

CORTINA HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 197201771W)

ANNOUNCEMENT

INCREASED INVESTMENT IN SUBSIDIARY IN TAIWAN

The Board of Directors of Cortina Holdings Limited (the “**Company**”) wishes to announce that it has increased its investment in its 60% owned subsidiary, Cortina Watch Co. Ltd. (“**CTW**”) as follows:

- (1) Acquired an additional 15% interest in CTW from the existing minority shareholder of CTW for an aggregate cash consideration of NTD13.5 million (equivalent of SGD575,100) (“**Acquisition**”); and
- (2) Subscribed for a further 40,500 shares in CTW for an aggregate consideration of NTD40.5 million (equivalent of SGD1,719,225). (“**Subscription**”)

Upon completion of the above transactions, the Company holds 75% of the issued share capital of CTW.

The consideration for the Acquisition is arrived at based on negotiations on a willing-buyer willing-seller basis taking into account that the net asset value of CTW as at 31 March 2014 amounted to approximately NTD 55 million (equivalent of SGD2,271,500) based on its management accounts.

The subscription is to provide additional working capital to CTW for the purpose of expansion of its business in Taiwan.

The above Acquisition and Subscription were funded through internal resources and are not expected to have any material impact on the earnings per share and the net tangible assets per share of the Company for the current financial year ending 31 March 2015.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction other than through their shareholdings in the Company.

BY ORDER OF THE BOARD

Foo Soon Soo
Company Secretary

Date: 21 July 2014