

**THE HOUR GLASS LIMITED**  
Co. Registration No: 197901972D

**Unaudited Full Year Financial Statement and Dividend Announcement For The Year Ended 31 March 2020**

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 20	31 Mar 19	Change	
	\$'000	\$'000	%	
	Revenue	749,451	720,925	4%
	Other income	5,154	6,390	-19%
	<b>Total revenue and other income</b>	<b>754,605</b>	<b>727,315</b>	<b>4%</b>
	Cost of goods sold	533,535	526,404	1%
	Salaries and employees benefits	51,746	48,140	7%
	Selling and promotion expenses	22,352	19,062	17%
	Depreciation of property, plant and equipment	5,242	6,052	-13%
	Depreciation of right-of-use assets	27,685	-	NM
	Rental expenses	4,350	31,134	-86%
(ii)	Finance costs	3,481	927	>100%
	Foreign exchange (gain)/loss	(1,017)	754	NM
	Other expenses	18,490	11,527	60%
	<b>Total costs and expenses</b>	<b>665,864</b>	<b>644,000</b>	<b>3%</b>
	Share of results of associates	6,486	6,734	-4%
	<b>Profit before taxation</b>	<b>95,227</b>	<b>90,049</b>	<b>6%</b>
	Taxation	17,737	18,645	-5%
	<b>Profit for the year</b>	<b>77,490</b>	<b>71,404</b>	<b>9%</b>
	<b>Profit attributable to:</b>			
	Owners of the Company	76,182	70,431	8%
	Non-controlling interests	1,308	973	34%
		<b>77,490</b>	<b>71,404</b>	<b>9%</b>

Note:

(i) Other income

		Group		
		Full Year ended		
	31 Mar 20	31 Mar 19	Change	
	\$'000	\$'000	%	
	Rental income	2,627	1,834	43%
	Interest income	1,828	1,876	-3%
	Net gain on disposal of property, plant and equipment	68	248	-73%
	Fair value (loss)/gain on investment properties	(918)	822	NM
	Management fee	1,066	1,053	1%
	Others	483	557	-13%
		<b>5,154</b>	<b>6,390</b>	<b>-19%</b>

NM – Not Meaningful

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

Note:

(ii) Finance costs

Interest on bank loans and overdrafts  
Interest on lease liabilities

Group		
Full Year ended		
31 Mar 20 \$'000	31 Mar 19 \$'000	Change %
770	927	-17%
2,711	-	NM
<b>3,481</b>	<b>927</b>	<b>&gt;100%</b>

**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

Group		
Full Year ended		
31 Mar 20 \$'000	31 Mar 19 \$'000	Change %
469	(197)	NM

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

**Profit for the year**

**Other comprehensive income:**

Item 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 20 \$'000	31 Mar 19 \$'000	Change %
<b>77,490</b>	<b>71,404</b>	<b>9%</b>
(5,811)	(2,877)	>100%
(5,811)	(2,877)	>100%
<b>71,679</b>	<b>68,527</b>	<b>5%</b>
69,377	67,204	3%
2,302	1,323	74%
<b>71,679</b>	<b>68,527</b>	<b>5%</b>

NM – Not Meaningful

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.

	Group		Company	
	31 Mar 20 \$'000	31 Mar 19 \$'000	31 Mar 20 \$'000	31 Mar 19 \$'000
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	96,714	55,546	11,802	9,949
Right-of-use assets	103,313	-	63,683	-
Investment properties	96,511	55,665	11,287	11,207
Intangible assets	16,118	5,258	875	1,070
Investment in subsidiaries	-	-	87,864	52,074
Investment in associates	40,303	33,494	-	68
Loan to an associate	2,896	5,388	2,896	5,388
Other receivables	8,037	8,287	4,101	3,967
Deferred tax assets	2,456	377	452	106
	366,348	164,015	182,960	83,829
<b>Current assets</b>				
Inventories	285,456	286,356	175,035	172,214
Trade and other receivables	20,301	16,818	12,233	7,414
Prepaid operating expenses	1,229	914	582	298
Amount due from associates	74	70	45	10
Amount due from subsidiaries	-	-	9,465	6,541
Cash and cash equivalents	183,131	180,971	94,248	82,811
	490,191	485,129	291,608	269,288
<b>Total assets</b>	<b>856,539</b>	<b>649,144</b>	<b>474,568</b>	<b>353,117</b>
<b>Equity and liabilities</b>				
<b>Current liabilities</b>				
Loans and borrowings	64,467	14,972	-	-
Trade and other payables	49,307	46,346	23,498	22,788
Amount due to subsidiaries	-	-	9,624	5,062
Lease liabilities	25,856	-	15,192	-
Provision for taxation	11,592	11,584	7,466	5,624
	151,222	72,902	55,780	33,474
<b>Net current assets</b>	<b>338,969</b>	<b>412,227</b>	<b>235,828</b>	<b>235,814</b>
<b>Non-current liabilities</b>				
Provisions	310	269	-	-
Lease liabilities	81,487	1,623	51,569	1,623
Deferred tax liabilities	608	1,326	-	-
	82,405	3,218	51,569	1,623
<b>Total liabilities</b>	<b>233,627</b>	<b>76,120</b>	<b>107,349</b>	<b>35,097</b>
<b>Net assets</b>	<b>622,912</b>	<b>573,024</b>	<b>367,219</b>	<b>318,020</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	67,638	67,638	67,638	67,638
Treasury shares	(590)	-	(590)	-
Reserves	540,833	492,606	300,171	250,382
	607,881	560,244	367,219	318,020
<b>Non-controlling interests</b>	15,031	12,780	-	-
<b>Total equity</b>	<b>622,912</b>	<b>573,024</b>	<b>367,219</b>	<b>318,020</b>
<b>Total equity and liabilities</b>	<b>856,539</b>	<b>649,144</b>	<b>474,568</b>	<b>353,117</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 20		As at 31 Mar 19	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
53,486	10,981	12,951	2,021

**Amount repayable after one year**

As at 31 Mar 20		As at 31 Mar 19	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	-	-	-

**Details of any collateral**

The unsecured term loans of subsidiaries are covered by corporate guarantees given by the Company.

Loans of \$53,486,000 (31 March 2019: \$12,951,000) are secured on certain properties of subsidiaries and 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 20</b>	<b>31 Mar 19</b>
	\$'000	\$'000
<b>Operating activities</b>		
Profit before taxation	95,227	90,049
Adjustments for:		
Finance costs	3,481	927
Interest income	(1,828)	(1,876)
Depreciation of property, plant and equipment	5,242	6,052
Depreciation of right-of-use assets	27,685	-
Amortisation of intangible assets	769	596
Foreign currency translation adjustment	(3,765)	(394)
Net gain on disposal of property, plant and equipment	(68)	(248)
Fair value loss/(gain) on investment properties	918	(822)
Effects of transfer of equity interest in an associate	167	-
Share of results of associates	(6,486)	(6,734)
<b>Operating cash flows before changes in working capital</b>	<b>121,342</b>	<b>87,550</b>
Decrease/(increase) in inventories	7,941	(4,730)
Increase in receivables	(2,666)	(1,295)
(Increase)/decrease in prepaid operating expenses	(435)	41
Decrease/(increase) in amount due from associates	2,778	(2,707)
Increase in payables	3,404	1,168
<b>Cash flows from operations</b>	<b>132,364</b>	<b>80,027</b>
Income taxes paid	(20,557)	(14,931)
Interest paid	(3,481)	(927)
Interest received	1,828	1,876
<b>Net cash flows from operating activities</b>	<b>110,154</b>	<b>66,045</b>
<b>Investing activities</b>		
Acquisition of a business	(18,917)	-
Additions to intangible assets	(482)	(638)
Dividend received from an associate	817	2,227
Proceeds from transfer of equity interest in an associate	68	-
Proceeds from disposal of property, plant and equipment	97	290
Purchase of investment properties	(82,971)	-
Purchase of property, plant and equipment	(15,868)	(18,476)
<b>Net cash flows used in investing activities</b>	<b>(117,256)</b>	<b>(16,597)</b>
<b>Financing activities</b>		
Proceeds from loans and borrowings	59,187	23,705
Repayment of loans and borrowings	(4,778)	(57,282)
Payment of lease liabilities	(25,197)	-
Capital contribution from non-controlling interests	229	-
Dividends paid to non-controlling interests	(280)	(1,000)
Dividends paid on ordinary shares	(21,150)	(14,100)
Purchase of treasury shares	(590)	-
<b>Net cash flows generated from/(used in) financing activities</b>	<b>7,421</b>	<b>(48,677)</b>
<b>Net increase in cash and cash equivalents</b>	<b>319</b>	<b>771</b>
Effects of exchange rate changes on cash and cash equivalents	1,841	(296)
Cash and cash equivalents at beginning of financial year	180,971	180,496
<b>Cash and cash equivalents at end of financial year</b>	<b>183,131</b>	<b>180,971</b>

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

	<b>Group</b>	
	<b>31 Mar 20</b>	<b>31 Mar 19</b>
	\$'000	\$'000
Cash and bank balances	132,971	133,618
Fixed deposits with banks	50,160	47,353
	<b>183,131</b>	<b>180,971</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	Treasury shares \$'000	Foreign currency translation reserve \$'000	Capital 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 2018	67,638	-	(7,054)	(142)	3,372	443,326	507,140	12,457	519,597
<b>Total comprehensive income</b>									
Profit for the year	-	-	-	-	-	70,431	70,431	973	71,404
<b>Other comprehensive income</b>									
Foreign currency translation	-	-	(3,227)	-	-	-	(3,227)	350	(2,877)
Total other comprehensive (loss)/income	-	-	(3,227)	-	-	-	(3,227)	350	(2,877)
<b>Total comprehensive (loss)/income</b>	-	-	(3,227)	-	-	70,431	67,204	1,323	68,527
<b>Contributions by and distributions to owners</b>									
Dividends on ordinary shares	-	-	-	-	-	(14,100)	(14,100)	-	(14,100)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(1,000)	(1,000)
<b>Total transactions with owners</b>	-	-	-	-	-	(14,100)	(14,100)	(1,000)	(15,100)
Balance at 31 March 2019	67,638	-	(10,281)	(142)	3,372	499,657	560,244	12,780	573,024

	Share capital \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Capital 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 2019	67,638	-	(10,281)	(142)	3,372	499,657	560,244	12,780	573,024
<b>Total comprehensive income</b>									
Profit for the year	-	-	-	-	-	76,182	76,182	1,308	77,490
<b>Other comprehensive income</b>									
Foreign currency translation	-	-	(6,805)	-	-	-	(6,805)	994	(5,811)
Total other comprehensive (loss)/income	-	-	(6,805)	-	-	-	(6,805)	994	(5,811)
<b>Total comprehensive (loss)/income</b>	-	-	(6,805)	-	-	76,182	69,377	2,302	71,679
<b>Contributions by and distributions to owners</b>									
Purchase of treasury shares	-	(590)	-	-	-	-	(590)	-	(590)
Dividends on ordinary shares	-	-	-	-	-	(21,150)	(21,150)	-	(21,150)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(280)	(280)
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	229	229
<b>Total transactions with owners</b>	-	(590)	-	-	-	(21,150)	(21,740)	(51)	(21,791)
Balance at 31 March 2020	67,638	(590)	(17,086)	(142)	3,372	554,689	607,881	15,031	622,912

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

<u>Company</u>	Share capital \$'000	Treasury shares \$'000	Revenue reserve \$'000	Total equity \$'000
Balance at 1 April 2018	67,638	-	205,033	272,671
<b>Total comprehensive income</b>				
Profit for the year	-	-	59,449	59,449
<b>Total comprehensive income</b>	-	-	<b>59,449</b>	<b>59,449</b>
<b>Contributions by and distributions to owners</b>				
Dividends on ordinary shares	-	-	(14,100)	(14,100)
<b>Total transactions with owners</b>	-	-	<b>(14,100)</b>	<b>(14,100)</b>
Balance at 31 March 2019	67,638	-	250,382	318,020
Balance at 1 April 2019	67,638	-	250,382	318,020
<b>Total comprehensive income</b>				
Profit for the year	-	-	70,939	70,939
<b>Total comprehensive income</b>	-	-	<b>70,939</b>	<b>70,939</b>
<b>Contributions by and distributions to owners</b>				
Purchase of treasury shares	-	(590)	-	(590)
Dividends on ordinary shares	-	-	(21,150)	(21,150)
<b>Total transactions with owners</b>	-	<b>(590)</b>	<b>(21,150)</b>	<b>(21,740)</b>
Balance at 31 March 2020	67,638	(590)	300,171	367,219

**1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

As at 31 March 2020, the Company's total issued shares is 703,981,880 ordinary shares (31 March 2019: 705,011,880) excluding 1,030,000 shares held as treasury shares (31 March 2019: Nil).

<b>No. of shares</b>	
As at 1 April 2019	705,011,880
Purchase of treasury shares during the year	(1,030,000)
As at 31 March 2020	703,981,880

As at 31 March 2020, the Company held 1,030,000 treasury shares (31 March 2019: Nil) which represents 0.146% of the total number of issued shares (excluding treasury shares).

The Company does not have any outstanding share convertibles at the end of the period under review.

None of the Company's subsidiaries hold any shares in the Company at the end of the period 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.**

<b>31 Mar 20</b>	<b>31 Mar 19</b>
703,981,880	705,011,880

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

The movement of treasury shares is as follows:

	<b>No. of shares</b>
As at 1 April 2019	-
Purchase of treasury shares during the year	1,030,000
As at 31 March 2020	1,030,000

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings 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 modifications or emphasis of a matter).**

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

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 2019, 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.**

SFRS(I) 16 Leases

SFRS(I) 16 requires lessees to recognise most leases on the statements of financial position. The standard includes two recognition exemptions for lessees – leases of ‘low value’ assets and short-term leases. SFRS(I) 16 is effective for annual periods beginning on or after 1 January 2019. At commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Group adopted SFRS(I) 16 on 1 April 2019, using the modified retrospective approach, without restating prior years’ information.

On the adoption of SFRS(I) 16, the Group has chosen, on a lease-by-lease basis, to measure the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before 1 April 2019.

In addition, the Group has elected the following practical expedients:

- not to reassess whether a contract is, or contains a lease at the date of initial application and to apply SFRS(I) 16 to all contracts that were previously identified as leases; and
- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

As at 1 April 2019, the adoption of SFRS(I) 16 resulted in the following effects to the Group and the Company:

	<b>Group</b>	<b>Company</b>
	\$'000	\$'000
<b>Assets</b>		
Right-of-use assets	120,796	84,789
Prepaid operating expenses	(141)	-
<b>Liabilities</b>		
Lease liabilities - current	22,963	14,187
Lease liabilities - non-current	97,662	70,572
Trade and other payables	30	30

**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.**

	<b>Group</b>	
	<b>Full Year ended</b>	
	<b>31 Mar 20</b>	<b>31 Mar 19</b>
(a) Weighted average number of ordinary shares for calculation of basic and diluted earnings per share	704,973,765	705,011,880
(b) Basic and diluted earnings per share (cents)	10.81	9.99

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 or bought back 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 2020.

**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.**

	<b>Group</b>		<b>Company</b>	
	<b>31 Mar 20</b>	<b>31 Mar 19</b>	<b>31 Mar 20</b>	<b>31 Mar 19</b>
Number of issued shares	703,981,880	705,011,880	703,981,880	705,011,880
Net asset value per ordinary share (in \$)	0.86	0.79	0.52	0.45

**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.**

Revenue for the year ended 31 March 2020 ("FY2020") was \$749.5 million, a 4% increase compared to \$720.9 million achieved in FY2019.

Gross margin improved to 28.8% (FY2019: 27.0%). Increased operating expenses were aligned with the increase in business activity during the year. The adoption of SFRS(I) 16 - Leases also recognised the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Profit after tax rose 9% to \$77.5 million, compared to \$71.4 million in FY2019.

As at 31 March 2020, group inventory was \$285.5 million (FY2019: \$286.4 million). Cash and cash equivalents stood at \$183.1 million. Consolidated net assets were \$607.9 million or \$0.86 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 statement in the results announcement for the period ended 31 December 2019.

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.**

The Covid-19 pandemic has given rise to an unprecedented global health, economic and geopolitical crisis. The Group's retail operations and its financial results will continue to be adversely impacted by business disruptions and dampened consumer sentiment. Given the evolving circumstances, the impact of the Covid-19 outbreak is difficult to quantify at this juncture.

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	2.00 cents
Tax Rate	(one-tier)

No script 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>First and Final Dividend</b>
Dividend Type	Cash
Dividend amount per Ordinary Share	3.00 cents
Tax Rate	(one-tier)

**(c) Date Payable**

The Directors have recommended a first and final dividend of 2.00 cents per ordinary share (one-tier) ("FY2020 Dividend") amounting to approximately \$14,080,000. This is subject to the approval of the shareholders of the Company at the Annual General Meeting to be held on 28 August 2020.

**(d) Books Closure Date**

The book closure and payment dates in respect of the FY2020 Dividend will be announced on a later date.

12. **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

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.

15. **Confirmation that the Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Hour Glass Limited confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX-ST Listing Manual.

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

16. **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.**

FY2020	South East Asia	North East	Total	Eliminations	Group
	& Oceania	Asia			
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Segment revenue:</b>					
Sales to external customers	647,443	102,008	749,451	-	749,451
Inter-segment sales	5,153	4,953	10,106	(10,106)	-
Interest income	1,640	188	1,828	-	1,828
Other income	43,958	-	43,958	(40,632)	3,326
Total revenue and other income	698,194	107,149	805,343	(50,738)	754,605
<b>Segment results:</b>					
Segment results	112,904	14,924	127,828	(34,688)	93,140
Finance costs					(3,481)
Fair value loss on investment properties					(918)
Share of results of associates					6,486
Profit before taxation					95,227
Taxation					(17,737)
Profit for the year					77,490
<b>Other segment information:</b>					
Segment assets	725,848	87,801	813,649	-	813,649
Investment in associates	40,303	-	40,303	-	40,303
Unallocated corporate assets					2,587
					856,539
Segment liabilities	194,374	27,053	221,427	-	221,427
Unallocated corporate liabilities					12,200
					233,627
Capital expenditure for the year	99,268	53	99,321	-	99,321
Depreciation and amortisation*	26,375	7,321	33,696	-	33,696

\* Includes depreciation of right-of-use assets

16. **Segmented revenue and results for business or geographical segments (Cont'd)**

FY2019	South East Asia	North East	Total	Eliminations	Group
	& Oceania	Asia			
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Segment revenue:</b>					
Sales to external customers	608,211	112,714	720,925	-	720,925
Inter-segment sales	8,712	-	8,712	(8,712)	-
Interest income	1,442	434	1,876	-	1,876
Other income	45,603	34	45,637	(41,123)	4,514
Total revenue and other income	663,968	113,182	777,150	(49,835)	727,315
<b>Segment results:</b>					
Segment results	99,370	19,425	118,795	(35,375)	83,420
Finance costs					(927)
Fair value gain on investment properties					822
Share of results of associates					6,734
Profit before taxation					90,049
Taxation					(18,645)
Profit for the year					71,404
<b>Other segment information:</b>					
Segment assets	534,138	81,135	615,273	-	615,273
Investment in associates	33,494	-	33,494	-	33,494
Unallocated corporate assets					377
					649,144
Segment liabilities	55,840	7,370	63,210	-	63,210
Unallocated corporate liabilities					12,910
					76,120
Capital expenditure for the year	18,955	159	19,114	-	19,114
Depreciation and amortisation	6,305	343	6,648	-	6,648

17. **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.

18. **A breakdown of sales as follows:**

	Group		
	2020 \$'000	2019 \$'000	Change %
Revenue for first half year	381,078	355,410	7%
Profit after tax for first half year	35,527	28,175	26%
Revenue for second half year	368,373	365,515	1%
Profit after tax for second half year	41,963	43,229	-3%

19. **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	Previous Full Year
	\$'000	\$'000
Ordinary	14,080	21,150
Preference	-	-
Total	<u>14,080</u>	<u>21,150</u>

**20. 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	69	Sister of Dr Kenny Chan Swee Kheng (Director) and Dato' Dr Jannie Chan Siew Lee (Substantial Shareholder). Aunt of Mr Michael Tay Wee Jin (Director).	Manager (since 1997) - Melbourne Boutique (The Hour Glass Australia Pty Ltd). This position was re-designated to Senior Retail Manager from 1 April 2016. Responsible for operations of the retail outlet in Melbourne, Australia.	Nil.

**BY ORDER OF THE BOARD**

Christine Chan  
 Company Secretary  
 29 June 2020