

THE HOUR GLASS LIMITED



Annual Report 1994

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The Directors ( L to R ) :

Mr Owen Price, Mr Timothy Chia , Mr Ian Spence,  
Mr Michael Hwang, Dr Henry Tay , Mrs Jannie Tay

Not in picture : Mr Michael Kwee

# C o r p o r a t e   D i r e c t o r y

## **Directors**

Dr Henry Tay Yun Chwan  
( Executive Chairman )  
Mrs Jannie Tay ( nee Chan Siew Lee )  
( Managing Director )  
Mr Michael Kwee Chong-Kok  
Mr Timothy Chia Chee Ming  
Mr Ian Wayne Spence  
Mr Sydney Michael Hwang  
Mr Owen Phillimore Howell - Price ( Appointed on 11.4.1994 )

## **Secretary**

Francisca Wong Yoke Sin

## **Registered Office**

302 Orchard Road , #11-01 , Tong Building  
Singapore 0923 , Tel: 787 2288

## **Registrar / Warrant Agent**

Lim Associates (Pte) Ltd  
36 Robinson Road , # 15-00 , City House  
Singapore 0106 , Tel: 220 1135

## **Trustee**

British & Malayan Trustees Limited

## **Audit Committee**

Mr Timothy Chia Chee Ming ( Chairman )  
Mr Michael Kwee Chong - Kok  
Dr Henry Tay Yun Chwan  
Mr Owen Phillimore Howell - Price ( Appointed on 15.6.1994 )

## **Auditor**

Ernst & Young

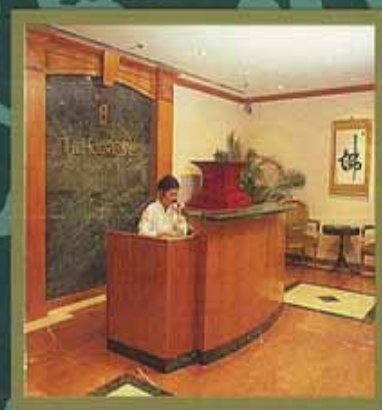
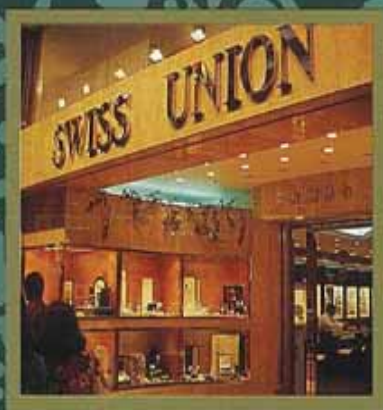
## **Principal Bankers**

The Development Bank Of Singapore Ltd  
Hongkong & Shanghai Banking Corporation Ltd  
Keppel Bank Of Singapore Ltd

## **Solicitors**

Allen & Gledhill  
Helen Yeo & Partners





Clockwise from top left :

Signing of the joint venture agreement for The Hour Glass Thailand Ltd

Artist impression of our Boutique in Bangkok

Our new Corporate head office at Tong Building

Our first retail outlet in Hong Kong



## C h a i r m a n ' s   S t a t e m e n t

*T*he year ended 31 March 1994 was again a record year for the company and despite sluggish trading conditions in its home market, the year saw a 32.3% increase in group turnover to \$364.9 million from \$275.8 million.

The Hour Glass's consolidated profit before taxation for the year was \$15.6 million compared with \$9.5 million in the previous year, an increase of 64.7%, whilst its profit after taxation increased by 71.8% to \$10.1 million. Earnings per share were 11.82 cents, an increase of 56.8%. Shareholders funds rose to \$67.7 million from \$42.5 million, an increase of 59.3% over the previous year.

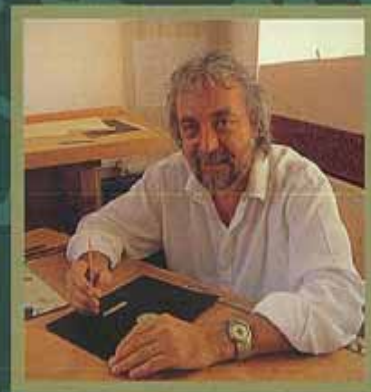
Directors recommend a first and final dividend of 1.875 cents per share and a bonus dividend of 1.25 cents per share, payable in cash, which is an increase of 66.7% over last year.

During the year, the issued and paid-up capital of the Company was increased from \$15,000,125 to \$21,271,844 arising from the issue of 25,086,874 ordinary shares of 25 cents each. The issue was primarily due to the bonus issue of 15,414,812 ordinary shares, private placement of 7,700,000 ordinary shares and the exercise by warrant holders and option holders totalling 1,972,062 ordinary shares. Capital expenditure increased from \$16.6 million to \$31.1 million and at year end net tangible asset value per ordinary share was 77.8 cents, representing an increase of 43.3% for the year.

I am pleased to report that the record results were achieved through increased productivity in all aspects of the business; continued emphasis on staff training; and the implementation of creative marketing strategies. In particular, our core business in Singapore produced outstanding results in what was, otherwise, a quiet retail market. A re-structuring of the Milano's Pizza Division resulted in the absorption of some heavy one-off expenses which has placed the business on a better footing to move forward in the coming year.

In **Singapore**, we acquired premises in Tong Building, located in Orchard Road, the heart of Singapore's retail district, to set up our new corporate head office on 5 February 1994. We also formed a subsidiary retail company "Les Arts and Antiques" to market the renowned Boehm range of fine porcelain ware in South East Asia and on the wholesale side two new brands of watches, Tickers





The man and his master piece :

Top : Mr Gerald Genta

Bottom : Mr Daniel Roth

and Paul Picot, were introduced to cater for a wider range of tastes.

In **Hong Kong**, we have made a series of acquisitions to strengthen our position not only in that market but in the region. In May 1994, we formed a joint venture with Bertolucci Distribution S.A of Switzerland to set up a watch wholesaling business in which the Company will have 60% equity. At the same time, we established a subsidiary, Bertolucci Singapore, and the two businesses will market the brand in Hong Kong, Macau, The Philippines, Korea, Thailand, The Peoples' Republic of China, Singapore, Malaysia, Indonesia, Brunei, Australia and New Zealand.

About the same time, we also entered into a Sale & Purchase Agreement to acquire over a period of two years the entire issued and paid-up capital of Gubelin Watch Company Limited, which currently operates a watch retail outlet in busy Nathan Road, Kowloon under Swiss Union Watch Co.

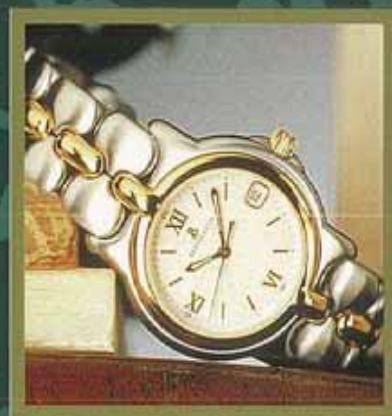
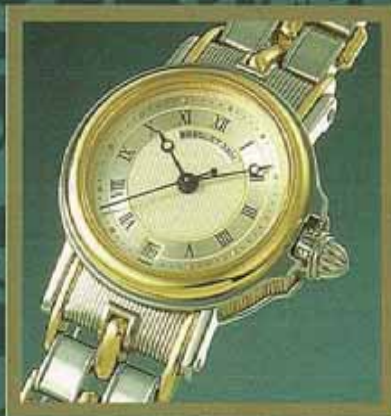
In June 1994, we acquired the remaining 40% equity in Gerald Genta (Hong Kong), whose principal activity is the wholesaling and distribution of Gerald Genta watches and time pieces in Hong Kong and Taiwan.

In **Thailand**, a joint venture was formed with Khunying Phornthip Narondej to establish The Hour Glass, Thailand. This enables us to cater for an increasingly sophisticated Thai consumer seeking the finest in watches. That company shall have a paid up capital of 50 million Thai Baht of which we have a 49% equity.

In **Australia**, we increased the issued and paid-up capital of our subsidiary company, The Watch Gallery Pty Ltd, from AUD500,000 to AUD4,000,000 an indication of our confidence in the potential of that market. In February 1994, we completed the acquisition of Bendigo House a strategically located building in prestigious Collins Street Melbourne. The building has a floor area of thirteen hundred and fifty square metres and in addition to housing our own retail outlet, the rest will be leased out as retail and office space. Expanding our business to Melbourne will further strengthen our presence in Australia.

In **Europe**, we have purchased a 51 percent interest in Daniel Roth S.A, a prestigious watchmaker based in Switzerland. It is felt that the addition of the design & manufacturing expertise and brand name of this company will be of major advantage to the group's core business and will provide growth opportunities for the future.





Clockwise from top left :

Breguet, Marine

Blancpain, Jubile

Bertolucci, Vir

Ulysse Nardin, San Marco

Much of our success in the past year can be attributed to imaginative marketing strategies used in such events as The 1993 Investment Fair, The Hour Glass - Antiquorum Preview Auction, The Collection - the 1993 exhibition of watches and jewellery in Kuala Lumpur and The Quality Time Collection held in July 1994 as part of The Great Singapore Sale, an event organised under the auspices of The Singapore Tourism Promotion Board.

During the last financial year we were extremely honoured to have been awarded The Retailer of The Month and The Specialty Store of The Year Award by the Singapore Tourism Promotion Board.

Mr. Owen Phillimore Howell-Price was appointed to the Board of Directors on 11 April 1994 and brings to the company wide experience in international retailing.

At the end of the financial year, the company and its subsidiaries employed over 500 staff and on behalf of the directors and shareholders I would like to thank them for their significant contribution to the group's outstanding results.

The development and involvement of our people in the business is a key element of the company's management philosophy and substantial resources have been and will continue to be devoted to this aspect.

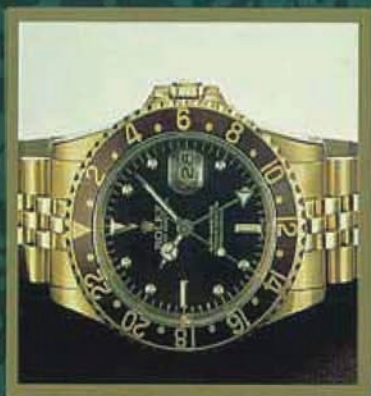
The Company is in excellent financial condition and is in a position to take advantage of new business opportunities that may arise.

The coming year will see tighter trading conditions but the strength of the business in its niche markets will ensure that it continues to prosper. Your directors therefore look forward to another year of growth.



Henry Tay Yun Chwan  
Executive Chairman  
11 August 1994





Clockwise from top left :

Rolex, GMT Master

Patek Philippe, Lady Nautilus

Cartier, Panther

Gilles Robert, Diane

## The Hour Glass Retail

The financial year 1994 saw improvement in all aspects of the retail business ie, there were increases in our customer base, units sold and operating margins. The sale of more watches of brands where we hold exclusive agencies also contributed to improve profits.

Our performance was made possible by strengthening our focus on what the customers' want and need, and working backwards to ensure that those aspirations are met. Greater attention was paid to customers' retention programs as well as widening the customer base in our advertising and marketing. The retail team is also closely supported by the administrative / finance division through stocks and currency management.

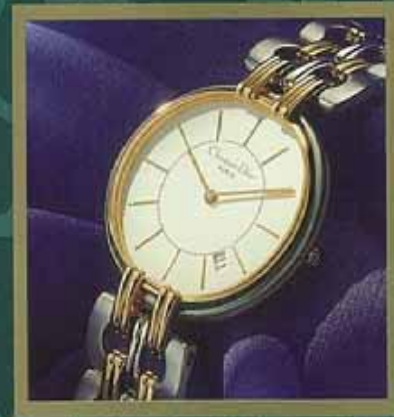
Our retail subsidiaries in the region, ie. in Malaysia and Australia, made modest contributions to group profits in the financial year.

1994 is also a year of retail expansion in the region. In Hong Kong, we acquire a very successful retail watch company, Gubelin Watch Company Ltd. trading as Swiss Union Watch Co. in Kowloon. In Thailand, we established a joint venture retail outlet to cater for our sophisticated Thai customers at the Promenade Shopping Centre adjoining the Hilton Hotel.

In Australia, we will be opening our fifth retail outlet in Melbourne in Collins Street, a prime CBD shopping area to capture the Australian wealthy families. Upon expiry of the tenancy at Skygarden Shopping Centre in Sydney, we shall be moving to 44 Pitt Street, to a more prominent location with street frontage, to better develop our customer base.

The coming year promises to be another exciting one as we look forward to servicing our customers both locally and in the region. The addition of new lines like Daniel Roth and Paul Picot will enhance that service.





Clockwise from top left :

Guest-of-Honour Dato Napsiah Bte Omar ,  
trying one of the timepieces during the exhibition in Kuala Lumpur

Paul Picot, Technicum

Christian Dior, Heure Sublime

Revue Thommen, Cricket

## The Hour Glass Wholesale

*T*he fiscal year ended 31 March 1994 proved to be the best ever for The Hour Glass' Wholesale Division. There were substantial increases in sales turnover and profits particularly from its more luxurious lines.

Last year, we also laid the foundation for the regionalisation of our Wholesale operations. One was the formation of a joint-venture company called Bertolucci (Hong Kong) Limited with the principal from Switzerland for distribution rights in Hong Kong, China, Macau, Korea, Thailand and the Philippines. At the same time, we also formed Bertolucci (S) Pte Ltd to undertake sole distribution in Singapore, Malaysia, Indonesia, Brunei, Australia and New Zealand. In June 1994 we acquire the remaining 40% interest in Gerald Genta (Hong Kong) from our existing partner. These steps will enhance the scope of our distribution rights and give us the experience necessary for further regionalisation.

We continued our efforts last year to develop our ASEAN markets particularly Indonesia and Malaysia by holding promotions there as part of our ongoing investments in these countries.

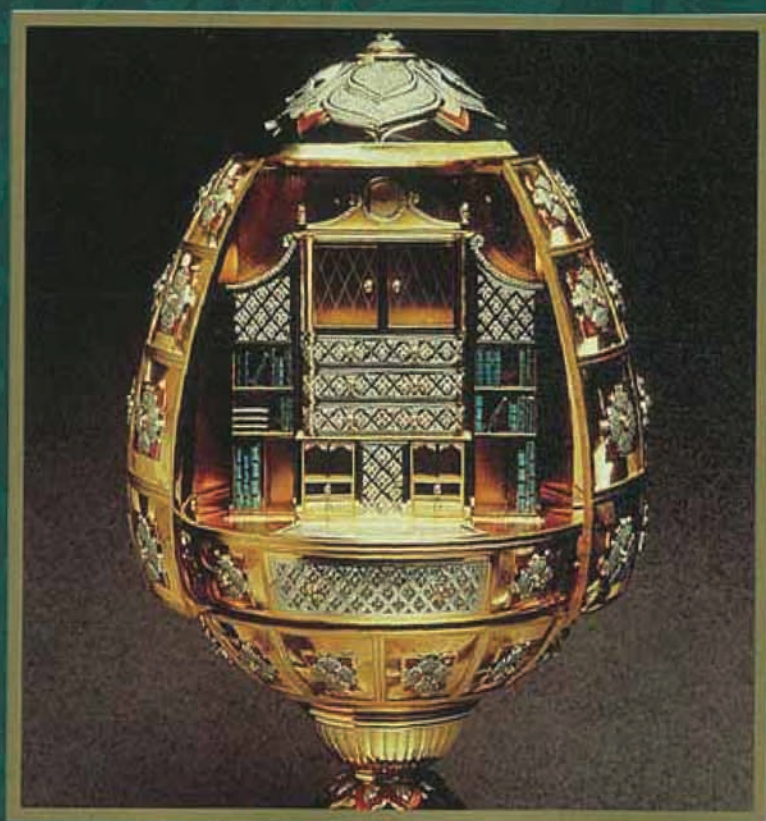
In February 1994, we held an exhibition together with our subsidiary Mondial Jewellers featuring timepieces and jewellery at the Regent Hotel in Kuala Lumpur. The opening ceremony of the exhibition was officiated by Dato' Napsiah Bte Omar, Minister For Social Unity and Community Development.

Lakewind Impex enjoyed a 16% increase in its turnover with its prestigious Christian Dior line being the main contributor. During the year, it added a range of fun watches from Britain called Tickers and the market response has been favourable.

Dynasty Watch saw a 21% increase in sales during the year. In May 1994, Dynasty was appointed sole distributor of Paul Picot, an up-and-coming Swiss brand for this region and the product was launched in July this year.

Our Wholesale operations have entered a further expansionary phase and we look forward to stable growth in the next few years. We will try to overcome obstacles by refining our marketing mix, improving our synergy with principals and enhancing our relationship with our customers.





The World famous Argyle Library Egg

## Mondial Jewellers

*T*he past year has seen significant improvement both in turnover and operating profits for Mondial.

Following the relocation of our flagship store to Takashimaya Shopping Centre , we are able to reach out to a wider and more varied clientele.

Mondial's philosophy of value and quality for its customers is evident in the comprehensive range of products carried at its boutiques. This is further supported by the bi-annual exhibition sale held in Singapore and Kuala Lumpur.

The recent introduction of a small collection of precious objet d'art, and antique jewellery pieces, has added another dimension to the business.

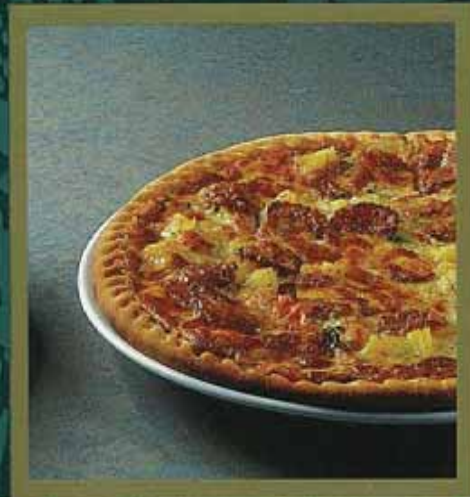
In June 1994, Mondial exhibited for the first time in S.E Asia, the world famous Argyle Library Egg valued at S\$10m. This is very much in line with the Company's effort in promoting fancy coloured diamonds.

Despite the tough retail market conditions both locally and regionally, we are confident that with our excellent relationships with our customers and suppliers; together with our planned marketing strategies, we will be able to show another year of positive results.



**Mondial**  
**Dazzling Necklace & Earrings set**  
**of Pink Diamonds**





Top : Our Holland Village Outlet  
with its new look

Bottom : Milano's new pan-pizza

## Milano's Restaurants

*T*he past year saw Milano's open 5 new outlets in line with the longer term objective of increasing its distribution network to making the concept more accessible and convenient for a larger consumer base.

These new outlets were all located at strategic locations that will now makes pizza delivery possible to more than 90% of the Singapore household base.

As these outlets were opened towards the end of the fiscal year, its combined performance did not account significantly in revenue contributions.

Overall, total turnover revenue increased 4.9% over previous year, the delivery segment improved 97.0%.

Apart from its investments in new outlet expansion, significant capital investments were also made in the following areas - equipment and storage facilities at central commissary, especially for the launch of the new Pan Pizza; higher advertising and promotion expenses, new menu and corporate identity, and the new outlets.

The launch of the new Pan Pizza in the mid-half of the year was a success, having accounted for over 50% of Milano's existing sales.

The past year also saw write-offs for replacement of older restaurant equipment and the re-location of one delivery kiosk to Junction-8 Shopping Centre in Bishan.

Milano's hopes to expand its menu range with more new products in the coming year, hence making it appeal to a far wider consumer profile.





Top : Meeting cum training session

Bottom: Product training

## O u r   H u m a n   R e s o u r c e s

*T*he Hour Glass' corporate culture is to create a "Happy Family" environment in the workplace. This includes developing mutual love and trust, care and share and win/win relationships.

One of our objectives in 1993 was to build winning teams. It was a year of teambuilding and personal development. More than one hundred staff attended the "How to create a championship team" workshop conducted by an international instructor, Blair Singer.

Sixty of our executives and some support staff also went through an intensive three and a half days personal transformation seminar entitled "Money & You". Many individuals emerged with greater awareness of self and others including their role as friend, colleague, spouse and parent.

In our move toward globalisation, the Company also concentrated on developing a core support team at the corporate office to provide technical and specialised expertise for our retail operations. The areas of focus include marketing, management information, human resource development, finance/investments and legal matters.

Toward the end of the fiscal year, the Company also committed to obtaining the ISO 9002 Quality Award by August 1994. This move will ensure that we have international recognition for the quality of our retail services.

To ensure the continuous growth and development of the group, we will continue to be people-oriented and systems-dependent.





Dr Henry Tay, Vice-chairman of Community Chest and  
Chairperson of Community Chest 10th Anniversary  
presenting cheque to Dr Richard Eu, Chairman of Community Chest





Clockwise from top left :

Boehni Porcelain, Yellow Rose

Hublot, Classic Automatic

Cerrutti 1881, Brothers

Vignando, Duo



## Community Service

*T*he Hour Glass places great importance on human resources. Internally, this means staff welfare. Externally this translates into a caring for society.

As part of its drive to share its success with society, The Hour Glass has a Care and Share programme in which the company matches dollar for dollar every contribution made by its staff.

Last year, The Hour Glass played an important part in helping stage The French Festival Fashion Show in aid of the National Kidney Foundation, the Singapore Dress- Launch of the SOPAN Collection in aid of the Hospice Care Association and Metamorphosis- SCWO Gala Dinner in aid of the Singapore Council of Women's Association.

As a responsible corporate citizen, we realise that we have an obligation to the nation's welfare and this is part of our corporate philosophy.

In the last financial year, we have contributed to the following worthy causes :-

- \* **The Universities Endowment Fund**
- \* **The Home Nursing Foundation**
- \* **Children's Charities Association**
- \* **Yuhua Community Centre**
- \* **Community Chest 10th Anniversary Dinner**

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Ms Alison Goh expressing heartfelt thanks to all donors through a song dedication

# Financial Statements

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## Report of the Directors

The Directors have pleasure in presenting their report together with the audited accounts of the Company and of the Group for the year ended 31 March 1994.

### Principal activities

The principal activities of the Company are those of holding company and the wholesaling and retailing of watches, jewellery and related products. The principal activities of the Group are those of investment holding companies, wholesalers and retailers of watches and jewellery, restaurateurs and investment in properties.

There have been no significant changes in the nature of these activities during the year under review.

### Results for the financial year

	Group	Company
	\$000	\$000
Profit after taxation and minority interests	9,240	10,634
Extraordinary item, Note 8	(52)	(52)
Profit after taxation and extraordinary item	9,188	10,582
Dividends, less tax, Note 9	(1,957)	(1,957)
Retained profit transferred to revenue reserve	7,231	8,625

In the opinion of the Directors, the results of the operations of the Company and of the Group during the financial year have not been affected by any item, transaction or event of a material and unusual nature other than the extraordinary item disclosed in Note 8 to the accounts.

### Dividends

During the year, the Company paid a first and final dividend of 7.5%, less tax, in respect of the previous year as proposed in the Report of the Directors of that year. This amounted to \$840,000.

The Directors propose a first and final dividend of 7.5%, and a bonus dividend of 5% less tax of 27%, amounting to \$1,941,000 to be paid.

## Transfers to/from reserves and provisions

	Group \$000	Company \$000
The following amounts have been debited to revenue reserve		
Capitalisation on bonus issue of shares	3,854	3,854
Exchange difference arising on consolidation	369	-
The following amounts have been debited/(credited) to share premium account		
Share premium on placement of shares, exercise of warrants and options	(16,238)	(16,238)
Amount applied for expenses in connection with the issue and listing of the Company's shares on the Stock Exchange of Singapore	314	314

## Directors

The names of the Directors of the Company in office at the date of this report are :-

Dr Henry Tay Yun Chwan	(Executive Chairman)
Mdm Chan Siew Lee	(Managing Director)
Mr Michael Kwee Chong-Kok	
Mr Timothy Chia Chee Ming	
Mr Ian Wayne Spence	
Mr Sydney Michael Hwang	
Mr Owen Phillimore Howell-Price	(Appointed on 11 April 1994)

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangements, to which the Company is a party, whereby Directors might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or has become entitled to receive benefits under contracts required to be disclosed by Section 201(8) of the Companies Act, Cap. 50 except those disclosed in Notes 4 and 28 to the accounts.



The following Directors who held office at the end of the financial year had, according to the register required to be kept under Section 164 of the Companies Act, Cap. 50, an interest in shares and debentures of the Company, as stated below :-

Name of director	Shareholdings registered in the name of or beneficially held by directors		Shareholdings in which directors are deemed to have an interest	
	At the beginning of the year	At the end of the year	At the beginning of the year	At the end of the year
<b>Ordinary shares of \$0.25 each</b>				
Henry Tay Yun Chwan	612,500	765,625	38,001,250	41,251,562
Chan Siew Lee	81,000	101,250	38,001,250	41,251,562
Michael Kwee Chong-Kok	-	-	37,500	46,875
Timothy Chia Chee Ming	37,500	61,875	-	-
Ian Wayne Spence	130,000	125,000	-	37,500
<b>5% unsecured loan stock 1991/1996</b>				
Henry Tay Yun Chwan	184,000	184,000	1,600,000	-
Chan Siew Lee	24,000	24,000	1,600,000	-
<b>Warrants 1991/1995</b>				
Henry Tay Yun Chwan	184,000	230,000	12,200,400	15,250,000
Chan Siew Lee	46,000	57,500	12,200,400	15,250,000
Timothy Chia Chee Ming	12,000	-	-	-

By virtue of Section 7 of the Companies Act, Cap. 50, Dr Henry Tay Yun Chwan and Mdm Chan Siew Lee are deemed to have interests in the shares of all the subsidiary companies of the Company.

No other director of the Company who held office at the end of the financial year had an interest in any other shares of the subsidiary companies of the Company.

#### Audit committee

The Committee held a meeting since the last Directors' report and performed the functions specified in the Companies Act. In performing its functions, the Committee reviewed the overall scope of both internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls. The Committee also reviewed the accounts of the Company and the consolidated accounts of the Group for the year ended 31 March 1994 as well as the auditors' report thereon.

The Committee has recommended to the Board of Directors the nomination of Ernst & Young, Certified Public Accountants, as external auditors of the Company at the forthcoming Annual General Meeting.

## Share capital

During the year, the issued and paid-up capital of the Company was increased from \$15,000,125 to \$21,271,843.50 arising from the issue of 25,086,874 ordinary shares of par value \$0.25 each as follows:

- (a) Allotment and issue of 15,414,812 shares on 6 October 1993 pursuant to a bonus issue of one Bonus Share for every four existing ordinary shares held by shareholders on the Company's Register of Members on 1 October 1993;
- (b) Allotment and issue of 7,700,000 shares pursuant to a private placement on 30 December 1993 at \$2.18 each per share;
- (c) Allotment and issue of 771,487 shares pursuant to the exercise by warrant holders. The conversion prices were \$0.95 and \$0.76 for 571,550 and 199,937 shares respectively; and
- (d) Allotment and issue of 1,200,575 shares pursuant to the exercise by option holders under the Company's Executives Share Option Scheme. The options were exercised at the various applicable prices.

The newly issued shares of the Company rank pari passu in all respects with the other existing issued shares.

During the year, the subsidiary The Watch Gallery Holding Co Pty Ltd increased its authorised, issued and paid-up share capital from A\$500,000 (comprising 500,000 ordinary shares of A\$1.00 each) to A\$4,000,000 (comprising 4,000,000 ordinary shares of A\$1.00 each) by the creation of an additional 3,500,000 ordinary shares of A\$1.00 each. The new shares were allotted to the Company and were paid for through the capitalisation of the intercompany loan owing to the Company.

## Share options

As at 31 March 1994, there were the following share options which were granted and accepted by executives under the Company's Executives Share Option Scheme 1990 to take up unissued ordinary shares in the Company :-

	Date granted	No. of holders	Consideration \$	Option period (both dates inclusive)	Number of unissued ordinary shares of \$0.25 each	Adjusted Exercise price \$
(i)	13.7.1990	3	3	13.7.91 - 12.7.95	61,781	0.89
(ii)	26.7.1993	16	16	26.7.94 - 25.7.98	337,500	1.07



The option holders as at 31 March 1994 were as follows :-

**The Hour Glass Limited**

Designation	Name of Option holders
General Manager - Corporate Affairs	Wong Yoke Sin
General Manager - Wholesale	Chen Choong Hian
Group Financial Controller	Poon Chun Onn
Marketing Manager	Eu Yee Chun

Sales Manager	Chua Kay Hee Koh Boon Heng Chew Peng Khoon Thiang Ai Gek Yeo Teo Pheng Phua Kia Lee
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Assistant Sales Manager	Lee Chee Kiong Tan Kian Meng Wee Lay Wah Choo Peng Lim Chan Mow Kwan Ng Teng Hiang
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**Mondial Jewellers Pte Ltd**

Designation	Name of Option holders
Managing Director	John Glajz
General Manager	Barry Masters
Assistant General Manager	Tay Yang Koon

Subject to Rule 4 of the Option Scheme, an option shall immediately lapse upon the participant ceasing to be employed by the Company for any reason whatsoever.

The grantee may exercise the option by notice in writing accompanied by a remittance for the exercise price (subject to adjustments as provided under the Scheme) together with the option certificate relating to the option being exercised.

The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

**Options exercised**

During the year, 1,200,575 ordinary shares of the Company were issued by virtue of the exercise by option holders under the Company's Executives Share Option Scheme. The options were exercised at the various applicable prices.

### Acquisition and disposal of subsidiaries

During the year, the Company acquired the remaining 49% equity interest in Les Arts & Antiques Pte Ltd ("Les Arts", formerly known as Amita-Hour Glass Pte Ltd) for \$1. The net liabilities of Les Arts at the date of acquisition was \$17,000.

There was no disposal and other acquisition of subsidiaries during the year.

### Asset values

Before the profit and loss account and balance sheet of the Company were made out, the Directors took reasonable steps to ascertain that :-

- (a) action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (b) any current assets which were unlikely to realise their book value in the ordinary course of business had been written down to their estimated realisable values or adequate provision had been made for the difference between those values.

At the date of this report, the Directors are not aware of any circumstances which would render :-

- (a) any amount written off or provided for bad debts and doubtful debts in the Group inadequate to any substantial extent; and
- (b) the values attributed to current assets in the consolidated accounts misleading.

### Charges and contingent liabilities

Since the end of the financial year no charge on the assets of the Company or any company in the Group has arisen which secures the liabilities of any other person.

Since the end of the financial year no contingent liability of the Company or any company in the Group has arisen.

No contingent or other liability of the Company or any company in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company and of the Group to meet their obligations as and when they fall due.

### Other circumstances affecting the accounts

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the consolidated accounts which would render any amount stated in the accounts of the Company and the consolidated accounts misleading.

### Unusual items after the financial year

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which would affect substantially the results of the operations of the Company or of the Group for the financial year in which this report is made.



## Other information required by the Stock Exchange of Singapore

- (a) The interest of the Directors of the Company in the share capital of the Company and of its related companies as at the 21st day after the end of the financial year remained unchanged from those at 31 March 1994 as set out under the paragraph headed 'Directors' above. Mr Owen Phillimore Howell-Price, who was appointed a director on 11 April 1994, held 100,000 ordinary shares of \$0.25 each in the Company as at 21 April 1994.
- (b) No material contracts to which the Company or any related Company is a party and which involve Directors' interests subsisted at, or have been entered into since the end of the financial year, except for an agreement between the Company and a Director which was entered into on 25 April 1990, for the purchase of a 100% interest in Pagoda Chinatown Pte Ltd, a property investment holding company. The completion of the purchase is conditional upon the grant of approval from the relevant authorities for the cancellation of the clearance certificate (previously issued to Pagoda Chinatown Pte Ltd) which had designated the property as a residential property.

## Auditors

The auditors, Ernst & Young, Certified Public Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board,



Henry Tay Yun Chwan  
Chairman



Chan Siew Lee  
Managing Director

11 August 1994  
Singapore

## Statement by Directors Pursuant to Section 201(15)

We, Henry Tay Yun Chwan and Chan Siew Lee, being two of the Directors of The Hour Glass Limited, do hereby state that, in the opinion of the Directors :-

- (i) the balance sheets, profit and loss accounts and consolidated statement of changes in financial position together with the notes thereto, set out on pages 33 to 54 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 1994; and of the results of the Company and the Group, and the changes in financial position of the Group for the year ended on that date;
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board,



Henry Tay Yun Chwan  
Chairman



Chan Siew Lee  
Managing Director

11 August 1994  
Singapore



## Report of the Auditors to the Members of The Hour Glass Limited

We have audited the accounts set out on pages 33 to 54 in accordance with Statements of Auditing Guideline and Statements of Auditing Practice and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered appropriate in the circumstances.

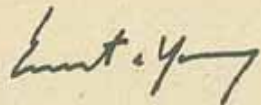
In our opinion :-

- (a) the accounts are properly drawn up in accordance with the provisions of the Companies Act, Cap. 50 and Statements of Accounting Standard and so as to give a true and fair view of :-
  - (i) the state of affairs of the Group and of the Company as at 31 March 1994, the results of the Group and of the Company and the changes in financial position of the Group for the year ended on that date; and
  - (ii) the other matters required by Section 201 of the Act to be dealt with in the accounts and consolidated accounts.
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore, of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

We have considered the accounts and auditors' reports of all the subsidiaries for which we have not acted as auditors, and whose accounts have been included in the consolidated accounts. The subsidiary companies audited by our associated firms are indicated in Note 14 to the accounts.

We are satisfied that the accounts of the subsidiaries that are consolidated with the accounts of the holding company are in form and content appropriate and proper for the purposes of the preparation of the consolidated accounts, and we have received satisfactory information and explanations as required by us for those purposes.

The auditors' reports on the accounts of the subsidiaries were not subject to any qualification, and in respect of subsidiaries incorporated in Singapore, did not include any comment made under subsection (3) of Section 207 of the Act.



ERNST & YOUNG  
Certified Public Accountants

11 August 1994  
Singapore

## Profit & Loss Accounts for the year ended 31 March 1994

	Notes	Group		Company	
		1994	1993	1994	1993
		\$000	\$000	\$000	\$000
Turnover	3	364,901	275,801	296,413	223,671
Operating profit	4	16,390	10,744	12,879	9,433
Investment and interest income	5	962	203	3,469	246
Interest expense	6	(1,697)	(1,443)	(1,137)	(976)
Profit before taxation		15,655	9,504	15,211	8,703
Taxation	7	(5,523)	(3,608)	(4,577)	(2,582)
Profit after taxation		10,132	5,896	10,634	6,121
Minority interests		(892)	(241)	-	-
		9,240	5,655	10,634	6,121
Extraordinary item	8	(52)	(420)	(52)	(420)
Profit attributable to members of the Company		9,188	5,235	10,582	5,701
Dividends	9	(1,957)	(824)	(1,957)	(824)
Retained profit		7,231	4,411	8,625	4,877
Earnings per share	10	11.82c	7.54c		
Diluted earnings per share	10	8.51c	5.62c		

### Statement of revenue reserve

Balance at 1 April	24,397	20,274	22,480	17,603
Retained profit	7,231	4,411	8,625	4,877
Capitalisation on bonus issue of shares	(3,854)	-	(3,854)	-
Exchange differences arising on consolidation	(369)	(288)	-	-
Balance at 31 March	27,405	24,397	27,251	22,480

*The accompanying notes to the accounts form an integral part of the accounts.*



## Balance Sheets as at 31 March 1994

	Notes	Group		Company	
		1994 \$000	1993 \$000	1994 \$000	1993 \$000
Fixed assets	11	25,622	13,514	17,350	6,570
Investment properties	12	5,500	3,051	235	242
Goodwill on consolidation	13	1,478	1,747	-	-
Subsidiary companies	14	-	-	26,822	21,272
Other investments	15	98	150	89	141
Current assets					
Stocks		71,287	61,078	46,459	38,840
Trade debtors	16	5,931	5,755	1,209	2,020
Other debtors	17	4,066	3,866	1,965	2,322
Fixed deposits		27,194	8,959	27,164	8,919
Cash and bank balances		6,627	4,388	1,697	2,671
		115,105	84,046	78,495	54,772
Less : Current liabilities					
Amount due to bankers	18	1,155	1,834	-	-
Bank term loans	19	6,115	4,583	1,100	-
Trade creditors		34,788	24,995	25,121	19,161
Other creditors	20	1,167	358	331	217
Provision for taxation		5,896	4,406	4,208	3,127
Proposed dividend, net		1,941	824	1,941	824
		51,062	37,000	32,701	23,329
Net current assets		64,043	47,046	45,794	31,443
Long term liabilities					
Bank term loans	19	7,500	1,995	3,667	-
5% Unsecured loan stock 1991/1996	21	19,188	19,200	19,188	19,200
Deferred taxation		223	52	-	-
		(26,911)	(21,247)	(22,855)	(19,200)
Net Assets		69,830	44,261	67,435	40,468
Share capital	22	21,272	15,000	21,272	15,000
Share premium	23	17,407	1,483	17,407	1,483
Capital reserve	24	1,605	1,605	1,505	1,505
Revenue reserve		27,405	24,397	27,251	22,480
Share Capital and Reserves		67,689	42,485	67,435	40,468
Minority interests		2,141	1,776	-	-
		69,830	44,261	67,435	40,468

The accompanying notes to the accounts form an integral part of the accounts.

# Consolidated Statement of Changes in Financial Position for the year ended 31 March 1994

	1994	1993
	\$'000	\$'000
<b>Source of funds</b>		
Profit before taxation	15,655	9,504
Adjustment for non-fund items :-		
Amortisation of goodwill on consolidation	286	269
Currency realignment	(151)	30
Depreciation of fixed assets	2,546	1,883
Depreciation of investment properties	20	10
Loss on disposal of fixed assets	115	81
Funds generated from operations	18,471	11,777
Funds from other sources		
Bank term loans	7,037	2,153
Proceeds from the issue of shares :		
- placement of shares	16,788	-
- conversion of warrants	683	-
- exercise of share options	1,174	-
Proceeds from disposal of fixed assets	255	95
	44,408	14,025
<b>Application of funds</b>		
Additions to investment properties	2,469	420
Dividends paid to shareholders	840	525
Dividends paid to minority shareholders of subsidiary companies	519	18
Decrease in long term portion of finance lease	-	33
Expenses relating to the listing of shares	314	57
Income tax paid	3,862	3,684
Purchase of fixed assets	15,268	3,723
Purchase of other investments	-	546
	23,272	9,006
<b>Increase in working capital</b>	21,136	5,019



# **Consolidated Statement of Changes in Financial Position for the year ended 31 March 1994 (Cont'd)**

	1994	1993
	\$'000	\$'000
Represented by :		
Increase in stocks	10,209	9,510
Increase/(decrease) in debtors	376	(680)
Increase in creditors	(10,602)	(1,747)
	<hr/>	<hr/>
	(17)	7,083
Movement in net liquid funds :		
Decrease/(increase) in amount due to bankers	679	(800)
Increase/(decrease) in fixed deposits, cash and bank balances	20,474	(1,264)
	<hr/>	<hr/>
	21,153	(2,064)
	<hr/>	<hr/>
	21,136	5,019

The effect on the individual assets and liabilities on the acquisition of Les Arts & Antiques Pte Ltd (formerly known as Amita - Hour Glass Pte Ltd) in 1994 is insignificant.

*The accompanying notes to the accounts form an integral part of the accounts*

## Notes to the Accounts - 31 March 1994

### 1. Significant accounting policies

#### (a) *Basis of accounting*

The accounts of the Company and of the Group are prepared under the historical cost convention, modified by the revaluation of freehold premises, and are prepared in accordance with applicable Accounting Standards.

#### (b) *Basis of consolidation*

The accounting year of the Company and all its subsidiary companies ends on 31 March and the consolidated accounts incorporate the accounts of the Company and all its subsidiary companies. The results of subsidiary companies acquired or disposed of during a year are included in or excluded from the respective dates of acquisition or disposal, as applicable.

When subsidiary companies are acquired, any excess of the consideration over the net assets at the date of acquisition is included in goodwill on consolidation and are dealt with through the profit and loss account in the year in which it arises except for goodwill on consolidation which is in excess of \$100,000. The excess amount is then written-off on a straight line basis over a ten-year period.

Assets, liabilities and results of overseas subsidiary companies are translated into Singapore dollars on the basis outlined in Note (h) below.

#### (c) *Revenue recognition*

Revenues from the sale of products are recognised upon passage of title to the customer which generally coincides with their delivery and acceptance.

#### (d) *Subsidiary companies*

Shares in subsidiary companies are stated at cost. Provision is made for any diminution in value which is considered to be permanent.

#### (e) *Fixed assets and investment properties*

Fixed assets and investment properties are stated at cost or valuation less accumulated depreciation. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs are charged to the profit and loss account. When assets are sold or retired, their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting from their disposal is included in the profit and loss account.

Where fixed assets and investment properties are revalued, any surplus on revaluation is credited to the capital reserve. A decrease in net carrying amount arising on revaluation of fixed assets and investment properties is charged to the profit and loss account to the extent that it exceeds any surplus held in reserve relating to previous revaluation of the same class of assets.

Premises held on 999-year lease are regarded as equivalent to freehold and are included with freehold premises under fixed assets and investment properties.



## 1. Significant accounting policies (Cont'd)

### (f) *Stocks*

Stocks comprising trading stocks are valued at the lower of cost and net realisable value with cost being determined principally on the specific identification basis. Net realisable value is arrived at after due allowance is made for all obsolete, damaged and slow-moving stocks.

### (g) *Deferred taxation*

Deferred taxation is accounted for under the liability method whereby the tax charge for the year is based on the disclosed book profit after adjusting for all permanent differences. The amount of taxation deferred on account of all timing differences is reflected in the deferred taxation account and any deferred tax benefits recognised is included in other debtors.

### (h) *Foreign currencies*

Transactions arising in foreign currencies during the year are converted at rates closely approximating those ruling on the transaction dates. Foreign currency assets and liabilities are converted into local currency at year-end exchange rates. All exchange differences arising from conversion are included in the profit and loss account.

On consolidation, all assets and liabilities of foreign subsidiary companies are translated at the exchange rates ruling at balance sheet date. Profit and loss account items are translated at the average exchange rates ruling during the year. All translation differences are dealt with in the Group revenue reserves.

### (i) *Depreciation*

Depreciation is calculated on the straight line method to write off the cost or valuation of fixed assets and investment properties over their estimated useful lives. The estimated useful lives of fixed assets and investment properties are as follows :-

#### Fixed assets :

Freehold and leasehold premises	-	50 years
Furniture and equipment	-	2 to 10 years
Motor vehicles	-	5 to 6 years

#### Investment properties :

Freehold building and premises	-	50 years
--------------------------------	---	----------

No depreciation is provided on freehold land.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further charge for depreciation is made in respect of these assets.

### (j) *Loan stock premium*

Loan stock premium is retained as part of capital reserve and upon full redemption of the 5% unsecured loan stock 1991/1996 will be treated as distributable reserves.

## 2. General

The Company is incorporated in Singapore. The financial statements of the Company and the consolidated financial statements of the Group are expressed in Singapore dollars.

The principal activities of the Company are those of holding company and the wholesaling and retailing of watches, jewellery and related products. The principal activities of the Group are those of investment holding companies, wholesalers and retailers of watches and jewellery, restaurateurs and investment in properties. There have been no significant changes in the nature of these activities during the year.

## 3. Turnover

This represents invoiced trading sales after deducting allowances for goods returned and trade discounts. It excludes dividends, interest and rental income and, in respect of the Group, intra-Group transactions.

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
Turnover is analysed as follows :-				
External customers	364,901	275,801	283,803	214,860
Subsidiaries	-	-	12,610	8,811
	<u>364,901</u>	<u>275,801</u>	<u>296,413</u>	<u>223,671</u>

## 4. Operating profit

Operating profit is stated after charging/(crediting) :-

Amortisation of goodwill on consolidation	286	269	-	-
Depreciation of fixed assets	2,546	1,883	1,266	848
Depreciation of investment properties	20	10	7	6
Directors' emoluments -				
Directors of the Company	2,068	1,479	2,068	1,479
Other directors of subsidiaries	749	784	-	-
Loss/(gain) on disposal of fixed assets	115	81	(37)	1
Professional fees paid to companies in which directors have an interest	154	10	154	-
Auditors' remuneration -				
Current year provision	232	162	110	47
Prior year underprovision	8	12	6	2
Non audit fees paid to auditors	100	91	45	42



5. Investment and interest income

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
Gross dividend income from unquoted subsidiary companies	-	-	2,720	128
Interest income from a subsidiary company	-	-	107	15
Interest income from fixed deposits	470	120	436	79
Rental income	490	83	204	24
Gross dividend income from quoted investments	2	-	2	-
	962	203	3,469	246

6. Interest expense

Interest on unsecured loan stock	960	960	960	960
Interest on bank term loans	569	368	172	-
Interest on bank overdraft and bills payable	168	115	5	16
	1,697	1,443	1,137	976

7. Taxation

Provision for taxation in respect of profit for the year -				
Current taxation	5,368	3,656	4,577	2,582
Deferred taxation	171	-	-	-
Over provision in respect of previous years' current taxation	(16)	(48)	-	-
	5,523	3,608	4,577	2,582

The taxation charge for the Group materially differs from the amount determined by applying the Singapore income tax rate of 27% (1993 : 27%) to the pre-tax profits because of non-deductible expenses, difference in tax rates applicable to overseas subsidiaries and profits made by the Company and certain subsidiary companies which are not available for set off against losses of other subsidiary companies.

8. Extraordinary item

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
Provision for diminution in value of other investment in quoted shares	52	420	52	420

9. Dividends

Final proposed 7.5% (1993 : 7.5%) and bonus 5% (1993 : Nil) less tax	1,941	824	1,941	824
Dividend paid in respect of the previous year	16	-	16	-
	1,957	824	1,957	824

10. Earnings per share

Earnings per share is calculated by dividing the net profit after tax and minority interest but before extraordinary items of \$9,240,000 (1993 : \$5,655,000) with 78,175,052 (1993 : 75,000,625) ordinary shares which represents the existing issued number of shares at the beginning of the year and the weighted average number of shares issued during the year. For comparison purposes, the number of shares issued in prior year has been adjusted to include the bonus issue made by the Company.

The diluted earnings per share is calculated based on the profit attributable to the members of the Company, excluding extraordinary items, divided by the enlarged capital of 108,571,655 (1993 : 100,534,156) ordinary shares on the premise that the holders of 23,085,000 (1993 : 23,999,375) warrants and options for 399,281 (1993 : 1,534,156) shares exercised their rights to subscribe for shares in the Company as at 1 April 1993 and 1 April 1992 respectively.



# 11. Fixed assets

Group	Freehold premises \$000	Leasehold premises \$000	Furniture & equipment \$000	Motor vehicles \$000	Total \$000
Cost -					
At 1 April 1993	7,988	1,329	9,070	1,867	20,254
Currency realignment	(170)	-	(120)	(15)	(305)
Additions	7,949	-	6,459	860	15,268
Disposals	-	-	(2,267)	(510)	(2,777)
At 31 March 1994	15,767	1,329	13,142	2,202	32,440
Accumulated depreciation -					
At 1 April 1993	366	118	5,424	832	6,740
Currency realignment	(2)	-	(53)	(6)	(61)
Charge for 1994	259	26	1,862	399	2,546
Disposals	-	-	(2,050)	(357)	(2,407)
At 31 March 1994	623	144	5,183	868	6,818
Charge for 1993	113	27	1,422	321	1,883
Net book value -					
At 31 March 1994	15,144	1,185	7,959	1,334	25,622
At 31 March 1993	7,622	1,211	3,646	1,035	13,514

1994  
\$000

## (a) Freehold premises

### Singapore

114 square metres shop unit at Peninsula Plaza,  
situated at 111 North Bridge Road 4,569

638 square metres office unit at 302 Orchard Road,  
#11-01 Tong Building 7,664

### Australia

Residential duplex situated at 13 Stephanie Court,  
Labrador, Gold Coast 154

Residential apartment situated at units 1 and 2,  
13 Salisbury Road, Kensington, Sydney 638

356 square metres shop/office unit at  
70 Castlereagh Street, Sydney 2,742

15,767

## (b) Leasehold premises

### Singapore

41.9 square metres shop unit at Centrepont,  
situated at 176 Orchard Road  
(lease term, 99 years from 17 August 1979) 1,329

# 11. Fixed assets (cont'd)

Company	Freehold premises \$000	Leasehold premises \$000	Furniture and equipment \$000	Motor vehicles \$000	Total \$000
Cost -					
At 1 April 1993	4,569	1,329	3,180	1,128	10,206
Additions	7,664	-	3,823	714	12,201
Disposals	-	-	(1,215)	(477)	(1,692)
At 31 March 1994	12,233	1,329	5,788	1,365	20,715
Accumulated depreciation -					
At 1 April 1993	335	117	2,633	551	3,636
Charge for 1994	193	27	770	276	1,266
Disposals	-	-	(1,203)	(334)	(1,537)
At 31 March 1994	528	144	2,200	493	3,365
Charge for 1993	92	26	525	205	848
Net book value -					
At 31 March 1994	11,705	1,185	3,588	872	17,350
At 31 March 1993	4,234	1,212	547	577	6,570

# 12. Investment properties

	Freehold land \$000	Group Freehold building and premises \$000	Company Total \$000	Freehold premises \$000
Cost and valuation -				
At 1 April 1993	2,203	930	3,133	320
Additions	-	2,469	2,469	-
At 31 March 1994	2,203	3,399	5,602	320
Accumulated depreciation -				
At 1 April 1993	-	82	82	78
Charge for the year	-	20	20	7
At 31 March 1994	-	102	102	85
Charge for 1993	-	10	10	6
Net book value				
At 31 March 1994	2,203	3,297	5,500	235
At 31 March 1993	2,203	848	3,051	242



## 12. Investment properties (Cont'd)

	Freehold land \$000	Group Freehold building and premises \$000	Total \$000	Company Freehold premises \$000
Analysis of cost and valuation				
At 31 March 1994	2,203	3,079	5,282	-
Valuation	-	320	320	320
	2,203	3,399	5,602	320
At 31 March 1993				
Cost	2,203	610	2,813	-
Valuation	-	320	320	320
	2,203	930	3,133	320

The investment properties of the Group are as follows :-

- 36.9 square metres shop unit at Lucky Plaza, situated at 304 Orchard Road, Singapore, amounting to \$320,000.  
A valuation was made in 1982 by the Directors and was based on a professional appraisal by independent valuers. On 28 May 1990, the independent valuers, Richard Ellis valued the freehold premises at \$400,000.
- 134.9 square metres terrace shophouse at 57 Boat Quay, Singapore, amounting to \$2,837,000.
- 1,350 square metres shop/office unit and lettable space at 252, Collins Street, Melbourne, Australia.

## 13. Goodwill on consolidation

	Group 1994 \$'000	1993 \$'000
Goodwill arising from acquisition of shares in subsidiaries	3,081	3,064
Amortisation to date	(1,603)	(1,317)
	1,478	1,747

#### 14. Subsidiary companies

	Company	
	1994	1993
	\$000	\$000
Unquoted shares, at cost less provision of \$126,000 (1993 : \$126,000)	10,468	6,548
Amount owing by subsidiary companies	17,606	16,605
Amount owing to subsidiary companies	(1,252)	(1,881)
	<hr/> 26,822	<hr/> 21,272

The balances with subsidiary companies are interest free except for balances with two subsidiary companies; one bears interest at 5% and another at 6% per annum. All balances do not have fixed repayment terms.

Subsidiary companies held by the Company and the cost to the Company at 31 March are :-

	Cost to Company	
Name of Company	1994	1993
	\$000	\$000
Dynasty Watch Pte Ltd	200	200
Lakewind Impex Pte Ltd	706	706
Astoria Trading Pte Ltd	305	305
Hour Glass Fragrances Pte Ltd	15	15
Creative Retailing Pte Ltd (formerly known as Conni Gordon (S) Pte Ltd)	125	125
Transland Realty Pte Ltd	14	14
Watch Gallery Pte Ltd	527	527
Hour Glass Lifestyle Pte Ltd	1,002	1,002
Les Arts & Antiques Pte Ltd (formerly known as Amita-Hour Glass Pte Ltd)	102	102
Multiple Properties Pte Ltd	1,356	1,356
Mondial Jewellers Pte Ltd	990	990
The Hour Glass Sdn Bhd	431	431
The Hour Glass (HK) Ltd	175	175
The Watch Gallery Holding Company Pty Ltd	4,646	726
	<hr/> 10,594	<hr/> 6,674



14. Subsidiary companies (Cont'd)

Other details of the subsidiary companies are :-

Other details of the subsidiary companies are :-		Percentage of equity held by the Group	
Name of Company	Country of incorporation and place of business	1994 %	1993 %
<b>Held by the Company</b>			
<i>Retailers and wholesalers of watches, jewellery and related products</i>			
Dynasty Watch Pte Ltd	Singapore	100	100
Lakewind Impex Pte Ltd	Singapore	80	80
Astoria Trading Pte Ltd	Singapore	100	100
Hour Glass Fragrances Pte Ltd	Singapore	60	60
Les Arts & Antiques Pte Ltd	Singapore	100	51
Mondial Jewellers Pte Ltd	Singapore	60	60
* The Hour Glass Sdn Bhd	Malaysia	95	95
* The Hour Glass (HK) Ltd	Hong Kong	100	100
* The Watch Gallery Holding Company Pty Ltd	Australia	100	100
<i>Investment holding</i>			
Hour Glass Lifestyle Pte Ltd	Singapore	100	100
<i>Investment in properties</i>			
Multiple Properties Pte Ltd	Singapore	100	100
<i>Dormant Companies</i>			
Creative Retailing Pte Ltd	Singapore	100	100
Transland Realty Pte Ltd	Singapore	100	100
Watch Gallery Pte Ltd	Singapore	100	100
<b>Held by subsidiary companies :</b>			
<i>Retailer/wholesaler of watches and related products</i>			
* The Watch Gallery Pty Ltd	Australia	100	100
* Gerald Genta (HK) Ltd	Hong Kong	60	60
<i>Investment holding</i>			
* The Hour Glass Dharmala Limited	Hong Kong	60	60
<i>Restauranteurs</i>			
Faith Foods Pte Ltd	Singapore	100	100
Festival Foods Pte Ltd	Singapore	100	100
Milano Restaurants Pte Ltd	Singapore	100	100
Kind Foods Pte Ltd	Singapore	100	100
Dino's Restaurants Pte Ltd	Singapore	100	100
Domino's Restaurant Pte Ltd	Singapore	100	100
<i>Dormant companies</i>			
Joyful Foods Pte Ltd	Singapore	100	100
Mondial Pte Ltd	Singapore	60	60
* Jewels by Mondial Sdn Bhd	Malaysia	60	60

\* Audited by associated firms.

15. Other investments

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
Quoted shares at cost	570	570	561	561
Less: Provision for diminution	(472)	(420)	(472)	(420)
	98	150	89	141
Market value of quoted shares	98	139	89	134

16. Trade debtors

Trade debtors are stated after deducting provision for doubtful debts of

464	504	255	251
-----	-----	-----	-----

Analysis of provision for doubtful debts :-

Balance at 1 April	504	501	251	302
Charge to profit and loss account	45	69	4	12
Bad debts written-off	(85)	(66)	-	(63)
Balance at 31 March	464	504	255	251



17. Other debtors

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
Rental and other deposits	1,797	2,016	1,082	1,400
Recoverables	87	52	3	21
Secured loan to a joint-venture partner less provision of \$218,000 (1993 : \$218,000)	229	262	-	-
Prepayment	803	661	520	289
Others less provision of \$396,000 (1993 : Nil)	1,150	875	361	612
	<u>4,066</u>	<u>3,866</u>	<u>1,966</u>	<u>2,322</u>

18. Amount due to bankers

Overdrafts, secured (Note 19)	11	949	-	-
Overdrafts, unsecured	1,144	885	-	-
	<u>1,155</u>	<u>1,834</u>	<u>-</u>	<u>-</u>

The overdrafts of the subsidiary companies are proportionately guaranteed by the Company relative to its shareholding. The amounts due to bankers bear an annual interest rate ranging from prime to 1% above prime (1993 : prime to 1% above prime).

19. Bank term loans

Repayable within 12 months

Secured loan	3,115	2,083	1,100	-
Unsecured loan	3,000	2,500	-	-
	<u>6,115</u>	<u>4,583</u>	<u>1,100</u>	<u>-</u>

Repayable after 12 months

Secured loan	7,500	1,995	3,667	-
	<u>13,615</u>	<u>6,578</u>	<u>4,767</u>	<u>-</u>

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

One of the term loans is secured by a legal mortgage on the Company's office premises; bears interest at 5% per annum and is repayable over a period of 5 years commencing from 30 August 1993. The other term loans and overdrafts (Note 18) which are secured on a legal mortgage executed in favour of a bank on the subsidiary's properties in Sydney and a fixed charge over all building improvements to one of the properties, bear interest at 1.5% per annum above prime and are repayable in full by 5 years from the respective drawdown dates.

20. Other creditors

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
Deposits received	443	313	331	200
Purchase of fixed assets	241	41	-	13
Others	483	4	-	4
	1,167	358	331	217

21. 5% unsecured loan stock 1991/1996

In January 1991, the Company had a rights issue of \$19,200,000 nominal amount of 5% unsecured notes called "Loan Stock 1991/1996" (Loan Stock) with 19,200,000 detachable warrants carrying the right to subscribe for shares in the Company at any time from 10 January 1991 to 21 December 1995, at an exercise price of \$0.95 per share revised to \$0.76 per share as a result of a bonus issue in October 1993. The Loan Stock is redeemable at par on 10 January 1996 unless surrendered by the warrant holders towards payment of the exercise price or previously purchased and cancelled by the Company.

During the year 771,487 (1993 : 500) warrants were exercised to subscribe for ordinary shares in the Company. The exercise price for 571,550 and 199,937 shares was \$0.95 and \$0.76 per share, respectively. Loan stock amounting to \$11,560 was applied by the holders towards the subscription price of the said warrants.

At 31 March 1994 the number of warrants issued and outstanding was 23,085,000 (1993 : 19,199,500) and the amount of loan stock issued and outstanding was \$19,187,965 (1993 : 19,199,500).

22. Share capital

	Company	
	1994	1993
	\$000	\$000
Authorised :-		
200,000,000 ordinary shares of \$0.25 each	50,000	50,000
Issued and fully paid :-		
85,087,374 (1993 : 60,000,500) ordinary shares of \$0.25 each	21,272	15,000



## 22. Share capital (cont'd)

During the year, the issued and paid-up capital of the Company was increased from \$15,000,125 to \$21,271,843.50 arising from the issue of 25,086,874 ordinary shares of par value \$0.25 each as follows:

- (a) Allotment and issue of 15,414,812 shares on 6 October 1993 pursuant to a bonus issue of one Bonus Share for every four existing ordinary shares held by shareholders on the Company's Register of Members on 1 October 1993;
- (b) Allotment and issue of 7,700,000 shares pursuant to a private placement on 30 December 1993 at \$2.18 each per share;
- (c) Allotment and issue of 771,487 shares pursuant to the exercise by warrant holders. The conversion prices were \$0.95 and \$0.76 for 571,550 and 199,937 shares respectively; and
- (d) Allotment and issue of 1,200,575 shares pursuant to the exercise by option holders under the Company's Executives Share Option Scheme. The options were exercised at the various applicable prices.

The newly issued shares of the Company rank *pari passu* in all respects with the other existing issued shares.

At 31 March 1994, there were 23,085,000 (1993 : 19,199,500) unexercised warrants entitling the holders to subscribe during the period from 10 January 1991 to 21 December 1995, both dates inclusive, for the same number of ordinary shares in the Company at the revised exercise price of \$0.76 per share.

At 31 March 1994, there were options granted to certain employees to take up unissued shares in the Company. These options are in respect of:-

- (a) 61,781 (1993 : 927,825) ordinary shares of \$0.25 each which may be exercised during the period from 13 July 1991 to 12 July 1995, both dates inclusive, on the payment of the subscription price of \$0.89 per share; and
- (b) 337,500 ordinary shares of \$0.25 each which may be exercised during the period from 26 July 1994 to 25 July 1998, both dates inclusive, on the payment of the subscription price of \$1.07 per share.

## 23. Share premium

	Company	
	1994	1993
	\$000	\$000
Balance at 1 April	1,483	1,540
Share premium on placement of shares, exercise of warrants and options	16,238	-
Amount applied for expenses in connection with the issue and listing of the Company's shares on the Stock Exchange of Singapore	(314)	(57)
Balance at 31 March	17,407	1,483

24. Capital reserve

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
The non-distributable capital reserve comprise :-				
Loan stock premium	1,344	1,344	1,344	1,344
Surplus arising from the revaluation of freehold premises	161	161	161	161
Capitalisation of revenue reserve of subsidiary company	100	100	-	-
	1,605	1,605	1,505	1,505

The loan stock premium represents the premium over the nominal value at which \$19,200,000 5% Unsecured Loan Stock due 1996 with detachable warrants, less expenses, were issued on 10 January 1991.

25. Operating leases

The Group leases certain properties under lease agreements that are non-cancellable within the lease period. The leases expire at various dates and contain provisions for rental adjustments. Future minimum lease payments for all leases with initial or remaining terms of one year or more are as follows :-

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
1993-1994	-	4,424	-	2,089
1994-1995	2,727	2,651	1,531	1,197
1995-1996	853	1,551	420	858
1996-1997	215	631	-	286
1997-1998	-	30	-	-
	3,795	9,287	1,951	4,430



26. Information by segment on Group's operations

By geographical locations based on countries of incorporation :-

	Singapore \$000	Asia Pacific Region \$000	Consolidated \$000
<b>1994</b>			
Sales to external customers	337,857	27,044	364,901
Operating profit	14,699	1,691	16,390
Assets employed	95,075	23,958	119,033
<b>1993</b>			
Sales to external customers	256,656	19,145	275,801
Operating profit	9,472	1,272	10,744
Assets employed	71,880	19,772	91,652

By industry segments :-

	Watch and jewellery \$000	Restaurant \$000	Consolidated \$000
<b>1994</b>			
Sales to external customers	358,537	6,364	364,901
Operating profit/(loss)	18,627	(2,237)	16,390
Assets employed	115,219	3,814	119,033
<b>1993</b>			
Sales to external customers	269,857	5,944	275,801
Operating profit/(loss)	12,367	(1,623)	10,744
Assets employed	89,298	2,354	91,652

Assets employed do not include goodwill on consolidation, fixed deposits and other investments.

27. Statutory information required by paragraph 7 of the Ninth Schedule of the Companies Act, Cap. 50

	Liabilities payable by the Company		Debts payable to the Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
Not later than 2 years	35,053	25,210	20,781	20,947
Later than 2 years and not later than 5 years	21,755	19,200	-	-
Later than 5 years	-	-	-	-

Further disclosure of the 5% unsecured loan stock 1991/1996 is as set out in Note 21.

28. Capital commitments

On 25 April 1990, the Company entered into an agreement with a Director of the Company to acquire the entire issued and paid up share capital of Pagoda Chinatown Pte Ltd ("Pagoda"), a property investment holding company, for a cash consideration of \$2. Pagoda is the owner of two adjacent freehold four storey pre-war shophouses located at 2 and 4 Trengganu Street, Singapore. Upon completion of the acquisition, the Company will assume all outstanding liabilities and commitments of Pagoda, including bank borrowings used in acquiring the said properties and restoration costs thereof.

The completion of the acquisition is conditional upon the grant of approval from the relevant authorities for the cancellation of the clearance certificate (previously issued to Pagoda) which had designated the property as a residential property.

Barring unforeseen circumstances, the development of the property is expected to be completed before the end of the financial year ending 31 March 1995.

29. Related party transactions

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
Purchases of stocks from subsidiaries	-	-	14,310	12,517



### 30. Contingent liabilities

- (a) The Company has unsecured contingent liabilities in respect of guarantees given to banks, totalling \$8,972,400 (1993 :\$8,365,000), to cover banking facilities granted to subsidiary companies.
- (b) In the ordinary course of its business, the Company, as the holding company, has given undertakings to continue to provide financial support to certain of its subsidiary companies.

### 31. Forward contracts

	Group		Company	
	1994	1993	1994	1993
	\$000	\$000	\$000	\$000
At 31 March the Group and the Company has forward contracts as follows :-				
To purchase foreign currencies	2,858	9,573	2,575	9,525

### 32. Subsequent events

Subsequent to year end, the following events occurred :

- (a) The Company acquired a 60% interest in Gubelin Watch Company Ltd in Hong Kong whose principal activities are those of retailing of watches and related products.
- (b) The Company entered into a Shareholder's Agreement to take up 80% interest in Bertolucci (Singapore) Pte Ltd to undertake the exclusive distribution of "Bertolucci" brand of watches and jewellery in Singapore, Malaysia, Indonesia, Brunei, Australia and New Zealand.
- (c) The Company entered into a Shareholder's Agreement for the acquisition and subscription of shares in Les Arts & Antiques Pte Ltd ("Les Arts") to undertake the sub-distribution and retailing of Boehm porcelain products in Singapore. The Company has 70% equity interest in Les Art.
- (d) The Company entered into a Sales and Purchase Agreement to acquire 51% interest in Daniel Roth SA, a prestigious and reputable watch manufacturer in Switzerland.
- (e) The Hour Glass (HK) Limited entered into a Sales and Purchase Agreement to acquire the remaining 40% equity interest of Gerald Genta (HK) Ltd from Swiss Prestige Ltd.
- (f) The Hour Glass (HK) Limited entered into a Shareholder's Agreement to incorporate Bertolucci (Hong Kong) Limited to undertake the exclusive distribution of "Bertolucci" brand of watches and jewellery in Hong Kong, Macau, The Philippines, Korea, Thailand and The Peoples' Republic of China. The Hour Glass (HK) Limited has 60% equity interest in Bertolucci (Hong Kong) Limited

### 33. Comparative figures

Certain comparative figures have been reclassified to conform with the presentation in the current year.

## Statistics on Shareholdings

as at 1 August 1994

Authorised Share Capital	:	S\$50,000,000
Issued Share Capital	:	S\$21,304,531
Class of Shares	:	Ordinary shares of \$0.25 each with equal voting rights

## Distribution of Shareholdings

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 - 1,000	320	29.49	223,064	0.26
1,001 - 10,000	639	58.89	2,262,952	2.66
10,001 - 1,000,000	114	10.51	6,843,060	8.03
1,000,001 and above	12	1.11	75,889,048	89.05
<b>Total</b>	<b>1,085</b>	<b>100.00</b>	<b>85,218,124</b>	<b>100.00</b>

## Substantial Shareholders

(As shown in the Register of Substantial Shareholders)

Name of Shareholder	No. of Shares	
	Direct	Deemed
TYC Investment Pte Ltd	37,501,562	
Dr. Henry Tay Yun Chwan	765,625	41,251,562
Mdm Chan Siew Lee	101,250	41,251,562

Dr. Henry Tay Yun Chwan's and Mdm Chan Siew Lee's deemed interests arise from their interests in TYC Investment Pte Ltd and Key Hope Investment Limited.



## Twenty Largest Shareholders

as at 1 August 1994

	Name	Shareholdings	%
1.	DBS Nominess (Private) Limited	23,210,924	27.24
2.	Overseas Union Bank Nominees Pte Ltd	9,912,250	11.63
3.	TYC Investment Pte Ltd	9,205,000	10.80
4.	HSBC (Singapore) Nominees Pte Ltd	7,604,687	8.92
5.	Chase Manhattan (S) Nominees Pte Ltd	6,993,500	8.21
6.	United Overseas Bank Nominees Pte Ltd	4,630,000	5.43
7.	DBS Securities Singapore Pte Ltd	3,719,437	4.37
8.	Citibank Nominees Singapore Pte Ltd	3,216,500	3.77
9.	Raffles Nominees Pte Ltd	2,304,250	2.70
10.	Indosuez Singapore Nominees Pte Ltd	1,971,000	2.31
11.	Oversea-Chinese Bank Nominees Pte Ltd	1,591,500	1.87
12.	Prudential Assurance Company Singapore (Pte) Limited	1,530,000	1.80
13.	Sia Sok Hia	746,875	0.88
14.	Barclays Bank (Singapore Nominees) Pte Ltd	597,000	0.70
15.	Tay Yun Chwan Henry	359,375	0.42
16.	Chong Yun Piaw	305,000	0.36
17.	Wong Ngit Liong @ Wong Geok Kiong	300,000	0.35
18.	Morgan Grenfell (Asia) Ltd	298,000	0.35
19.	Chan Swee Kheng Kenny	290,000	0.34
20.	Bil (Asia) Nominees Pte Ltd	250,000	0.29
		79,035,298	92.74

# Statistics on Warrant Holdings as at 1 August 1994

Warrants expiring on 21 December 1995

## Distribution of Warrant Holdings

Size of Holdings	No. of Holders	%	No. of Warrants	%
1 - 1,000	87	26.36	59,500	0.27
1,001 - 10,000	193	58.49	880,750	3.91
10,001 - 1,000,000	46	13.94	3,545,750	15.75
1,000,001 and above	4	1.21	18,022,000	80.07
<b>Total</b>	<b>330</b>	<b>100.00</b>	<b>22,508,000</b>	<b>100.00</b>

## Twenty Largest Warrant Holders

Name	Holdings	%
1. Swanson Pte Ltd	12,000,500	53.32
2. DBS Securities Singapore Pte Ltd	2,596,500	11.54
3. Key Hope Investment Limited	2,000,000	8.88
4. Chase Manhattan (S) Nominees Pte Ltd	1,425,000	6.33
5. Raffles Nominees (Pte) Limited	812,500	3.61
6. HSBC (Singapore) Nominees Pte Ltd	675,000	3.00
7. Tat Lee Bank Nominees Pte Ltd	163,750	0.73
8. Lee Suan Sim Josephine	161,250	0.72
9. Phillip Securities Pte Ltd	120,000	0.53
10. Gan Tee Jin	117,000	0.52
11. Tay Yun Chwan Henry	100,000	0.44
12. Chan Swee Kheng Kenny	89,750	0.40
13. Citibank Nominees Singapore Pte Ltd	85,000	0.38
14. Ooi Seok Kheng	72,000	0.32
15. Ip Sik Ming	70,000	0.31
16. Ng Yee Why	60,000	0.27
17. Chan Siew Lee	47,500	0.21
18. DBS Nominees (Private) Limited	46,750	0.21
19. Kay Hian James Capel Pte Ltd	46,250	0.20
20. Chin Soon Yuen	35,000	0.15
	<b>20,723,750</b>	<b>92.07</b>



## Statistics on Loan Stock Holdings as at 1 August 1994

5% unsecured Loan Stock 1991 / 1996

### Distribution of Loan Stock Holdings

Size of Holdings	No. of Holders	%	Amount of Loan Stock	%
1 - 1,000	69	44.52	46,065	0.24
1,001 - 10,000	60	38.71	305,300	1.59
10,001 - 1,000,000	21	13.55	1,615,200	8.42
1,000,001 and above	5	3.22	17,221,400	89.75
<b>Total</b>	<b>155</b>	<b>100.00</b>	<b>19,187,965</b>	<b>100.00</b>

### Twenty Largest Loan Stock Holders

	Name	Holdings	%
1.	NDC Merchant Bank Ltd	6,100,400	31.79
2.	NTUC Income Insurance Co-Operative Limited	5,543,600	28.89
3.	DBS Nominees (Private) Limited	2,562,000	13.35
4.	DBS Securities Singapore Pte Ltd	1,831,600	9.55
5.	John Hancock Life Assurance Company Ltd	1,183,800	6.17
6.	American International Assurance Co Ltd	1,000,000	5.21
7.	Tay Yun Chwan Henry	80,000	0.42
8.	Lim Soh Guat	79,000	0.41
9.	Poh Kwee Eng	42,000	0.22
10.	Lee Tiong Hock	30,000	0.16
11.	Ng Soo Boon	30,000	0.16
12.	Chan Swee Kheng Kenny	28,800	0.15
13.	Ong Lay Lin	27,000	0.14
14.	Chan Kok Swee	20,000	0.10
15.	Chan Tiong Hin	20,000	0.10
16.	Kok Hwa Investment Pte Ltd	20,000	0.10
17.	Low Shie Choo	18,000	0.09
18.	Tan Siang Keng	18,000	0.09
19.	Ng Kok Keong	17,000	0.09
20.	Goh Yak Tai	16,000	0.08
		<b>18,667,200</b>	<b>97.27</b>

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 15th Annual General Meeting of the Company will be held at Sir Henry Keppel I, Mezzanine Floor, Hyatt Regency Singapore, 10-12 Scotts Road, Singapore 0922, on Thursday, 22 September 1994 at 3:00 pm for the following purposes :

## As Ordinary Business

1. To receive the Directors' Report, Auditors' Report and Accounts for the year ended 31 March 1994.
2. To approve the payment of a First and Final Dividend of 7 1/2% and a bonus dividend of 5% respectively less 27% Singapore Income Tax for the year ended 31 March 1994.
3. To re-elect Dr Henry Tay Yun Chwan, the Director retiring under the provisions of Article 99 of the Company's Articles of Association.
4. To re-elect Mr Michael Kwee Chong-Kok, the Director retiring under the provisions of Article 99 of the Company's Articles of Association.
5. To re-elect Mr Owen Phillimore Howell-Price, the Director retiring under the provisions of Article 103 of the Company's Articles of Association.
6. To approve Directors' fees for non-executive Directors.
7. To appoint Auditors and to authorise the Directors to fix their remuneration.
8. To transact any other ordinary business of the Company.

## As Special Business

9. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :

"That pursuant to Section 161 of the Companies Act, Cap. 50, approval be and is hereby given to the Directors to issue shares in the Company 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 provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being."

10. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :

"That approval be and is hereby given to the Directors to offer and grant options in



accordance with the provisions of The Hour Glass Executives' Share Option Scheme (the "Scheme") and to issue such shares as may be required to be issued pursuant to the exercise of options under the Scheme, provided always that the aggregate number of shares to be issued pursuant to the Scheme does not exceed 5% of the issued share capital of the Company for the time being."

BY ORDER OF THE BOARD



Dr Henry Tay Yun Chwan  
Executive Chairman  
26 August 1994

Notes:

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his stead.

A proxy need not be a member of the Company.

The instrument appointing a proxy, duly stamped, must be lodged at the registered office of the Company at 302 Orchard Road, #11-01 Tong Building, Singapore 0923 not less than 48 hours before the time fixed for the Annual General Meeting.

# Operations Directory

## THE HOUR GLASS

### SINGAPORE

#### Corporate Office

The Hour Glass Limited  
302 Orchard Road #11-01  
Tong Building Singapore 0923

#### Key Personnel

Dr Henry Tay  
Mrs Jannie Tay  
Francisca Wong  
Sandy Khoo  
Poon Chun Onn  
Monica Kho

Tel : 787 2288  
Fax : 732 8683

#### Ngee Ann City

391 Orchard Road  
#01-02 Ngee Ann City  
Singapore 0923

Robert Sia  
Sam Kheng  
Thomas Chua  
Tommy Yong  
Benny Tan

Tel : 734 2420  
734 2421  
Fax : 734 6269

#### Scotts

6 Scotts Road  
Scotts Shopping Centre #01-11  
Singapore 0922

Peter Chong  
Jimmy Chew  
Johnson Chan

Tel : 235 6527  
Fax : 734 6319

#### Gerald Genta Showroom

6 Scotts Road  
Scotts Shopping Centre #01-11  
Singapore 0922

Betty Lim  
Nancy Ong

Tel : 737 0697

#### Centrepont

176 Orchard Road  
Centrepont #01-21  
Singapore 0923

Sandra Thiang  
Joseph Lee

Tel : 734 1598  
734 1603  
Fax : 732 5039

#### Peninsular Plaza

111 North Bridge Road  
Peninsular Plaza #01-01/02  
Singapore 0617

Tan Hye Ter  
Richard Tan

Tel : 337 8309  
338 5663  
Fax : 337 3356

#### Lucky Plaza

304 Orchard Road  
#01-36A Lucky Plaza  
Singapore 0923

William Phua  
Peggie Wee

Tel : 733 1262  
733 1543  
Fax : 738 3622

#### Raffles

328 North Bridge Road  
#01-13  
Singapore 0718

Andrew Siaw  
David Choo

Tel : 334 3241  
334 1169  
Fax : 337 3997

#### World Trade Centre

1 Maritime Square  
#01-58A World Trade Centre  
Singapore 0409

Victor Ng  
Steven Yeo

Tel : 273 1007  
273 2051  
Fax : 273 1007



## **Changi Airport**

### **Admin Office**

Eileen Teo

Tel : 542 4233

Fax : 542 8650

### **Passenger Terminal Building I**

#B11-28/30 Basement.1

Singapore Changi Airport

Singapore 1781

### **Terminal I**

West Wing

Departure / Transit Lounge

#021-54

Patrick Yeo

Diana Neo

Tel : 542 9096

### **Terminal II**

South Wing

Departure / Transit Lounge

#026-079

Patrick Yeo

Diana Neo

Tel : 542 6081

## **AUSTRALIA**

### **The Watch Gallery Pty Ltd**

#### **Corporate Office**

7th Floor, Culinan House

70 Castlereagh Street

Sydney NSW 2000

Michael Grace

Lidia Emmi

Tel: 02-232 7775

Fax : 02-221 451

#### **Boutiques :**

##### **Sydney**

Culinan House

142 King Street

Sydney NSW 2000

A Momoi

Tel : 02-221 2288

Fax : 02-221 4551

#### **Gerling House**

44 Pitt Street

Sydney NSW 2000

Kingsley Liu

Kelly Phua

Tel : 02-251 8388

Fax : 02-241 3233

#### **Melbourne**

The Hour Glass on Collins

The Hour Glass Building

252 Collins Street

Melbourne Victoria 3000

Robert McNeice

Bebe Choy

Tel : 03-650 6988

Fax : 03-650 6933

#### **Gold Coast**

Marina Mirage, Unit 133

Seaworld Drive, Main Beach

Queensland 4217

Helen Ritchie-Robins

Ivy Thio

Tel : 75-327 183

75-327 155

Fax : 75-710 502

#### **Forum**

Shop 7, Orchid Ave

Surfers Paradise

Queensland 4217

Helen Ritchie-Robins

Motohiro Kagami

Tel: 075-92 3104

Fax : 075-920486

## MALAYSIA

### THE HOUR GLASS / DYNASTY WATCH

Corporate Office  
Lot T1 - 5, 1st floor  
Wisma SPS  
32 Jalan Imbi  
55100 Kuala Lumpur

Yon Shee Guan  
Tai Chee Wah

Tel : 03-244 2625  
Fax : 03-242 9489

Boutique  
Lot 10  
Unit G20, Ground floor  
Lot 10 Shopping Centre  
50 Jalan Sultan Ismail  
50250 Kuala Lumpur

May Wai  
Jimmy Liu  
Michael Lee

Tel : 03-244 1620  
03-244 1932

## INDONESIA (Licensee)

P T Deemte - Hour Glass  
Level 1, Unit No. 40 / 42 / 43  
Plaza Indonesia  
Jalan M.H Tharmin  
No: 28-30 Jakarta

Zainudin  
Hendra Setiawan  
Daniel Koh  
Vincent Seet

Tel : 21-314 3311  
Fax : 21-334 334

## THAILAND

The Hour Glass Thailand Ltd  
The Promenade, 2/4 Wireless Road  
Lumpini  
Bangkok 10330

Natavoot Chitasombat  
Nop Narongdej  
Korn Narongdej  
Aliya Chitasombat  
Prim Phomthanavarsit  
Francisca Wong  
Derrick Ng

Tel : 662-267 8873  
662-267 8926  
Fax : 662-2678930

## HONG KONG

Swiss Union Watch Co  
Shop B, Ground Floor  
Alpha House 27-33  
Nathan Road, Kowloon  
Hong Kong

Tony Koo  
Chung Wai Yang  
Philip Lai

Tel : 852-367 4040  
852-369 9122  
Fax : 852-369 9166

## SWITZERLAND

Daniel Roth SA  
Rue De la Gare 4  
CH-1347 Le Sentier  
Vallee De Joux  
Switzerland

Daniel Roth  
Thierry Dordor

Tel : 021-845 5163  
Fax : 021-845 4557



## WHOLESALE DIVISION

### **The Hour Glass**

302 Orchard Road  
#16-03 Tong Building  
Singapore 0923

G H Chen  
Ong Ser Chin

Tel : 235 7411  
Fax : 235 3697

### **Lakewind Impex**

302 Orchard Road  
#16-03 Tong Building  
Singapore 0923

Francis Foo  
Henry Yeo

Tel : 734 8967  
Fax : 235 3697

### **Dynasty Watch**

302 Orchard Road  
#16-03 Tong Building  
Singapore 0923

James Tan

Tel : 733 2765  
Fax : 235 3697

### **Bertolucci (Singapore) Pte Ltd**

302 Orchard Road  
#16-03 Tong Building  
Singapore 0923

Barry Eu  
Mike Eng

Tel : 787 2288  
Fax : 732 8683

### **Bertolucci (Hong Kong) Pte Ltd**

Ocean Centre, Unit 1319  
Kowloon, Hong Kong

Barry Eu  
Vinci Wong

Tel : 852-375 8280  
Fax : 852-375 8285

### **Gerald Genta (Hong Kong) Pte Ltd**

Ocean Centre, Unit 1319  
Kowloon, Hong Kong

Betty Lim

Tel : 825-375 8280  
Fax : 852-375 8285

## MONDIAL JEWELLERS PTE LTD

### **Corporate Office**

391 Orchard Road  
#15-10 Ngee Ann City  
Tower B  
Singapore 0923

John Glajz  
Barry Masters  
Lyna Tay

Tel : 734 2033  
Fax : 737 5138

### **Boutiques**

**Ngee Ann City**  
391 Orchard Road #01-16  
Takashimaya Shopping Centre  
Ngee Ann City, Tower B  
Singapore 0923

Janet Wong

Tel : 734 2034  
Fax : 732 3162

### **Scotts**

6 Scotts Road  
Scotts Shopping Centre  
Unit #01-10  
Singapore 0922

Shirley Tang

Tel : 738 5086  
Fax : 235 1278

## MILANO'S RESTAURANTS PTE LTD

### **Corporate Office**

4 Leng Kee Road  
#06-02 Thye Hong Centre  
Singapore 0315

Marc Leoi  
Richard Lim  
Lawrence Lee

Tel : 474 3500  
Fax : 473 9156

### **Home Delivery**

Esther Tan

Tel : 468 2222

## Milano's Outlets

### Bishan Junction 8

9 Bishan Place #01-20  
Bishan Junction 8 Shopping Centre  
Singapore 2057

Leslie Ng

Tel : 258 3626  
Fax : 258 3105

### Funan Centre

109 North Bridge Road  
#01-01 Funan Centre  
Singapore 0617

Janis Ho

Tel : 336 9104  
Fax : 337 0473

### Holland Village

263 Holland Avenue  
Singapore 1027

Krishnan Govindasamy

Tel : 468 4069  
462 0332  
Fax : 468 6223

### Marina Square

6 Raffles Boulevard  
#02-251 Marina Square  
Singapore 0103

Kevin Yap

Tel : 339 6751  
Fax : 334 3317

### Parkway Parade

80 Marine Parade Road  
2682  
#B1-18 Parkway Parade  
Singapore 1544

Jimmy Woon

Tel : 345 5303  
Fax : 440

### Sentosa

3 Carlton Hill  
Sentosa Cable Car Station  
Singapore 0409

Sivaruby Kanagaratnam

Tel : 275 0522  
Fax : 275 0536

### Thomson Plaza

301 Upper Thompson Road  
#02-31 / 32 Thompson Plaza  
Singapore 2057

Geraldine Chan

Tel : 459 4235  
Fax : 454 7671

### World Trade Centre

1 Maritime Square #01-126  
Harbour Promenade, World Trade Centre  
Singapore 0409

Jayanti Ragupathy

Tel : 270 0991  
Fax : 270 0535

### Yishun

51 Yishun Central 1 #0-07  
Yishun 10 Complex  
Singapore 2776

Latha Suzzana

Tel : 753 0070  
Fax : 753 1008

### Jalan Pari Burong

4 Jalan Pari Burong  
Singapore 1648

Kelvin Kwek

Tel : 243 2061  
Fax : 243 2081

### Li Hwa Beer Garden

Singapore Leisure Ind Pte Ltd  
Jurong Park, Yuan Ching Road  
Singapore 2261

Ahmad Abobakar

Tel : 268 0869

### Yi Kai Court

371 Upper Payer Lebar Road  
#01-01 Yi Kai Court  
Singapore 1953

Vikineswaran A. Maniam

Tel : 281 2012  
Fax : 281 1639



Bukit Batok Central  
Blk 634 Bukit Batok Central  
#01-116  
Singapore 2365

Jerry Sim

Tel : 5652510  
Fax : 565 3669

LES ART AND ANTIQUES PTE LTD  
Boutique  
The Boehm Gallery  
402 Orchard Road  
#01-04 Delfi Orchard  
Singapore 0923

Diana Koh

Tel : 733 6103  
Fax : 732 8683

**THE HOUR GLASS LIMITED**

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

**PROXY FORM - ANNUAL GENERAL MEETING**

I/We, \_\_\_\_\_ (Name )  
 of \_\_\_\_\_ (Address)  
 being a member/ members of THE HOUR GLASS LIMITED hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

and/ or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

as my/our proxy/proxies to vote for me/us on my/our behalf, at the Annual General Meeting of the Company, to be held on 22 September 1994, and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	Resolutions	To be used on a show of hands		To be used in the event of a Poll	
		For*	Against*	Number of Votes For**	Number of Votes Against**
	<b>ORDINARY BUSINESS:</b>				
1.	Adoption of Reports and Accounts				
2.	Declaration of a First and Final Dividend and a Bonus Dividend				
3.	Re-election of Dr Henry Tay Yun Chwan				
4.	Re-election of Mr Michael Kwee Chong-Kok				
5.	Re-election of Mr Owen Phillimore Howell-Price				
6.	Approval of Directors' Fees for non-executive Directors				
7.	Appointment of Auditors				
8.	Any other ordinary business				
	<b>SPECIAL BUSINESS:</b>				
9.	Approval of the Ordinary Resolution pursuant to Section 161 of the Companies Act, Cap. 50				
10.	Authority to issue shares under The Hour Glass Executives' Share Option Scheme				

\* Please indicate your vote "For" or "Against" with a tick (✓) within the box provided.

\*\* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided.  
 Alternatively, please indicate the number of votes as appropriate.

Dated this      day of      1994.

Total No. of Shares Held	
-----------------------------	--

Please affix  
25 cents  
Revenue stamp

Signature(s) of Member(s) / Common Seal

**IMPORTANT : PLEASE READ NOTES OVERLEAF**



## **NOTES**

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead.
2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a member of the Company.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 302 Orchard Road #11-01, Tong Building, Singapore 0923 not less than 48 hours before the time set for the Meeting.
6. The instrument appointing a proxy or proxies must be affixed with revenue stamps to the value of 25 cents. The stamps must be properly cancelled by writing or marking clearly in ink the date which must be the same date as that of the instrument.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney.
8. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

## **GENERAL**

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

