

**THE HOUR GLASS
THE HOUR GLASS LIMITED**

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

**PROPOSED SUB-DIVISION OF EACH ORDINARY SHARE IN THE CAPITAL OF THE
COMPANY INTO THREE ORDINARY SHARES**

1. INTRODUCTION

The Hour Glass Limited (the “**Company**”) wishes to announce that the Company is proposing to sub-divide each ordinary share (“**Share**”) in the issued share capital of the Company into three Shares (the “**Sub-Division**”).

As at the date of this Announcement, the Company has 235,003,960 issued Shares, none of which are treasury shares. Following the implementation of the Sub-Division, and assuming that there is no change in the number of issued Shares from that as at the date of this Announcement, the Company will have 705,011,880 issued Shares immediately after the Sub-Division, which Shares shall rank *pari passu* with each other. Shareholders of the Company (“**Shareholders**”) are not required to make any payment to the Company in respect of the Sub-Division.

2. RATIONALE FOR THE SUB-DIVISION

The Sub-Division is expected to be beneficial to the Company and Shareholders for the following reasons:

- (a) the reduced price of each Share following the Sub-Division will increase the affordability of the Shares and hence encourage greater participation by smaller investors, as well as provide greater trading flexibility for existing smaller investors;
- (b) by improving the accessibility of an investment in the Company to more investors, it will broaden the shareholder base of the Company; and
- (c) it is likely to enhance the market liquidity of the Shares over time.

3. APPROVALS REQUIRED

The Sub-Division is subject to, *inter alia*:

- (a) the approval of Shareholders by way of an ordinary resolution at an extraordinary general meeting of the Company (“**EGM**”), currently targeted to be held on 13 November 2014; and
- (b) the approval of Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The Company will be making an additional listing application to the SGX-ST in due course for its approval for the listing of and quotation for all of the additional Shares arising from the Sub-Division.

4. ADDITIONAL INFORMATION

A circular containing further details of the Sub-Division and the EGM to be convened will be despatched to Shareholders in due course.

BY ORDER OF THE BOARD

Christine Chan
Company Secretary
2 September 2014
Singapore