1</sup> COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

representative of the Scrutineer who were present remotely. He informed that senior managers of the Group were also attending the AGM remotely.

- 1.4 As a quorum was present by electronic means, the Chairman declared the Meeting open.

## **2. Questions and Answers**

- 2.1 The Chairman stated that all substantial and relevant questions received from shareholders in advance of the AGM, that is, by 15 July 2022, had been addressed by the Company on its website and announced via SGXNet on 22 July 2022. He thanked shareholders for their questions.
- 2.2 The Chairman invited Mr Michael Tay, the Group Managing Director, to give a brief commentary on the business.
- 2.3 Mr Tay stated that from shareholders' questions received, most had centred around (i) concerns about the prevailing global macro conditions and their potential impact on the watch business, and (ii) whether the Company would enter the pre-owned watch business. He informed attendees that he would comment briefly on these two topics, since the Company's answers to shareholders' questions had already been announced.

On the first topic, Mr Tay stated that The Hour Glass had weathered multiple crises and market corrections over the years and, through each phase, had emerged better. He stressed that management did not remain complacent and monitored closely the effect of economic factors on the business and consumer sentiment. Despite the potential challenges, management was confident that the overall business remained sound and was of the view that there remained a significant consumer interest outweighing the present supply conditions. Mr Tay added that generally whilst brands have continued to consolidate their number of points of sales globally, and more so in Europe and America as compared to Asia, the broadening of the client base had contributed to the tightening of supply. As explained in the Chairman's statements in the past two years' Annual Reports, this was a trend that was not abating. Hence, despite the recent decline and consolidation in secondary market watch prices (which some shareholders had observed in their questions), the Company still saw a growing interest amongst watch collectors of all ages and genders. Additionally, over the past two years, apart from watch enthusiasts being younger, there was interest increasingly from female clients.

On the second topic, Mr Tay cautioned that pre-owned watch retailing was a very specific business. Whether it be the skillsets required, and the challenges faced by pre-owned watch retailers, albeit somewhat similar, yet were distinctly different from those of official authorised watch retailers. In particular, the challenges and constraints which existed around the spectrum of goods sourcing was a fundamental factor that had to be addressed in order to build a sustainable pre-owned watch enterprise and to grow it. So, while there were many examples of brands looking at this space, it was not clear yet in the industry how this would evolve over time with some authorised watch retailers already moving into this sector. Mr Tay reiterated that the Company has yet to determine its entry into this business.

## **3. Notice of Meeting**

- 3.1 The Chairman stated that the Notice of AGM, Annual Report, Letter to Shareholders and Proxy Form had been sent to them through publication on SGXNet and the Company's website on 5

July 2022. For shareholders' convenience, printed copies had also been sent to them by post.

3.2 The Notice of AGM was taken as read.

#### **4. Conduct of Voting**

4.1 The Chairman stated that all nine ordinary resolutions on the agenda for the AGM will be voted by poll, and only the Chairman of the Meeting could be appointed as proxy.

4.2 The Chairman stated that valid proxies submitted by shareholders for the AGM had been checked and verified by DrewCorp Services Pte Ltd, the scrutineer for the AGM.

4.3 The Chairman informed that he, as Chairman of the Meeting and sole proxy appointed by shareholders, will propose the resolutions and vote in accordance with their instructions.

#### **5. Ordinary Business - item 1 of the Agenda**

##### **Adoption of Directors' Statement, Auditor's Report and Audited Financial Statements**

5.1 The Chairman proposed:

"That the Directors' Statement, Auditor's Report and Audited Financial Statements for the financial year ended 31 March 2022, now submitted to this Meeting, be and are hereby received, approved and adopted."

5.2 The motion was put to the vote and the result of the poll was as follows:

Resolution 1 (Adoption of Directors' Statement, Auditor's Report and Audited Financial Statements)	No. of Votes	Percentage
For	535,436,668	100.00
Against	17,000	0.00

5.3 Based on the result of the poll, the Chairman declared the resolution carried.

#### **6. Ordinary business - item 2 of the Agenda**

##### **Declaration of Final Dividend**

6.1 The Chairman stated that the Board of Directors had recommended a one-tier final dividend of 6.00 cents per ordinary share to be paid in cash on 23 August 2022 to shareholders whose names appear on the Register of Members on 10 August 2022. The final dividend, upon approval at this AGM, together with the one-tier interim dividend of 2.00 cents per ordinary share paid in November 2021, will amount in aggregate to a total dividend payout of 8.00 cents for FY2022.

6.2 The Chairman proposed:

"That a one-tier Final Dividend of 6.00 cents per ordinary share be approved for the financial year ended 31 March 2022."

6.3 The motion was put to the vote and the result of the poll was as follows:

Resolution 2 (Declaration of Final Dividend)	No. of Votes	Percentage
For	535,789,868	100.00
Against	15,000	0.00

6.4 Based on the result of the poll, the Chairman declared the resolution carried.

**7. Ordinary business - item 3(a) of the Agenda**  
**Re-election of Dr Henry Tay Yun Chwan**

7.1 The Chairman stated that he retired by rotation under Article 94 of the Constitution of the Company and, being eligible, had offered himself for re-election as a Director. The Chairman proposed:

“That Dr Henry Tay Yun Chwan be and is hereby re-elected a Director of the Company.”

7.2 The motion was put to the vote and the result of the poll was as follows:

Resolution 3(a) (Re-election of Dr Henry Tay Yun Chwan)	No. of Votes	Percentage
For	491,187,361	91.67
Against	44,617,107	8.33

7.3 Based on the result of the poll, the Chairman declared the resolution carried.

**8. Ordinary business - item 3(b) of the Agenda**  
**Re-election of Dr Kenny Chan Swee Kheng**

8.1 The Chairman stated that Dr Kenny Chan Swee Kheng retired by rotation under Article 94 of the Constitution of the Company and, being eligible, had offered himself for re-election as a Director. The Chairman proposed:

“That Dr Kenny Chan Swee Kheng be and is hereby re-elected a Director of the Company.”

8.2 The motion was put to the vote and the result of the poll was as follows:

Resolution 3(b) (Re-election of Dr Kenny Chan Swee Kheng)	No. of Votes	Percentage
For	530,996,334	99.10
Against	4,808,134	0.90

8.3 Based on the result of the poll, the Chairman declared the resolution carried.

**9. Ordinary business - item 3(c) of the Agenda**  
**Re-election of Mr Liew Choon Wei**

9.1 The Chairman stated that Mr Liew Choon Wei retired by rotation under Article 94 of the Constitution of the Company and, being eligible, had offered himself for re-election as a Director. The Chairman proposed:

“That Mr Liew Choon Wei be and is hereby re-elected a Director of the Company.”

9.2 The motion was put to the vote and the result of the poll was as follows:

Resolution 3(c) (Re-election of Mr Liew Choon Wei)	No. of Votes	Percentage
For	534,470,059	99.75
Against	1,334,409	0.25

9.3 Based on the result of the poll, the Chairman declared the resolution carried.

**10. Ordinary business - item 4 of the Agenda**  
**Approval of Directors' fees for Non-Executive Directors**

10.1 The Chairman proposed the payment of Directors' fees to the Non-Executive Directors:

“That the payment of Directors' fees for the Non-Executive Directors of up to \$446,000 for the financial year ending 31 March 2023 be and is hereby approved.”

10.2 The motion was put to the vote and the result of the poll was as follows:

Resolution 4 (Approval of Directors' Fees for Non-Executive Directors)	No. of Votes	Percentage
For	535,787,468	100.00
Against	17,000	0.00

10.3 Based on the result of the poll, the Chairman declared the resolution carried.

**11. Ordinary business - item 5 of the Agenda**  
**Re-appointment of Ernst & Young LLP as Auditor**

11.1 The Chairman proposed the re-appointment of Ernst & Young LLP as Auditor of the Company:

“That Ernst & Young LLP be and is hereby re-appointed as Auditor of the Company to hold office until the conclusion of the next Annual General Meeting and that their remuneration be fixed by the Directors.”

11.2 The motion was put to the vote and the result of the poll was as follows:

Resolution 5 (Re-appointment of Ernst & Young LLP as Auditor)	No. of Votes	Percentage
For	535,598,368	99.96
Against	206,500	0.04

11.3 Based on the result of the poll, the Chairman declared the resolution carried.

## 12. Special business - item 6 of the Agenda

### Approval of Share Issue Mandate

12.1 The Chairman stated that the purpose of this Agenda item was to approve the Company's general Share Issue Mandate authorising the Directors to issue new shares in the Company not exceeding, in aggregate, 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) with a sub-limit of 20% for issues other than on a *pro rata* basis to shareholders.

12.2 The Chairman proposed the Ordinary Resolution set out in item 6 of the Notice of AGM:

“That pursuant to Section 161 of the Companies Act 1967 and the listing rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), authority be and is hereby given to the Directors of the Company to:

- (a) (i) issue shares of the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares, excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued shares, excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (2) below);

- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares, excluding treasury shares and subsidiary holdings, shall be based on the total number of issued shares, excluding treasury shares and subsidiary holdings, at the time that this Resolution is passed, after adjusting for:
- (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards that were issued and are outstanding or subsisting at the time this Resolution is passed; and
  - (ii) any subsequent bonus issue, consolidation or subdivision of shares,
- and, in sub-paragraph (1) above and this sub-paragraph (2), “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”

12.3 The motion was put to the vote and the result of the poll was as follows:

Resolution 6 (Approval of Share Issue Mandate)	No. of Votes	Percentage
For	515,728,424	96.25
Against	20,076,444	3.75

12.4 Based on the result of the poll, the Chairman declared the resolution carried.

### **13. Special business - item 7 of the Agenda** **Renewal of Share Purchase Mandate**

13.1 The Chairman stated that the purpose of this Agenda item was to approve the renewal of the Company’s Share Purchase Mandate on substantially the same terms as was approved by shareholders at last year’s Annual General Meeting.

13.2 The Chairman proposed the Ordinary Resolution set out in item 7 of the Notice of AGM:

“That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the “**Companies Act**”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company (“**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price

or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) market purchases (each a “**Market Purchase**”) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”); and/or
- (ii) off-market purchases (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

- (i) the date on which the next Annual General Meeting of the Company is held or required by law to be held; and
- (ii) the date on which purchases or acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

- (c) in this Resolution:

“**Prescribed Limit**” means that number of issued Shares representing 10% of the issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST));

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase, 110% of the Average Closing Price,

where:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last 5 Market Days on which Shares were transacted on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, as deemed to be adjusted for any corporate action that occurs during the relevant 5 Market Day period and the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;



“**date of the making of the offer**” means the day on which the Company makes an offer for the purchase or acquisition of Shares from shareholders stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

“**Market Day**” means a day on which the SGX-ST is open for trading in securities; and

- (d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.”

13.3 The motion was put to the vote and the result of the poll was as follows:

Resolution 7 (Renewal of Share Purchase Mandate)	No. of Votes	Percentage
For	535,743,268	100.00
Against	15,000	0.00

13.4 Based on the result of the poll, the Chairman declared the resolution carried.

#### **14. Termination**

14.1 There being no further business, the Meeting concluded and was declared closed by the Chairman.

Confirmed as a correct record of the proceedings

Dr Henry Tay Yun Chwan  
Executive Chairman