



Cortina watch

**CORTINA HOLDINGS LIMITED
AND ITS SUBSIDIARIES**

Company Registration No. 197201771W

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Table of Contents

A	Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	1
B	Condensed Statements of Financial Position	2
C	Condensed Consolidated Statement of Cash Flows	3
D	Condensed Statements of Changes in Equity	5
E	Notes to the Condensed Consolidated Financial Statements	6
F	Other Information Required by Listing Rule Appendix 7.2	14

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

(A) Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	The Group					
	6 mths ended 31 Mar 23	6 mths ended 31 Mar 22	Change	12 mths ended 31 Mar 23	12 mths ended 31 Mar 22	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	419,686	392,286	7%	826,555	716,866	15%
<u>Other Items of Income</u>						
Interest income	626	121	>100%	1,119	211	>100%
Other income & gains (Note 6)	510	3,605	-86%	1,013	6,652	-85%
<u>Other Items of Expense</u>						
Changes in inventories of finished goods	5,871	(2,198)	NM	20,424	(3,240)	NM
Purchase of goods and consumables	(286,481)	(252,467)	13%	(574,887)	(478,009)	20%
Employee benefits expense	(33,107)	(36,076)	-8%	(65,799)	(60,881)	8%
Rental expense	(6,993)	(3,965)	76%	(9,752)	(6,791)	44%
Depreciation expense	(4,838)	(3,993)	21%	(8,800)	(7,146)	23%
Depreciation of right-of-use-assets	(16,748)	(16,413)	2%	(33,114)	(32,807)	1%
Other expenses	(22,781)	(22,109)	3%	(46,341)	(38,788)	19%
Finance costs	(2,268)	(1,790)	27%	(4,040)	(3,501)	15%
Share of profit of equity-accounted associates	12	28	-57%	71	67	6%
Profit before tax (Note 6)	53,489	57,029	-6%	106,449	92,633	15%
Income tax expense (Note 7)	(11,302)	(10,603)	7%	(22,948)	(18,818)	22%
Profit, net of tax	42,187	46,426	-9%	83,501	73,815	13%
<u>Profit Attributable to:</u>						
Owners of the parent, Net of Tax	38,646	43,345	-11%	76,526	68,763	11%
Non-Controlling Interests, Net of Tax	3,541	3,081	15%	6,975	5,052	38%
	42,187	46,426	-9%	83,501	73,815	13%
<u>Statement of Comprehensive Income</u>						
Profit, net of Tax	42,187	46,426	-9%	83,501	73,815	13%
<u>Other Comprehensive Income:</u>						
Exchange differences on translating of foreign operations, net of tax	(2,229)	(716)	>100%	(8,286)	(2,534)	>100%
Total Comprehensive Income For The Year	39,958	45,710	-13%	75,215	71,281	6%
<u>The Comprehensive Income Attributable to:</u>						
Owners of the Parent, Net of Tax	36,308	42,609	-15%	69,040	66,665	4%
Non-Controlling Interests, Net of Tax	3,650	3,101	18%	6,175	4,616	34%
	39,958	45,710	-13%	75,215	71,281	6%

Note: NM denotes not meaningful.

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

(B) Condensed Statements of Financial Position as at 31 March 2023

	The Group		The Company	
	As at 31 Mar 23 S\$'000	As at 31 Mar 22 S\$'000	As at 31 Mar 23 S\$'000	As at 31 Mar 22 S\$'000
ASSETS				
Current Assets				
Cash and cash equivalents	166,484	226,520	5,246	525
Trade and other receivables	13,018	12,351	26,340	14,304
Inventories	231,624	211,199	-	-
Other assets	9,245	4,233	120	663
Total Current Assets	420,371	454,303	31,706	15,492
Non-Current Assets				
Investments in associates	3,527	3,494	1,000	1,000
Investments in subsidiaries	-	-	141,487	141,487
Property, plant and equipment (Note 11)	37,940	24,429	1,701	394
Investment properties	57,643	6,548	70,343	9,011
Intangible assets	550	919	-	-
Deferred tax assets	2,504	2,689	-	-
Other assets	12,810	9,567	-	-
Rights-of-use assets	105,155	95,000	-	-
Total Non-Current Assets	220,129	142,646	214,531	151,892
Total Assets	640,500	596,949	246,237	167,384
LIABILITIES				
Current Liabilities				
Trade and other payables	102,007	83,646	18,774	98,447
Provisions	93	-	-	-
Income tax payable	13,689	12,718	284	220
Financial liabilities - lease liabilities	32,765	27,194	67	12
Other liabilities	10,919	16,411	203	-
Other financial liabilities	10,231	21,484	-	-
Total Current Liabilities	169,704	161,453	19,328	98,679
Non-Current Liabilities				
Trade and other payables	182	-	-	-
Other finance liabilities, non-current	5,000	25,500	-	-
Provisions	5,409	4,925	-	-
Financial liabilities - lease liabilities	75,699	70,390	69	-
Other liabilities	2,729	5,357	-	-
Deferred tax liabilities	128	156	-	-
Total Non-Current Liabilities	89,147	106,328	69	-
Total Liabilities	258,851	267,781	19,397	98,679
Net Assets	381,649	329,168	226,840	68,705
Equity				
Equity Attributable To Owners Of The Parent				
Share capital (Note 13)	35,481	35,481	35,481	35,481
Other reserve	(7,123)	356	-	-
Retained earnings	335,344	278,695	191,359	33,224
Equity attributable to owners of the parent, total	363,702	314,532	226,840	68,705
Non-controlling interests	17,947	14,636	-	-
Total Equity	381,649	329,168	226,840	68,705

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

(C) Condensed Consolidated Statement of Cash Flows

	The Group			
	6 mths ended 31 Mar 23 S\$'000	6 mths ended 31 Mar 22 S\$'000	12 mths ended 31 Mar 23 S\$'000	12 mths ended 31 Mar 22 S\$'000
Cash flows from operating activities:				
Profit before tax	53,489	57,029	106,449	92,633
Adjustments for:				
Depreciation of property, plant and equipment and investment properties	4,838	3,549	8,800	6,702
Depreciation of right-of-use assets	16,748	16,413	33,114	32,807
Amortisation of intangible assets	185	444	369	444
Interest income	(626)	(121)	(1,119)	(211)
Interest expense	2,268	1,790	4,040	3,501
Share of the profit from equity-accounted associates	(12)	(28)	(71)	(67)
(Gains) / loss on disposal of plant and equipment	(150)	56	(301)	-
(Gains) / loss on disposal of right-of-use assets	(258)	(67)	(507)	(87)
Property, plant and equipment written off	1,079	555	1,079	555
Provisions, non-current	-	(279)	-	(279)
Operating profit before changes in working capital	77,561	79,341	151,853	135,998
Trade and other receivables	13,401	18,307	(1,615)	2,882
Inventories	(7,000)	1,513	(25,551)	2,475
Other assets	(3,536)	2,189	(8,744)	(352)
Trade and other payables	(2,864)	6,304	17,178	25,864
Other liabilities	(4,949)	15,018	(7,414)	7,789
Net cash flows from Operations	72,613	122,672	125,707	174,656
Income taxes paid	(9,151)	(7,880)	(17,710)	(15,830)
Net cash flows generated from operating activities	63,462	114,792	107,997	158,826
Cash flows from investing activities:				
Purchase of plant and equipment	(16,951)	(12,152)	(25,061)	(16,093)
Purchase of investment properties	(50,500)	(2,467)	(50,500)	(2,467)
Acquisition of subsidiaries	-	(1,475)	-	(4,386)
Interest received	626	121	1,119	211
Disposal of property, plant and equipment	562	-	944	-
Net cash flows used in investing activities	(66,263)	(15,973)	(73,498)	(22,735)
Cash flows from financing activities:				
Dividends paid to a non-controlling interest of a subsidiary	-	(1,242)	(2,864)	(1,242)
Increase in new borrowings	-	-	-	50,000
Decrease in other financial liabilities	(21,747)	(12,732)	(31,583)	(40,950)
Decrease in finance liabilities	(15,986)	(16,368)	(31,860)	(31,618)
Interest paid	(2,268)	(1,790)	(4,040)	(3,501)
Dividends paid	-	-	(19,870)	(10,763)
Cash restricted in use	20,006	(30,130)	30,016	(30,130)
Net cash flows used in financing activities	(19,995)	(62,262)	(60,201)	(68,204)

(C) Condensed Consolidated Statement of Cash Flows (cont'd)

	The Group			
	6 mths ended 31 Mar 23 S\$'000	6 mths ended 31 Mar 22 S\$'000	12 mths ended 31 Mar 23 S\$'000	12 mths ended 31 Mar 22 S\$'000
	Net (decrease) / increase in cash and cash equivalents	(22,796)	36,557	(25,702)
Cash and cash equivalents, Statement of Cash Flows, at beginning of year	190,632	160,224	196,390	130,026
Effect of foreign exchange rate adjustments	(1,466)	(391)	(4,318)	(1,523)
Cash and cash equivalents, Statement of Cash Flows, at end of year (Note 1)	166,370	196,390	166,370	196,390

Note 1			
Cash & cash equivalents		166,370	196,390
Restricted in use		114	30,130
		166,484	226,520

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

(D) Condensed Statements of Changes in Equity Year Ended 31 March 2023

	Total equity S\$'000	Attributable to the Parent			Non-controlling interest S\$'000	
		Sub-total S\$'000	Share capital S\$'000	Other reserves S\$'000		Retained earnings S\$'000
The Group						
Balance at 1 April 2022	329,168	314,532	35,481	356	278,695	14,636
<u>Movements in equity:</u>						
Total comprehensive income for the year	75,215	69,040	-	(7,486)	76,526	6,175
Transferred to / (from) retained earnings	-	-	-	7	(7)	-
Dividends paid	(22,734)	(19,870)	-	-	(19,870)	(2,864)
Balance at 31 March 2023	381,649	363,702	35,481	(7,123)	335,344	17,947
Balance at 1 April 2021	269,892	258,630	35,481	2,440	220,709	11,262
<u>Movements in equity:</u>						
Total comprehensive income for the year	71,281	66,665	-	(2,098)	68,763	4,616
Transferred to/ (from) retained earnings	-	-	-	14	(14)	-
Dividends paid	(12,005)	(10,763)	-	-	(10,763)	(1,242)
Balance at 31 March 2022	329,168	314,532	35,481	356	278,695	14,636

	Total equity S\$'000	Share capital S\$'000	Retained earnings S\$'000
The Company			
Balance at 1 April 2022	68,705	35,481	33,224
<u>Movements in equity:</u>			
Total comprehensive income for the year	178,005	-	178,005
Dividends paid	(19,870)	-	(19,870)
Balance at 31 March 2023	226,840	35,481	191,359
Balance at 1 April 2021	75,646	35,481	40,165
<u>Movements in equity:</u>			
Total comprehensive income for the year	3,822	-	3,822
Dividends paid	(10,763)	-	(10,763)
Balance at 31 March 2022	68,705	35,481	33,224

(E) Notes to the Condensed Interim Consolidated Financial Statements

1. Corporate information

The company is incorporated in Singapore with limited liability. It is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). These condensed consolidated financial statements as at and for the six months and full year ended 31 March 2023 cover the company (referred to as "parent") and the subsidiaries (the "group").

The company is an investment holding company and provides management services to its subsidiaries and associates.

The registered office and the principal place of business of the company is located at 391B Orchard Road, #18-01 Ngee Ann City Tower B, Singapore 238874. The company is situated in Singapore.

2. Basis of preparation

The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2022.

2.2. Use of judgements and estimates (cont'd)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Net realisable value of inventories - realisable value of inventories represents the best value of recoverable amount and is based on acceptable evidence available at the end of reporting year and inherently involves estimates regarding the future expected realisable value.
- Lease term – For leases with extension or renewal options, management applied judgement in determining whether such extension or renewal options should be reflected in measuring the lease liabilities.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

- Income tax amount - Note 7
- Useful lives of property, plant and equipment and right-of-use assets: The estimates for the useful lives and related depreciation charges for property, plant and equipment and right-of-use assets are based on commercial and other factors which could change significantly as a result of innovations and competitor actions in response to market conditions.
- Expected credit loss allowance on trade receivables - In measuring the expected credit losses, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of future economic conditions (including the impact of the Covid-19 pandemic).

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

4. Segment and revenue information

The Group is organised into the following main business segments:

- Wholesale: The wholesale segment is involved in wholesale of timepiece and luxury branded accessories.
- Retail: The retail segment is involved in retailing of timepiece, branded pens and accessories.
- Unallocated: Others operations include provision of other support services.

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

4. Segment and revenue information (cont'd)

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the reporting entity are as far as practicable based on market prices.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets consist primarily of property, plant and equipment, investment property, right-of-use assets, inventories, trade and other receivables, other assets and cash and cash equivalents.

Segment liabilities comprise trade and other payables, other financial liabilities, provisions and other liabilities. Unallocated items comprise mainly investment in associates, deferred tax assets, deferred and current tax liabilities.

These operating segments are reported in a manner consistent with internal reporting provided to the Management who are responsible for allocating resources and assessing the performance of the operating segments.

4.1 Reportable segments

Continuing Operations 12 months ended 2023	Wholesale S\$'000	Retail S\$'000	Unallocated S\$'000	Elimination S\$'000	Group S\$'000
Revenue by Segment					
Total revenue by segment	41,159	784,896	655	(155)	826,555
Inter-segment sales	118,318	94	4,330	(122,742)	-
Total revenue	159,477	784,990	4,985	(122,897)	826,555
Recurring EBITDA	11,911	157,478	180,423	(197,111)	152,701
Finance costs	(6)	(4,029)	(6)	1	(4,040)
Depreciation & amortisation	(239)	(40,650)	(1,044)	(350)	(42,283)
ORBT	11,666	112,799	179,373	(197,460)	106,378
Share of profit or loss of associates	-	83	-	(12)	71
Profit before tax					106,449
Income tax expense					(22,948)
Profit, net of tax					83,501

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

4. Segment and revenue information (cont'd)

4.1 Reportable segments (cont'd)

	Wholesale S\$'000	Retail S\$'000	Unallocated S\$'000	Elimination S\$'000	Group S\$'000
Assets and Reconciliations 12 months ended 2023					
Segment assets	102,367	501,188	240,181	(209,267)	634,469
Unallocated assets:					
Deferred tax assets					2,504
Investment in associates					3,527
Total group assets					640,500
Liabilities and Reconciliations 12 months ended 2023					
Segment liabilities	59,584	213,231	1,793	(29,574)	245,034
Unallocated liabilities:					
Deferred and current tax liabilities					13,817
Total group liabilities					258,851

	Wholesale S\$'000	Retail S\$'000	Unallocated S\$'000	Elimination S\$'000	Group S\$'000
Continuing Operations 12 months ended 2022					
Revenue by Segment					
Total revenue by segment	62,133	654,469	264	-	716,866
Inter-segment sales	93,589	13,744	3,676	(111,009)	-
Total revenue	155,722	668,213	3,940	(111,009)	716,866
Recurring EBITDA	17,789	114,900	5,557	(2,226)	136,020
Finance costs	(222)	(3,276)	(3)	-	(3,501)
Depreciation	(1,220)	(38,198)	(228)	(307)	(39,953)
ORBT	16,347	73,426	5,326	(2,533)	92,566
Share of profit or loss of associates	-	84	(17)	-	67
Profit before tax					92,633
Income tax expense					(18,818)
Profit, net of tax					73,815

	Wholesale S\$'000	Retail S\$'000	Unallocated S\$'000	Elimination S\$'000	Group S\$'000
Assets and Reconciliations 12 months ended 2022					
Segment assets	93,536	491,598	11,756	(6,124)	590,766
Unallocated assets:					
Deferred tax assets					2,689
Investment in associates					3,494
Total group assets					596,949
Liabilities and Reconciliations 12 months ended 2022					
Segment liabilities	49,676	189,412	16,113	(294)	254,907
Unallocated liabilities:					
Deferred and current tax liabilities					12,874
Total group liabilities					267,781

4. Segment and revenue information (cont'd)

4.2 Disaggregation of Revenue

	The Group	
	12 mths ended	12 mths ended
	31 Mar 23	31 Mar 22
	S\$'000	S\$'000
Sale of goods	824,383	713,079
Other income	2,172	3,787
Total revenue	826,555	716,866

4.3 Geographical information

	The Group	
	12 mths ended	12 mths ended
	31 Mar 23	31 Mar 22
	S\$'000	S\$'000
Revenue		
Singapore	378,347	330,235
South East Asia (exclude Singapore)	363,185	301,329
North East Asia	82,821	83,092
Other countries	2,202	2,210
	826,555	716,866

	The Group	
	12 mths ended	12 mths ended
	31 Mar 23	31 Mar 22
	S\$'000	S\$'000
Total assets		
Singapore	384,247	369,686
South East Asia (exclude Singapore)	185,845	164,171
North East Asia	65,853	55,257
Other countries	5,359	5,148
Unallocated	(804)	2,687
	640,500	596,949

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 March 2023 and 31 March 2022:

	The Group		The Company	
	As at 31 Mar 23 S\$'000	As at 31 Mar 22 S\$'000	As at 31 Mar 23 S\$'000	As at 31 Mar 22 S\$'000
<u>Financial assets:</u>				
Financial assets at amortised cost	196,409	238,871	31,592	14,829
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	225,884	228,214	18,910	98,459

6. Profit before tax

6.1 Profit before tax has been arrived after (charging) / crediting:

	The Group			
	6 mths ended 31 Mar 23 S\$'000	6 mths ended 31 Mar 22 S\$'000	12 mths ended 31 Mar 23 S\$'000	12 mths ended 31 Mar 22 S\$'000
Interest income	626	121	1,119	211
Interest expense	(2,268)	(1,790)	(4,040)	(3,501)
Other income from government grants and rental rebate	102	2,364	205	5,335
Depreciation expense	(4,838)	(3,993)	(8,800)	(7,146)
Depreciation of right-of-use-assets	(16,748)	(16,413)	(33,114)	(32,807)
Foreign exchange adjustment gain / (loss)	455	1,558	(1,180)	950
Gains / (loss) on disposal of plant and equipment	150	(56)	301	-
Gains / (loss) on disposal of right-of-use assets	258	67	507	87
Plant and equipment written off	(1,079)	(555)	(1,079)	(555)
Inventory written off	(27)	(1,158)	(48)	(2,176)
Reversal / (allowance) on allowance for inventories	360	(3,388)	36	(2,238)

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	The Group			
	6 mths ended 31 Mar 23 S\$'000	6 mths ended 31 Mar 22 S\$'000	12 mths ended 31 Mar 23 S\$'000	12 mths ended 31 Mar 22 S\$'000
Current tax	11,127	9,997	21,695	18,042
Current withholding tax	166	105	1,154	328
Deferred tax	20	532	(23)	479
(Over)/under adjustments in respect of prior years:				
Current tax	(35)	(62)	98	(62)
Deferred tax	24	31	24	31
Total income tax expense	11,302	10,603	22,948	18,818

8. Dividends

	The Group			
	6 mths ended 31 Mar 23 S\$'000	6 mths ended 31 Mar 22 S\$'000	12 mths ended 31 Mar 23 S\$'000	12 mths ended 31 Mar 22 S\$'000
Ordinary dividend paid:				
Final dividend	-	-	19,870	10,763

9. Earnings per ordinary share

	The Group	
	12 mths ended 31 Mar 23 S\$	12 mths ended 31 Mar 22 S\$
Profit per share (cents)		
- Based on weighted average number of ordinary shares in issue	46.2	41.5
- On fully diluted basis (detailing and adjustments made to the earnings)	46.2	41.5
Weighted average number of ordinary shares in issue	165,578,415	165,578,415

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

10. Net assets value

	The Group		The Company	
	12 mths ended 31 Mar 23 S\$	12 mths ended 31 Mar 22 S\$	12 mths ended 31 Mar 23 S\$	12 mths ended 31 Mar 22 S\$
	Net asset value per ordinary share (cents)	219.7	190.0	137.0

11. Property, plant and equipment

During the year ended 31 March 2023, the Group acquired assets amounting to \$25.0mil (31 March 2022: \$17.0mil) and disposed of assets amounting to \$0.4mil (31 March 2022: \$3.9mil).

12. Borrowings

	The Group		The Company	
	12 mths ended 31 Mar 23 S\$000	12 mths ended 31 Mar 22 S\$000	12 mths ended 31 Mar 23 S\$000	12 mths ended 31 Mar 22 S\$000
<u>Amount repayable within one year or on demand</u>				
Secured	10,231	20,028	-	-
Unsecured	221	1,708	67	12
<u>Amount repayable after one year</u>				
Secured	5,000	25,500	-	-
Unsecured	215	336	69	-
Total loans and borrowings	15,667	47,572	136	12

13. Share capital

	The Group and the Company			
	31 Mar 23		31 Mar 22	
	No. of shares	Amount S\$000	No. of shares	Amount S\$000
At 31 March 2023 and 31 March 2022	165,578,415	35,481	165,578,415	35,481

The Company did not hold any treasury shares as at 31 March 2023.

14. Subsequent events

There are no major subsequent events which led to adjustments to this set of financial statements.

(F) Other information required by Listing Rule Appendix 7.2

1) Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice

The condensed consolidated statement of financial position of Cortina Holdings Limited and its subsidiaries as at 31 March 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2) 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 year reported on

The Group recorded a lower profit after tax of S\$42.2 million for the second half year of FY2023 as compared with S\$46.4 million in the corresponding period last year, a decrease of S\$4.2 million or 9.1%. The half-year decrease is attributable to a one-off written back of stock provision due to the exchange of inventory in the prior year which was not present in the current second half-year. The full-year profit after tax increased 13.1% to S\$83.5 million from S\$73.8 million a year ago.

Full-year sales margin remains constant at 32.9% for both financial years.

Revenue for the current half-year was S\$419.7 million, an increase of 7.0% compared with the corresponding period last year. The revenue for the full year increased 15.3% to S\$826.6 million. This was largely attributable to a better sales mix and management strategy to introduce new brands to provide a wider selection for our customers such as Jacob & Co, Laurent Ferrier, Parmigiani, etc.

Operating expenses comprised staff costs, rental expenses, depreciation, and other expenses. The operating expenses for the current half-year increased by 2.3% from the last corresponding period to S\$84.5 million. The increase was largely due to higher rental expenses due to the new store opening and donations to charitable organisations for the Company's 50th Anniversary.

The Group maintained a healthy balance sheet, with total equity of S\$363.7 million as compared with S\$314.5 million in the last financial year. Cash and bank balances were at S\$166.5 million, compared with S\$226.5 million at the last year-end. Inventories increased to S\$231.6 million as compared to S\$211.2 million in the last corresponding year. Trade and other receivables were slightly higher at S\$13.0 million. Non-current bank borrowings decreased by S\$20.5 million, whilst current bank borrowings decreased from S\$21.5 million to S\$10.3 million. Other liabilities decreased from S\$21.8 million to S\$13.6 million due to the decrease in advance deposits from customers.

The Group generated a positive operating cash inflow of S\$63.5 million in the second half of the current financial year. The Group cash and cash equivalent as at year-end stood at S\$166.5 million.

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

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

Not applicable.

4) A commentary at the date of the 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 month

The uncertain global economic outlook is likely to negatively affect consumer sentiment. Business conditions have also become more challenging.

Notwithstanding the headwinds, the Group expects to remain profitable in the coming year, barring unforeseen circumstances.

5) Dividend

(a) Current Financial Period Reported On

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

Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Rate	2.0 cents per ordinary share	14.0 cents per ordinary share
Tax Rate	Tax exempt (1-tier)	Tax exempt (1-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	Final	Special	Special 50th Anniversary
Dividend Type	Cash	Cash	Cash
Dividend Rate	2.0 cents per ordinary share	5.0 cents per ordinary share	5.0 cents per ordinary share
Tax Rate	Tax exempt (1-tier)	Tax exempt (1-tier)	Tax exempt (1-tier)

(c) Date payable

The proposed dividend, if approved by the shareholders of the Company at the Annual General Meeting to be held on 28 July 2023, will be paid on a date to be announced later.

(d) Books closure date

Book closure date will be announced on a later date.

6) If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

7) If the group has obtained general mandate from shareholders for IPTs, 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 a shareholders' mandate for interested person transactions.

8) Confirmation pursuant to Rule 720 (1) of the Listing Manual

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

9) Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

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
Chia Nyok Song@Cheah Yoke Heng	84	Wife of Lim Keen Ban, Mother of Mr Lim Jit Ming, Lim Yin Chian and Lim Jit Yaw	Senior Manager, 1972	No change
Lim Yin Chian	58	Daughter of Lim Keen Ban and Chia Nyok Song@Cheah Yoke Heng, Sister of Lim Jit Ming and Lim Jit Yaw	(i) Director of Cortina Watch Pte Ltd, 2011 (ii) Executive Director of Pacific Time Pte Ltd, 2004 (iii) Managing Director of Pacific Time Pte Ltd, 2021 (iv) CEO of Franck Muller Pte Ltd, 2021	No change
Cheah Yoke Kian	67	Sister-in-law of Lim Keen Ban, Aunty of Lim Jit Ming, Lim Yin Chian and Lim Jit Yaw	Director of Cortina Watch HK Ltd, 1993	No change
Cheah Kok Chong	74	Brother-in-law of Lim Keen Ban, Uncle of Lim Jit Ming, Lim Yin Chian and Lim Jit Yaw	Senior Boutique Manager, 2004	No change
Tshai Kin Chon	73	Brother-in-law of Lim Keen Ban, Uncle of Lim Jit Ming, Lim Yin Chian and Lim Jit Yaw	Director of Cortina Watch Sdn Bhd, 1982	No change
Lim Hui Ying	35	Daughter of Mr. Lim Jit Ming	General Manager of Sincere Watch Ltd, 2021	No change
Lim Jun Shen	32	Son of Mr. Lim Jit Ming	Operations Manager of Cortina Watch Pte Ltd, 2021	No change
Yu Zhihua	35	Son of Mr. Yu Chuen Tek	E-commerce Manager of Cortina Watch Pte Ltd, 2022	No change

CORTINA HOLDINGS LIMITED (Company Registration No. 197201771W)

10) Additional information Required Pursuant to Rule 706A

During FY2023, the Group incorporated two wholly owned subsidiaries in Hong Kong under Sincere Watch Limited, namely Sincere (North Asia) Limited and Franck Muller (HK) Limited on 11 August 2022 and 5 January 2023 respectively. Sincere (North Asia) Limited changed its name to Franck Muller (North Asia) Limited on 3 February 2023.

BY ORDER OF THE BOARD

Mr Lim Jit Ming
Director

Date: 29 May 2023