

# THE HOUR GLASS

## THE HOUR GLASS LIMITED

Co. Registration No: 197901972D

### Unaudited Full Year Financial Statement and Dividend Announcement For The Year Ended 31 March 2014

1(a)(i) An income statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

		Group		
		Full Year ended		
	Note	31 Mar 14	31 Mar 13	Change
		\$'000	\$'000	%
Revenue		682,797	601,936	13%
Other income	(i)	6,146	5,822	6%
<b>Total revenue and other income</b>		<b>688,943</b>	<b>607,758</b>	<b>13%</b>
Cost of goods sold		526,051	458,279	15%
Salaries and employees benefits		40,260	37,226	8%
Depreciation of property, plant and equipment		6,601	5,872	12%
Selling and promotion expenses		16,271	14,765	10%
Rental expenses		22,174	18,743	18%
Finance costs		489	488	0%
Foreign exchange loss		531	136	290%
Impairment loss on investment securities		-	785	NM
Other operating expenses		8,697	7,461	17%
<b>Total costs and expenses</b>		<b>621,074</b>	<b>543,755</b>	<b>14%</b>
Share of results of associates		2,959	1,876	58%
<b>Profit before taxation</b>		<b>70,828</b>	<b>65,879</b>	<b>8%</b>
Taxation		14,462	11,548	25%
<b>Profit for the year</b>		<b>56,366</b>	<b>54,331</b>	<b>4%</b>
<b>Profit attributable to:</b>				
Owners of the Company		54,936	52,841	4%
Non-controlling interests		1,430	1,490	-4%
		<b>56,366</b>	<b>54,331</b>	<b>4%</b>

Note:

(i) Other income

		Group		
		Full Year ended		
		31 Mar 14	31 Mar 13	Change
		\$'000	\$'000	%
Rental income		976	1,087	-10%
Interest income		886	948	-7%
Net gain on disposal of property, plant and equipment		88	281	-69%
Fair value gain on investment properties		3,068	1,954	57%
Management fee		453	431	5%
Investment income		-	392	NM
Others		675	729	-7%
		<b>6,146</b>	<b>5,822</b>	<b>6%</b>

NM – Not Meaningful

**1(a)(ii) Amount of any adjustment for under or overprovision of tax in respect of prior years**

**Income Tax**

- Under/(over) provision of tax in respect of prior years

*NM – Not Meaningful*

Group		
Full Year Ended		
31 Mar 14	31 Mar 13	Change
\$'000	\$'000	%
40	(1,089)	NM

**1(a)(iii) Statement of comprehensive income**

**Profit for the year**

**Other comprehensive income:**

Items that may be reclassified subsequently to profit or loss:

Foreign currency translation

Other comprehensive loss for the year, net of tax

**Total comprehensive income for the year**

**Total comprehensive income attributable to:**

Owners of the Company

Non-controlling interests

Group		
Full Year Ended		
31 Mar 14	31 Mar 13	Change
\$'000	\$'000	%
56,366	54,331	4%
(6,725)	(3,441)	95%
(6,725)	(3,441)	95%
<b>49,641</b>	<b>50,890</b>	<b>-2%</b>
48,149	49,997	-4%
1,492	893	67%
<b>49,641</b>	<b>50,890</b>	<b>-2%</b>

1(b)(i) A statement of financial position (for the Company and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 14</b>	<b>31 Mar 13</b>	<b>31 Mar 14</b>	<b>31 Mar 13</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	33,072	29,218	13,536	14,120
Investment properties	21,786	19,434	13,278	12,126
Intangible assets	318	-	318	-
Investment in subsidiaries	-	-	20,459	20,459
Investment in associates	8,354	5,976	-	-
Loan to subsidiaries	-	-	770	8,842
Loan to an associate	2,118	2,738	-	-
Investment securities	24	25	-	-
Other receivables	6,009	5,713	2,299	2,365
Deferred tax assets	1,024	1,171	-	-
	<b>72,705</b>	<b>64,275</b>	<b>50,660</b>	<b>57,912</b>
<b>Current assets</b>				
Stocks	263,280	265,742	155,695	155,222
Trade and other receivables	20,220	20,373	10,081	11,716
Prepaid operating expenses	493	504	157	242
Amount due from associates	33	51	-	-
Amount due from subsidiaries	-	-	5,708	3,426
Cash and cash equivalents	116,379	79,536	48,318	32,757
	<b>400,405</b>	<b>366,206</b>	<b>219,959</b>	<b>203,363</b>
<b>Total assets</b>	<b>473,110</b>	<b>430,481</b>	<b>270,619</b>	<b>261,275</b>
<b>Equity and liabilities</b>				
<b>Current liabilities</b>				
Loans and borrowings	39,738	41,198	38,000	38,000
Trade and other payables	47,620	40,472	23,184	22,731
Provision for taxation	8,752	8,151	5,004	5,348
	<b>96,110</b>	<b>89,821</b>	<b>66,188</b>	<b>66,079</b>
<b>Net current assets</b>	<b>304,295</b>	<b>276,385</b>	<b>153,771</b>	<b>137,284</b>
<b>Non-current liabilities</b>				
Provisions	240	283	-	-
Deferred income	-	7	-	-
Deferred tax liabilities	23	95	23	95
	<b>263</b>	<b>385</b>	<b>23</b>	<b>95</b>
<b>Total liabilities</b>	<b>96,373</b>	<b>90,206</b>	<b>66,211</b>	<b>66,174</b>
<b>Net assets</b>	<b>376,737</b>	<b>340,275</b>	<b>204,408</b>	<b>195,101</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	67,638	67,638	67,638	67,638
Reserves	298,222	262,998	136,770	127,463
	<b>365,860</b>	<b>330,636</b>	<b>204,408</b>	<b>195,101</b>
<b>Non-controlling interests</b>	10,877	9,639	-	-
<b>Total equity</b>	<b>376,737</b>	<b>340,275</b>	<b>204,408</b>	<b>195,101</b>
<b>Total equity and liabilities</b>	<b>473,110</b>	<b>430,481</b>	<b>270,619</b>	<b>261,275</b>

1(b)(ii) Aggregate amount of Group's borrowings and debt securities as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

Amount repayable in one year or less, or on demand

As at 31 Mar 14		As at 31 Mar 13	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	39,738	-	41,198

Amount repayable after one year

As at 31 Mar 14		As at 31 Mar 13	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	-	-	-

Details of any collateral

The unsecured term loan of a subsidiary is covered by corporate guarantees given by the Company.

**1(c) A statement of cash flow (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Group</b>	
	<b>Full Year ended</b>	
	<b>31 Mar 14</b>	<b>31 Mar 13</b>
	\$'000	\$'000
<b>Operating activities</b>		
Profit before taxation	70,828	65,879
Adjustments for:		
Finance costs	489	488
Interest income	(886)	(948)
Investment income	-	(392)
Depreciation of property, plant and equipment	6,601	5,872
Amortisation of intangible assets	81	-
Foreign currency translation adjustment	(62)	(134)
Net gain on disposal of property, plant and equipment	(88)	(281)
Fair value gain on investment properties	(3,068)	(1,954)
Impairment loss in investment securities	-	785
Share of results of associates	(2,959)	(1,876)
<b>Operating cash flows before changes in working capital</b>	<b>70,936</b>	<b>67,439</b>
Increase in stocks	(1,300)	(36,602)
Increase in receivables	(380)	(3,716)
(Increase)/decrease in prepaid operating expenses	(7)	14
Decrease/(increase) in amount due from associates	411	(506)
Increase/(decrease) in payables	7,953	(981)
<b>Cash flows from operations</b>	<b>77,613</b>	<b>25,648</b>
Income taxes paid	(13,673)	(13,169)
Interest paid	(489)	(488)
Interest received	886	948
<b>Net cash flows from operating activities</b>	<b>64,337</b>	<b>12,939</b>
<b>Investing activities</b>		
Investment income	-	392
Additions to intangible assets	(399)	-
Proceeds from disposal of property, plant and equipment	136	451
Purchase of investment property	-	(1,820)
Purchase of property, plant and equipment	(11,271)	(9,614)
<b>Net cash flows used in investing activities</b>	<b>(11,534)</b>	<b>(10,591)</b>
<b>Financing activities</b>		
Proceeds from loans and borrowings	22,350	41,198
Repayment of loans and borrowings	(23,702)	(2,632)
Dividends paid to non-controlling interests	(254)	(327)
Dividends paid on ordinary shares	(12,925)	(14,100)
<b>Net cash flows (used in)/from financing activities</b>	<b>(14,531)</b>	<b>24,139</b>
<b>Net increase in cash and cash equivalents</b>	<b>38,272</b>	<b>26,487</b>
Effects of exchange rate changes on cash and cash equivalents	(1,429)	(652)
Cash and cash equivalents at beginning of financial year	79,536	53,701
<b>Cash and cash equivalents at end of financial year</b>	<b>116,379</b>	<b>79,536</b>

Cash and cash equivalents at the end of the year comprise the following:

	<b>31 Mar 14</b>	<b>31 Mar 13</b>
	\$'000	\$'000
Cash and bank balances	76,088	51,945
Fixed Deposits with banks	40,291	27,591
	<b>116,379</b>	<b>79,536</b>

1(d)(i) A statement (for the Company and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital \$'000	Foreign currency translation reserve \$'000	Asset revaluation reserve \$'000	Revenue reserve \$'000	Total attributable to owners of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Group</b>							
Balance at 1 April 2012	67,638	2,536	3,101	221,464	294,739	9,073	303,812
<b>Total comprehensive income</b>							
Profit for the year	-	-	-	52,841	52,841	1,490	54,331
<b>Other comprehensive income</b>							
Foreign currency translation	-	(2,844)	-	-	(2,844)	(597)	(3,441)
Total other comprehensive income	-	(2,844)	-	-	(2,844)	(597)	(3,441)
<b>Total comprehensive income</b>	-	(2,844)	-	52,841	49,997	893	50,890
<b>Contributions by and distributions to owners</b>							
Dividends on ordinary shares	-	-	-	(14,100)	(14,100)	-	(14,100)
Dividends paid to non-controlling interests	-	-	-	-	-	(327)	(327)
<b>Total transactions with owners</b>	-	-	-	(14,100)	(14,100)	(327)	(14,427)
Balance at 31 Mar 2013	67,638	(308)	3,101	260,205	330,636	9,639	340,275

Balance at 1 April 2013	67,638	(308)	3,101	260,205	330,636	9,639	340,275
<b>Total comprehensive income</b>							
Profit for the year	-	-	-	54,936	54,936	1,430	56,366
<b>Other comprehensive income</b>							
Foreign currency translation	-	(6,787)	-	-	(6,787)	62	(6,725)
Total other comprehensive income	-	(6,787)	-	-	(6,787)	62	(6,725)
<b>Total comprehensive income</b>	-	(6,787)	-	54,936	48,149	1,492	49,641
<b>Contributions by and distributions to owners</b>							
Dividends on ordinary shares	-	-	-	(12,925)	(12,925)	-	(12,925)
Dividends paid to non-controlling interests	-	-	-	-	-	(254)	(254)
<b>Total transactions with owners</b>	-	-	-	(12,925)	(12,925)	(254)	(13,179)
Balance at 31 Mar 2014	67,638	(7,095)	3,101	302,216	365,860	10,877	376,737

**1(d)(i) Statement of Changes in equity (Cont'd)**

**Company**

**Balance at 1 April 2012**

**Total comprehensive income**

Profit for the year

**Total comprehensive income for the year**

**Contributions by and distributions to owners**

Dividends on ordinary shares

Total transactions with owners

**Balance at 31 March 2013**

	Share capital \$'000	Revenue reserve \$'000	Total equity \$'000
<b>Balance at 1 April 2012</b>	<b>67,638</b>	<b>115,471</b>	<b>183,109</b>
<b>Total comprehensive income</b>			
Profit for the year	-	26,092	26,092
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>26,092</b>	<b>26,092</b>
<b>Contributions by and distributions to owners</b>			
Dividends on ordinary shares	-	(14,100)	(14,100)
Total transactions with owners	-	(14,100)	(14,100)
<b>Balance at 31 March 2013</b>	<b>67,638</b>	<b>127,463</b>	<b>195,101</b>

**Balance at 1 April 2013**

**Total comprehensive income**

Profit for the year

**Total comprehensive income for the year**

**Contributions by and distributions to owners**

Dividends on ordinary shares

Total transactions with owners

**Balance at 31 March 2014**

<b>Balance at 1 April 2013</b>	<b>67,638</b>	<b>127,463</b>	<b>195,101</b>
<b>Total comprehensive income</b>			
Profit for the year	-	22,232	22,232
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>22,232</b>	<b>22,232</b>
<b>Contributions by and distributions to owners</b>			
Dividends on ordinary shares	-	(12,925)	(12,925)
Total transactions with owners	-	(12,925)	(12,925)
<b>Balance at 31 March 2014</b>	<b>67,638</b>	<b>136,770</b>	<b>204,408</b>

**1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the Company, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

There has been no change in the number of issued shares in the capital of the Company since the end of the previous period reported on.

The Company does not have any outstanding share convertibles and treasury shares at the end of the year under review.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

31 Mar 14	31 Mar 13
235,003,960	235,003,960

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

Not applicable.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the Company's most recently audited annual financial statements have been applied**

The Group has applied accounting policies and methods of computation in the financial statements for the current reporting year consistent with those of the audited financial statements for the year ended 31 March 2013, except as disclosed in paragraph 5 below.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and effect of, the change**

In the current financial year, the Group has adopted all the new and revised Financial Reporting Standards ("FRSs") and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for annual periods beginning on 1 April 2013. The adoption of these new/revised "FRSs" and "INT FRSs" does not result in substantial changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior periods.

**6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

		Group	
		Full Year Ended	
		31 Mar 14	31 Mar 13
(a)	Weighted average number of ordinary shares for calculation of basic and diluted earnings per share	235,003,960	235,003,960
(b)	Basic and diluted earnings per share (cents)	23.38	22.49

EPS is calculated by dividing the Group's profit attributable to owners of the Company with the weighted average number of ordinary shares during the period. The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period.

There is no dilutive effect for EPS as the Company does not have any outstanding share convertibles as at 31 March 2014.

7. **Net asset value (for the Company and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the Company at the end of the**
- (a) **current financial period reported on; and**
- (b) **immediately preceding financial year**

	Group		Company	
	31 Mar 14	31 Mar 13	31 Mar 14	31 Mar 13
Number of issued shares	235,003,960	235,003,960	235,003,960	235,003,960
Net asset value per ordinary share (in \$)	1.56	1.41	0.87	0.83

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on**

**FY2014 vs FY2013**

Revenue for the full year ended 31 March 2014 ("FY2014") was \$682.8 million, a 13% increase versus the last financial year ("FY2013").

Gross margin was 23.0% (FY2013: 23.9%). This was achieved despite a highly competitive retail environment. Operating expenses were higher due to the full year effect of the expansion of the Group's retail network in Singapore, Hong Kong and Australia, and the start up costs for the Ladurée business. In FY2014, two new mono-brand watch boutiques were opened in Marina Bay Sands, Singapore.

The Group's profit after tax grew by 4% to a record \$56.4 million, compared to \$54.3 million in FY2013.

As at 31 March 2014, group inventory level remained stable at \$263.3 million. Cash and cash equivalents were \$116.4 million. Consolidated net assets were \$365.9 million or \$1.56 per share.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

The Group's performance for the year under review is in line with the prospect statement in the results announcement for the period ended 31 December 2013.

10. **A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

Political and economic uncertainties in Asia is expected to impair consumer sentiment. This denting of confidence may impact demand for watches and luxury goods.

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

**11. Dividend**

**(a) Current Financial Period Reported On**

**Any dividend recommended for the current financial period reported on?**

Yes

<b>Name of Dividend</b>	<b>Proposed First and Final Dividend</b>
Dividend Type	Cash
Dividend amount per Ordinary Share	6.00 cents
Tax Rate	(one-tier)

No scrip alternative will be offered for this year's first and final dividend.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

Yes

<b>Name of Dividend</b>	<b>Proposed First and Final Dividend</b>
Dividend Type	Cash
Dividend amount per Ordinary Share	5.50 cents
Tax Rate	(one-tier)

**(c) Date Payable**

The Directors have recommended a first and final dividend of 6.00 cents per ordinary share (one-tier) ("FY2014 Dividend") amounting to approximately \$14,100,238. This is subject to the approval of the shareholders of the Company at the next Annual General Meeting to be held on 23 July 2014.

**(d) Books Closure Date**

The books closure and payment dates in respect of the FY2014 Dividend will be announced on a later date.

**12. If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**13. If the Company has obtained a general mandate from shareholders for interested person transactions ("IPT mandate"), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company does not have an IPT mandate.

**14. Statement Pursuant to Rule 705(5) of the Listing Manual**

Not applicable for full year results announcement.

**Part II – Additional Information required for Full Year Announcement**

**15. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the Company's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

2014	South East Asia & Australia S\$'000	North East Asia S\$'000	Total S\$'000	Eliminations S\$'000	Group S\$'000
<b>Segment Revenue:</b>					
Sales to external customers	570,547	112,250	682,797	-	682,797
Inter-segment sales	418	10,131	10,549	(10,549)	-
Interest income	682	204	886	-	886
Other income	5,923	-	5,923	(663)	5,260
Total revenue and other income	577,570	122,585	700,155	(11,212)	688,943
<b>Segment results:</b>					
Segment results	47,185	18,202	65,387	(97)	65,290
Finance costs					(489)
Fair value gain on investment properties					3,068
Share of results of associates					2,959
Profit before taxation					70,828
Taxation					(14,462)
Profit for the year					56,366
<b>Other segment information:</b>					
Segment assets	379,010	84,722	463,732	-	463,732
Investment in associates	8,354	-	8,354	-	8,354
Unallocated corporate assets					1,024
					473,110
Segment liabilities	80,139	7,459	87,598	-	87,598
Unallocated corporate liabilities					8,775
					96,373
Capital expenditure for the year	10,854	417	11,271	-	11,271
Depreciation and amortisation	6,116	566	6,682	-	6,682

2013	South East Asia & Australia S\$'000	North East Asia S\$'000	Total S\$'000	Eliminations S\$'000	Group S\$'000
<b>Segment Revenue:</b>					
Sales to external customers	512,848	89,088	601,936	-	601,936
Inter-segment sales	111	5,159	5,270	(5,270)	-
Interest income	851	97	948	-	948
Other income	5,455	765	6,220	(1,346)	4,874
Total revenue and other income	519,265	95,109	614,374	(6,616)	607,758
<b>Segment results:</b>					
Segment results	47,992	15,812	63,804	(874)	62,930
Finance costs					(488)
Fair value gain on investment properties					1,954
Impairment loss on investment securities					(785)
Share of results of associates					1,876
Investment income					392
Profit before taxation					65,879
Taxation					(11,548)
Profit for the year					54,331
<b>Other segment information:</b>					
Segment assets	357,248	66,086	423,334	-	423,334
Investment in associates	5,976	-	5,976	-	5,976
Unallocated corporate assets					1,171
					430,481
Segment liabilities	77,435	4,525	81,960	-	81,960
Unallocated corporate liabilities					8,246
					90,206
Capital expenditure for the year	10,839	595	11,434	-	11,434
Depreciation and amortisation	5,492	380	5,872	-	5,872

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Refer to Paragraph 8.

17. A breakdown of sales as follows:

	Group		
	2014 S\$'000	2013 S\$'000	Change %
Revenue for first half year	315,057	275,764	14.2
Profit after tax for first half year	18,926	20,109	-5.9
Revenue for second half year	367,740	326,172	12.7
Profit after tax for second half year	37,440	34,222	9.4

18. A breakdown of the total annual dividend (in dollar value) for the Company's latest full year and its previous full year as follows: -

Total Annual Dividend

	Latest Full Year S\$'000	Previous Full Year S\$'000
Ordinary	14,100	12,925
Preference	-	-
Total	<u>14,100</u>	<u>12,925</u>

19. Disclosure of persons occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13).

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mrs Choy Siew Sen	63	Sister of Dato' Dr Jannie Chan Siew Lee and Dr Kenny Chan Swee Kheng. Aunt of Mr Michael Tay Wee Jin.	Manager (since 1997) - Melbourne Boutique (The Hour Glass Australia Pty Ltd). Responsible for operations of the retail outlet in Melbourne, Australia.	Nil.
Mr Chen Choong Hian	63	Brother-in-law of Dr Henry Tay Yun Chwan.	Assistant General Manager (since 2012) - (The Hour Glass Australia Pty Ltd). Responsible for operations in Australia including managing the retail boutique in Brisbane.	Nil.

**19. Disclosure of persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the Company pursuant to Rule 704(13). (Cont'd)**

Note:

Dr Henry Tay Yun Chwan is the Executive Chairman and a substantial shareholder of The Hour Glass Limited. Dato' Dr Jannie Chan Siew Lee is the Executive Vice Chairman and a substantial shareholder of The Hour Glass Limited.

Dr Kenny Chan Swee Kheng is the Group Managing Director of The Hour Glass Limited. He is the brother of Dato' Dr Jannie Chan Siew Lee.

Mr Michael Tay Wee Jin is the Executive Director of The Hour Glass Limited. He is the son of Dr Henry Tay Yun Chwan and Dato' Dr Jannie Chan Siew Lee.

**BY ORDER OF THE BOARD**

Christine Chan  
Company Secretary  
28 May 2014