



Cortina Holdings Limited

ANNUAL REPORT 2023



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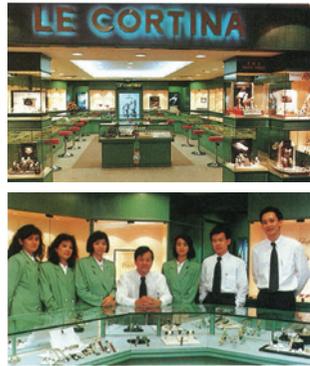
The Curator of Time

Established in 1972 as a humble, single-store family business, Cortina is now a distinguished public-listed retail enterprise for fine luxury timepieces across Asia-Pacific. Today we operate over 40 boutiques in markets such as Singapore, Malaysia, Thailand, Indonesia, Hong Kong, Taiwan and Australia.



1972
FOUNDING CORTINA

While Cortina Watch's story begins in 1972, our appreciation for fine watchmaking starts even earlier when our founder, Mr Anthony Lim began his career as a watch associate.



1982
REACHING BEYOND SINGAPORE

To continue to spread our passion for fine watchmaking across Asia, we looked beyond Singapore's border, opening our first boutique in Malaysia at Regent Hotel.



1992
DEBUTING OUR ANNIVERSARY EDITIONS

Over the last five decades, we have created many timepieces to commemorate important milestones. These anniversary watches are developed together with our longstanding partners, from boutique brands to the leaders in the industry. The first anniversary watch was launched in 1992. Since then, new models have been created every five years to celebrate our journey.



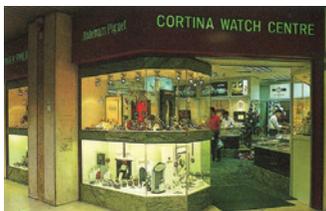
2000 - 2011
FUSING HIGH JEWELLERY WITH HIGH WATCHMAKING

The new millennium called for new perspectives in watchmaking. Seeing a growing interest in sophisticated jewellery timepieces, we debuted a conceptual event that merged the crafts of high jewellery with luxury watchmaking. The first Jewellery Time exhibition was held in 2000 at Paragon Shopping Centre, to great acclaim. It grew into a biennial event that continued until 2011.

1970s

1974 - 1976
GROWING RETAIL PRESENCE

We expanded our retail network from Colombo Court to Metro Orchard and Orchard Tower which were subsequently relocated to Funan Centre, Lucky Plaza and Far East Plaza in the early 1980s.



1980s

1990s

1997
CURATING THE FINEST IN WATCHMAKING

To educate the public about horological crafts and bring watchmaking to life for collectors, we have carefully curated experiences that allow our partners to showcase their finest creations to our customers. For instance in 1997, we held an exhibition with Patek Philippe to present the 100-piece, limited edition Silver Jubilee timepiece commissioned for our 25th anniversary. The Patek Philippe Ref. 5057G-001 Calatrava with Date and Power Reserve is powered by the famed calibre 240 and stamped with the Geneva Seal.



2000s

2001
SHAPING NOVEL RETAIL CONCEPTS

To create a more intimate retail environment that offered customers privacy as well as product diversity, we developed the "Espace" retail concept. Its revolutionary modular design catered for immersive, monobrand experiences within a multi-brand store. The first Espace was launched in 2001 at Millenia Walk, Singapore. It won the "Best Retail Concept of the Year" award from the Singapore Retailers Association. Espace was swiftly adopted in Malaysia and Thailand.



Having been a witness to five decades of wonderful memories and stories, we have journeyed with generations of watch lovers as they discover their dream timepieces by sharing our knowledge, insights, and passion for the craft of fine

watchmaking. Cortina remains committed to bringing an extensive, intricately-curated selection of preeminent haute horlogerie brands and services to our watch connoisseurs and enthusiasts.



2002

AN ERA OF GROWTH

2002 marked our 30th anniversary and a key milestone for Cortina Watch. After several years of planning, we became a publicly listed company on the Singapore Exchange.



2017

DELIVERING SEAMLESS RETAIL IN THE 21ST CENTURY

In recent years, Cortina Watch has embraced a digital transformation. We were one of the first retailers in Singapore to introduce e-commerce on our platforms, delivering a multi-channel experience for our customers' convenience. Our e-commerce site has enhanced our role as curators of timekeeping. We created three e-commerce exclusive timepieces by Bell & Ross and TAG Heuer for our launch. The Bell & Ross limited edition set a record, selling out within 56 hours.



2022

CELEBRATING 50 YEARS AS THE CURATOR OF TIME

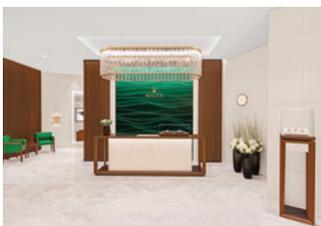
The year 2022 marks an important milestone for Cortina, celebrating its 50th Golden Jubilee Anniversary as one of Asia Pacific's foremost luxury watch retailers and distributors.

2010s

2007

OUR FIRST ROLEX STANDALONE BOUTIQUE

We became an Official Retailer for Rolex in Malaysia in 2002 with the launch of the Espace boutique in Kuala Lumpur. We further cement our presence and created an exclusive retail experience for our customers by establishing our first Rolex standalone boutique in Penang in 2007. The Kuala Lumpur boutique still stands today, located within the J.W. Marriott hotel's shopping arcade, The Starhill.



2009

GROWING WITH PATEK PHILIPPE

As demand for personalised retail increased, with clients expecting the same level of service across different markets, we opened new monobrand boutiques, starting with our longest partner, Patek Philippe. We opened the first Patek Philippe boutique in ION Orchard, Singapore. This was followed by stores in Malaysia, Indonesia, Taiwan, and a second Singapore boutique in Marina Bay Sands. Today, the Patek Philippe store in ION Orchard is Southeast Asia's largest after a 2016 renovation.



2020s

2021

WELCOMING A NEW ADDITION TO OUR FAMILY

In 2021, we completed our planned acquisition of Sincere Watch, a privately-held watch retailer, in order to expand our network to new markets across Asia-Pacific. The acquisition also brings Franck Muller into our growing stable of luxury brands, giving us an even bigger footprint in the luxury watch market.



Chairman's Message

Dear Shareholders,

Against the backdrop of an uncertain economic environment, Cortina Holdings Limited (“the Group”) sustained our growth momentum to post a vibrant set of results for the financial year ended 31 March 2023 (“FY2023”), with our Singapore and Thailand markets delivering a strong performance.

During the year in review, the global economy softened in the face of geopolitical tensions, inflationary pressures and monetary tightening. Meanwhile, Singapore’s growth moderated to 3.6% in 2022 in light of weaker external demand, although this was mitigated by the return of international visitors.

Delivering Robust Results

Advancing our growth trajectory, the Group persisted in generating a robust financial performance. FY2023 witnessed total revenue climbing 15.3% year-on-year to S\$826.6 million. In line with this expansion, net profit registered an uptick of 13.1% to S\$83.5 million. Alongside this, our sales margin remained steady at a healthy 32.9% this financial year.

Meanwhile, the year in review saw the Group generating net operating cash inflow of S\$107.0 million. Net asset value per share recorded an increase to 219.7 cents, against 190.0 cents last year, while earnings per share rose to 46.2 cents, up from 41.5 cents in the preceding year.

Enlarging Our Footprint

Propelled by our forward-looking strategy, we sought to bolster our performance and create value. Over the financial year, we broadened our presence in the region with the opening of seven new boutiques.

Under the banner of our subsidiary Sincere Watch Limited (“Sincere Watch”), Sincere Watch drives its mission to offer discerning collectors the best from the world of high-end watchmaking, while advancing horological education through the creation of exclusive events to strengthen its preeminent position in authentic luxury retail. During the year, it unveiled its flagship store at Marina Bay Sands (“MBS”) in Singapore, which offers a luxurious environment for horological connoisseurs to experience the artisanal craftsmanship of an array of boutique brands ranging from Jacob & Co to Ferdinand Berthoud and Greubel Forsey.



The store is the result of our continued collaboration with brand partners to grow our presence and a strategic partnership with MBS, that also birthed three other outlets under the ambit of Sincere Watch. These comprise TAG Heuer boutique, Bell & Ross boutique and Tudor boutique.

Meanwhile, we unveiled two new outlets in Bangkok under Cortina Watch, including a multi-brand boutique at Mandarin Oriental hotel and a Cartier boutique at Central Embassy mall. In addition, we launched Cortina Watch’s Tudor boutique at Raffles City Shopping Centre in Singapore.

Alongside this, we commenced work on five new outlets during the year in review. These include three stores in Hong Kong – at the International Finance Centre and Ocean Terminal which have opened in the first half of 2023, as well as a third outlet at the Peninsular Hong Kong hotel that is expected to be completed later in the year. Additionally, Malaysia will welcome two multi-brand boutiques in Kuala Lumpur’s Fahrenheit88 mall and Pavilion Damansara Heights which are projected to be officially unveiled in the second half of 2023, with the latter occupying a prime location in a premium lifestyle destination. In growing a strong retail footprint for the Group, we remain focused on expanding our presence in key landmark cities.

At the same time, we made the strategic move to acquire two commercial properties in FY2023. Our purchase of a 4,200-square-foot unit at 888 Lai Chi Kok Road in Kowloon, Hong Kong is aimed at facilitating our expansion plans in the North Asia region, while the addition of 15 Scotts Road in Singapore is intended for the Group’s future expansion plans.



Lim Keen Ban, Anthony
Executive Chairman

Chairman's Message

Driving Experiential Retail

Our business specialises in luxury high-end timepieces and has excelled in the realm of experiential retail, delivering exceptional value to our esteemed clientele. We have achieved this through a strategic blend of expertise, curated events and personalised customer journeys. Our dedicated team of horologists, deeply knowledgeable in the intricacies of watches, provide invaluable insights and guidance to our discerning clients, enabling them to make well-informed decisions. Moreover, our innovative event concepts, including exclusive launches and intimate gatherings with brand CEOs, establish an unparalleled sense of exclusivity and forge strong emotional connections between our clients and the prestigious brands we showcase.

During the financial year, we commenced renovation works on two outlets in Singapore. The revamp of our multi-brand boutique at Raffles City Shopping Centre has concluded in May 2023, and features a refreshed brand assortment as well as a private, plush space to showcase our Cartier timepieces. Meanwhile, the current refurbishment works at our Capitol Singapore store will offer improved space allocation for our extensive selection of luxury watches.

To cater to the discerning tastes of our VIP clientele, our stores include thoughtfully designed private areas, ensuring an intimate and exclusive environment for them to explore our exquisite timepieces. By extending special privileges to our clients, we not only raise the bar for service excellence, but also reinforce our brand values and foster enduring customer relationships.

In a testament to the resounding success of our experiential retail approach, we have received exceptional feedback from our clients, who have generously shared their positive experiences through word-of-mouth. We are humbled and delighted to witness how our clients enthusiastically recommend our services to their friends, and even pass on their passion for collecting timepieces to younger generations, expanding our customer base organically. As we reflect on the past year, it is evident that our commitment to delivering personalised and unforgettable experiences has propelled our business forward, resulting in heightened customer satisfaction, unwavering loyalty and sustainable growth through referrals.

Optimising for Growth

Our acquisition of Sincere Watch in 2021 allowed us to reap new growth opportunities in the independent brands segment, while diversifying our revenue streams and



boosting our subsidiary's performance. Consequently, its top line, operational results and boutique brands' performance improved significantly under the Group's corporate umbrella.

With Cortina's support, Sincere Watch made headway in its brand strategy of engaging directly with boutique brands. This resulted in a notable enlargement of the portfolio, with several independent watchmakers entrusting their collections to us.

Moving forward, Cortina Watch and Sincere Watch will continue to co-exist as distinct entities, with the former emphasising international luxury brands, while the latter focuses mainly on boutique brands. Collectively, our broad selection of complementary offerings opens up new markets for the Group, while bolstering our position in the luxury watch retail landscape.

Towards Greater Social Sustainability

At Cortina, we believe in upholding our commitment as a responsible company, as we strive to enhance lives, while making a positive social impact in the communities we operate in. Signalling our dedication to social sustainability amidst our 50th anniversary celebrations, we contributed towards uplifting children through education and inclusive programmes, while embracing culture and the medical health needs of society. This comprised donations totalling S\$1.2 million to 25 organisations, such as the Singapore Chinese Opera Institute, Singapore University of Social Sciences, Ren Ci Hospital and Community Chest, and a pledge to channel S\$1 million to AWWA. For more details of our sustainability efforts, please refer to our Sustainability Report.

Outlook

On the macro-economic front, we expect growth over 2023 to soften, with the International Monetary Fund lowering its global growth forecast owing to uncertainties in the financial sector, persistent inflation and the ongoing effects of the war in Ukraine. Nevertheless, our robust balance sheet, strong cash position and healthy operational cash flow stands us in good stead to safeguard against external events.

Prudent capital management remains a key pillar of our strategy, providing us with the financial flexibility to capitalise on growth opportunities. Bearing testament to this, our expansion plans are supported by internal funding sources. At the same time, we uphold a measured approach to growing our retail network, and remain focused on expanding in strategic landmark locations with the appropriate customer profile.

In addition, we are cautiously optimistic about the growth potential of our brand portfolio, and will press on with efforts to develop them in our quest to enhance our brand equity.

Appreciation

Cortina's Golden Jubilee received strong support from our brand partners, including many luxury watch brands that readily collaborated with us on special edition timepieces to commemorate the occasion. Many brand principals also took the time to fly in especially for our 50th anniversary gala. We are immensely thankful to all for demonstrating the strength of our partnership and for your steadfast belief in Cortina over the last five decades.

At the same time, we established long-term relationships with customers that transcend multiple generations. Our success would not have been possible without them and we treasure the trust they continue to place on us.

Over the years, we have benefitted from the dedication of loyal employees, especially those who have pioneered our growth, journeying with us through challenges and the transition from one decade to the next. They remain the backbone of the Group and we are truly grateful.

My heartfelt thanks also go to our Board of Directors for their wise counsel in steering the Group amidst a challenging operating environment, as well as our shareholders for their unwavering support.

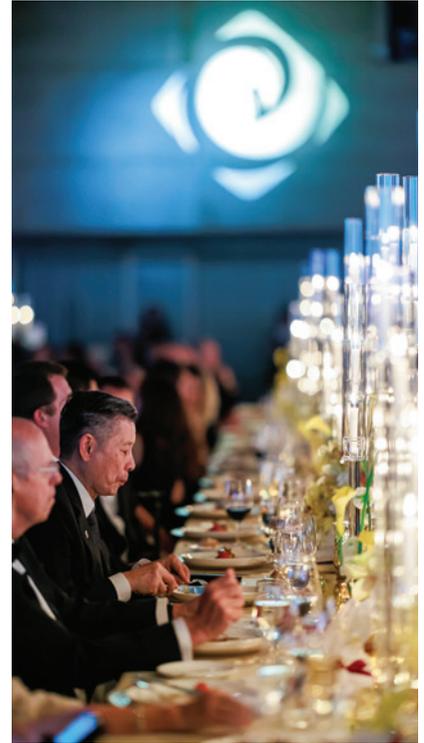
I am glad to report that the Board of Directors has proposed a final and special tax-exempt cash dividend of 2.0 cents and 14.0 cents per ordinary share for the financial year 2023, subject to the approval of shareholders in the next annual general meeting to be held on 28 July 2023.

Underpinned by our robust business fundamentals, we remain committed to augmenting our competitiveness and will continue striving to achieve new heights in the years ahead.

Lim Keen Ban, Anthony
Executive Chairman



A Toast to Our Golden Jubilee



Over FY2023, Cortina marked 50 years of promoting exquisite timepieces. In a series of events across Singapore, Malaysia, Thailand, Indonesia and Taiwan that welcomed both luxury watch manufacturers and horology connoisseurs, we celebrated the people and partnerships that have cemented our reputation as the Curator of Time.



A Toast to Our Golden Jubilee



The celebration witnessed the unveiling of exclusive timepieces from notable brands including Patek Philippe, Blancpain, Cartier, Chopard, Corum, Franck Muller, H. Moser & Cie. and TAG Heuer. These specially designed creations served as elegant and significant tributes, commemorating a remarkable milestone in Cortina's illustrious history.

Cortina's enduring success can be attributed to our unwavering dedication to serving multiple generations of watch aficionados, fostering a loyal following over the course of 50 years. Our passion for watchmaking resonates deeply with our cherished clients who have been with us throughout this incredible journey. In light of our 50th Anniversary gala, we took the opportunity to honour Mr Sunny Lau, our longest-serving employee who has been a part of Cortina since its inception.

Together, the synergy of our valued clients, dedicated employees and trusted partners has propelled Cortina's evolution from a single retail store to a flourishing multinational company spanning Asia Pacific region. Anchored in the time-honoured values of good faith, sincerity and integrity, we remain steadfast in our commitment to achieving even greater heights in the next 50 years and beyond.



Board of Directors



Lim Keen Ban, Anthony
Executive Chairman



Lim Jit Ming, Raymond
Executive Director
Group CEO



Lim Jit Yaw, Jeremy
Executive Director
Group COO
CEO of Cortina Watch

Yu Chuen Tek, Victor
Executive Director
Chief Corporate Affairs Officer



Lau Ping Sum, Pearce
Independent Director



Chin Sek Peng, Michael
Lead Independent Director



Foo See Jin, Michael
Independent Director



Chuang Keng Chiew
Independent Director



Tan Siew San
Independent Director

Board of Directors

Lim Keen Ban, Anthony

Lim Keen Ban, Anthony is the Executive Chairman of the Group. He is one of the founders of our Group and held the position of Chief Executive Officer (CEO) since 1972. On 1 June 2021 he relinquished his position as CEO and continues as Executive Chairman of the Group. He has headed the distribution business and was instrumental in building up the distribution business in the initial years. His vast experience and leadership has propelled Cortina Watch to new heights over the years. Mr Lim was the President of the Singapore Clock & Watch Trade Association from 2002 to 2008. As Executive Chairman of the Group, he heads the Board of Directors to approve strategic plans and to oversee the stewardship of the Group.

Lim Jit Ming, Raymond

Lim Jit Ming, Raymond is an Executive Director of the Group since 1992. He was appointed in 2011 as the Group's Deputy Chairman and Deputy Chief Executive Officer. He plays a pivotal role in assisting the CEO in the overall management, strategic planning and is actively involved in the development of new markets. He has been with the Group since 1980 and has over 40 years of experience and know-how of the watch retail and distribution industry. On 1 June 2021, Mr Raymond Lim ceased to be the Deputy CEO and takes up the appointment as CEO of the Group. As Group CEO, he formulates the strategic plans of the Group and directs their implementation.

Yu Chuen Tek, Victor

Yu Chuen Tek, Victor is a Director since 1987 and was appointed Executive Director in 1995. He is now the Chief Corporate Affairs Officer of the Group. His main portfolio includes overseeing all legal, secretarial and public relations matters, investor relations and searching for and screening of potential M&A opportunities. Mr Yu holds a Bachelor of Business Administration degree from the University of Singapore. He was the Singapore Honorary Consul General in Papua New Guinea from 1988 to 1992 and Honorary Consul of the Republic of the Fiji Islands in Singapore from 2006 to 2009.

Lim Jit Yaw, Jeremy

Lim Jit Yaw, Jeremy is an Executive Director of the Group since 2002. He was appointed Chief Operating Officer (COO) in 2011 and promoted to Chief Executive Officer of Cortina Watch Pte Ltd in 2021. Mr Jeremy Lim was further appointed as the Group COO in June 2022. He takes lead in the overall business objectives devising policies to bringing visions to reality. He continues to oversee the business operations; which includes retail outlets in the region. Mr Jeremy Lim graduated from Edith Cowan University, Australia with a Bachelor of Business majoring in Accounting and Finance. He continued to pursue his major after graduation as an audit senior at KPMG Singapore from 1997 to 2000. In April 2012, Mr Jeremy Lim was nominated as the President of Singapore Clock and Watch Trade Association. He was appointed as a council member of the Singapore Chinese Chamber of Commerce and Industry in 2019 and took on the appointment as Vice-Chairman for External Relations Committee in 2022.

Chin Sek Peng, Michael

Michael Chin is the Executive Chairman of PKF-CAP group of entities including PKF-CAP LLP, a firm of chartered accountants based in Singapore. He is also the Head of risk consulting in PKF Singapore and was a Board member of PKF International Asia Pacific region and the Chairman of the ASEAN sub-region. He is also the co-founding Director of PKF-CAP Risk Consulting Pte Ltd, a company engaged in the provision of internal audit and risk management services.

Michael started his audit training in London. After qualifying as a chartered accountant, he joined legacy Price Waterhouse and worked in UK, Europe and Singapore from 1983 to 1994. In 1994, he joined the Institute of Singapore Chartered Accountants ("ISCA") as the first Practice Review Director, heading, running and regulating the compliance of work standards of all audit practices in Singapore. In 1999, Michael joined legacy Arthur Andersen as a partner in its Assurance and Business Advisory division and in 2002 he left the firm to set up his own audit and consultancy practices with other partners.

Michael holds a Bachelor of Arts (Honours) degree in Accounting and Finance from Lancaster University in the United Kingdom and is a Singapore public accountant, Fellow (practising) Chartered Accountant of Singapore and a Fellow Member of the Institute of Chartered Accountants in England and Wales. He was formerly a Council member of ISCA as well as the Chairman of The Public Accounting Practice Committee.

He serves as Independent Director mainly in the capacity as Audit Committee Chairman to another public company listed on the Singapore Exchange and is a member of the Institute of Internal Auditors, Singapore and a member of the Singapore Institute of Directors.

Lau Ping Sum, Pearce

Lau Ping Sum, Pearce was appointed Independent Director since 2002. He has held management positions in both the public and the private sectors. Mr Lau was the Member of Parliament for Yio Chu Kang and the Ang Mo Kio GRC from 1980 to 1996. He is a director of several publicly listed companies. Mr Lau holds a Bachelor of Economics from the Australian National University and a Diploma in Business Administration from the then University of Singapore. He is Adjunct Professor and Chairman of the advisory committee on Translation and Interpretation of the Singapore University of Social Sciences (SUSS) and a member of the Institute of Directors.

Foo See Jin, Michael

Foo See Jin, Michael is one of the founders of our Group and is a Non-Executive Director of our Group since 1972. He was designated as Independent Director since November 2013. He has been in the food and beverage industry for over 37 years.

Chuang Keng Chiew

Before joining the legal profession in 1998, KC Chuang as he is commonly known, was a Chemical Technologist in a large multi-national oil and gas company for many years before pursuing a career in law. KC Chuang was called to the English Bar in 1996 and admitted to the Singapore Bar in March 1998.

He was a Director of Advent Law Corporation from 1 November 2003 to 31 December 2014. KC Chuang was appointed as a Consultant in Advent Law Corporation since 1 January 2015 and remains as a shareholder of the law firm. He is active in the community work at large.

Tan Siew San

Ms Tan Siew San was appointed Independent Director in 2021. She retired from the Singapore civil service in 2019 after a 45-year career. She was Ambassador Extraordinary and Plenipotentiary to the Kingdom of Thailand from 2012 to 2019. Her previous leadership appointments in the Singapore civil service included those of Deputy Secretary (Asia-Pacific) in the Ministry of Foreign Affairs and Deputy Secretary (Policy) in the Ministry of Defence. For her contributions, Ms Tan was awarded the Public Administration Medal (Gold) in 1999 and the Public Administration Medal (Silver) in 1990.

Ms Tan holds a Master of Arts (Political Science) degree from the University of Wisconsin-Madison, USA, which she obtained on a Fulbright-Hays scholarship, and a Bachelor of Social Science (Honours) degree from the University of Singapore. She is also on the Board of Directors of other listed companies in Singapore and Thailand.

Director's Information

Information on Directors to be re-elected at the forthcoming annual general meeting as set out in Appendix 7.4.1 pursuant to Rule 720(6) of the SGX-ST Listing Manual.

Lim Jit Ming	
Date of appointment	5 November 1992
Date of last re-appointment (if applicable)	26 August 2021
Age	63
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Lim as a Director of the Company at the AGM 2023 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Lim's contributions, qualifications, expertise and past experiences.
Whether re-election is executive, and if so, the area of responsibility	Yes, he formulates the strategic plans of the Group and directs their implementation.
Job title (e.g. Lead ID, AC Chairman, AC Member etc)	Executive Director & Group CEO
Professional qualifications	None
Working experience and occupation(s) during the past 10 years	He has been with the Group since 1980 and has over 40 years of experience and know-how of the watch retail and distribution industry.
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest of 72,461,425 shares, 43.762%
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries	Son of Executive Chairman, Mr Lim Keen Ban and elder brother of Executive Director and COO, Lim Jit Yaw
Conflict of interest (including any competing business)	None

Chin Sek Peng Michael	Foo See Jín
13 September 2007	15 December 1972
3 September 2020	3 September 2020
67	76
Singapore	Singapore
The re-election of Mr Chin as a Director of the Company at the AGM 2023 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Chin's contributions, qualifications, expertise and past experiences.	The re-election of Mr Foo as a Director of the Company at the AGM 2023 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Foo's contributions, qualifications, expertise and past experiences.
No, the appointment is non-executive.	No, the appointment is non-executive.
Lead Independent Director, Chairman of Audit Committee, and Member of Nominating Committee	Independent Director and Member of Remuneration Committee
Bachelor of Arts (Honours) degree in Accounting and Finance from Lancaster University in the United Kingdom. He is a Fellow (practising) Chartered Accountant of Singapore and a Fellow Member of the Institute of Chartered Accountants in England and Wales.	None
He is the Managing Partner of PKF-CAP group of entities including PKF-CAP LLP, a firm of chartered accountants based in Singapore and a Board member of PKF International Asia Pacific region. He is also the co-founding Director of PKF-CAP Advisory Partners Pte Ltd, a company engaged in the provision of consultancy and business advisory services. As a professional accountant, Mr Chin has extensive experience in external and internal audit work. He has also been in charge of engagements involving litigation support, fraud investigation, financial due diligence, valuation, IPO reporting and advisory work. Mr Chin serves as Independent Director mainly in the capacity as Audit Committee Chairman to several public companies listed on the Singapore Exchange and is a member of the Institute of Internal Auditors, Singapore and a member of the Singapore Institute of Directors. He was formerly a Council member of the Institute of Singapore Chartered Accountants ("ISCA") and the Chairman of the Public Accounting Practice Committee of ISCA.	He has been in the food and beverage industry for over 37 years.
Nil	Direct interest of 7,107,320, 4.292%
None	None
None	None

Director's Information

Lim Jit Ming	
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7))	Yes
Other Principal Commitments* including Directorship	
<i>(*Includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.)</i>	
– Past (for the last 5 years)	– Nil
– Present	<ul style="list-style-type: none"> – Subsidiaries of Cortina Holdings Limited – Lim Keen Ban Holdings Pte Ltd – Pendulum Service Center Co., Ltd
Information required pursuant to Listing Rule 704(7):	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No

Chin Sek Peng Michael	Foo See Jin
Yes	Yes
<ul style="list-style-type: none"> - Amcorp Global Ltd - Sitra Holdings (International) Ltd - Singapore Women's & Children's Medical Group Ltd 	- Nil
<ul style="list-style-type: none"> - PKF-CAP LLP - PKF-CAP Advisory Partners Pte Ltd - PKF-CAP Risk Consulting Pte Ltd - PKF-CAP Corporate Services Pte Ltd - PKF-HT Khoo Public Accounting Corporation - PKF-ACPA Management Consultants Pte Ltd - PKF-Khoo Management Services Pte Ltd - PKF-CAP Tax Solutions Pte Ltd - C&L Business Advisers Pte Ltd - Sunpower Group Ltd 	- Nil
No	No

Director's Information

Lim Jit Ming

(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-	
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

Chin Sek Peng Michael

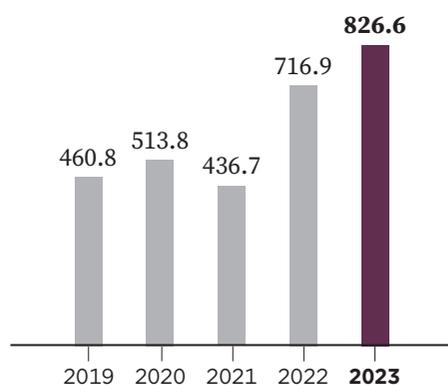
In October 2019, Mr Chin and his partner were appointed joint receivers by their client (Lender) over the charged assets of the Borrowers in relation to a loan made to the Borrowers in 2016. In the loan agreement, the Lender is entitled to additional interest on the loan and the interest is calculated based on the valuation of certain properties owned by the Borrowers. The Borrowers disputed on this additional interest claimed by the Lender and in January 2020, the Borrowers took up a lawsuit against the Lender on grounds that the loan agreement is not valid. Additionally, the Borrowers also took legal action against Mr Chin and his partner as joint receivers by challenging the validity of their appointment as receivers under the security documents. At the pre-trial conference in April, Parties agreed to pursue mediation in an attempt to settle the dispute. The mediation was held in June 2020 but was not successful. It is not clear if parties will make any further attempts to resolve the dispute. In the absence of a settlement, the case will go to trial.

Foo See Jin

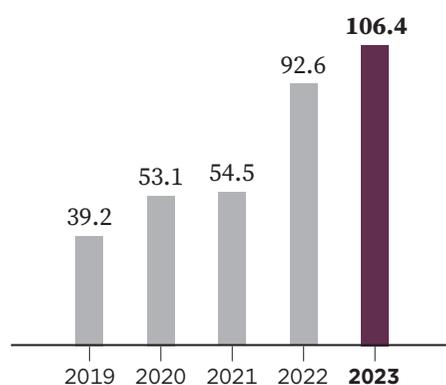
No

Financial Highlights

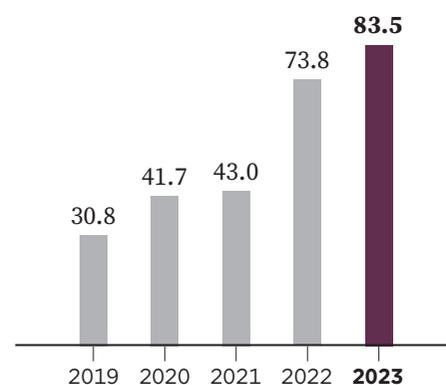
Turnover (S\$'M)



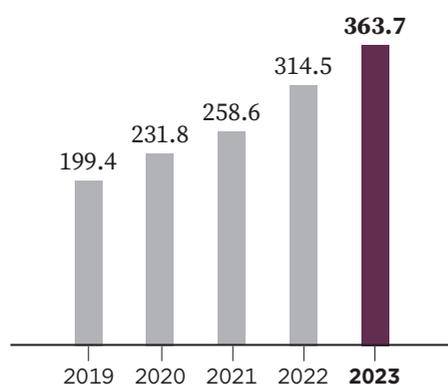
Profit Before Tax (S\$'M)



Profit After Tax (S\$'M)



Shareholders' Equity (S\$'M)



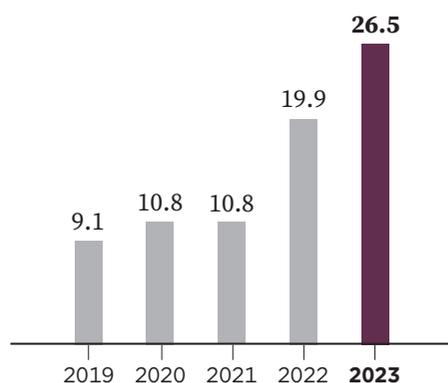
46.2¢

Basic Earnings
Per Share

219.7¢

Net Assets
Per Share

Dividend (Net)* (S\$'M)



	FY2019	FY2020	FY2021	FY2022	FY2023
S\$ Million					
Turnover	460.8	513.8	436.7	716.9	826.6
Profit before Tax	39.2	53.1	54.5	92.6	106.4
Profit after Tax	30.8	41.7	43.0	73.8	83.5
Dividend (Net)*	9.1	10.8	10.8	19.9	26.5
Shareholders' Equity	199.4	231.8	258.6	314.5	363.7
Cents					
Basic Earnings Per Share	17.5	23.7	24.0	41.5	46.2
Net Assets Per Share	120.4	140.0	156.2	190.0	219.7

Sustainability Report

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BOARD STATEMENT

Dear Stakeholders,

2022 was a landmark year for Cortina Holdings Limited (“the Group” or “Cortina Watch”). While we advanced our growth trajectory and strengthened the long-term sustainability of our business, we made strides in embracing the needs of our community, people and planet.

The year was a particularly significant one as we marked our 50th Anniversary with a series of celebrations. As we reflected on the last five decades as the Curator of Time, we took the opportunity to reaffirm our commitment to our brand partners, customers and employees and uplift the less fortunate in our community, donating a total of \$1.2 million to 25 organisations in support of underprivileged children and those suffering from heart ailments, among others. In addition, we pledged \$1 million to AWWA, which will be disbursed over FY2023 and FY2024.

Our Golden Jubilee coincided with the easing of pandemic restrictions around the world. Amidst the evolving regulations, we continued to safeguard the well-being of our customers while enhancing their time with us by introducing our collections through a blend of large-scale events and intimate, personalised experiences. At the same time, we seized opportunities to reconnect with our overseas customers as tourist footfall began to normalise.

Throughout the year, we persisted in ensuring balanced representation among our staff and management team, advocating board diversity across gender, age, industry and experience, while honing the talents of our staff. From professional image and relationship management to service leadership, we immersed our people in training and development courses to realise their full potential with us. We also sought to uphold anti-corruption throughout the Group, with all sales staff completing a refresher course on anti-money laundering in FY2023.

We continued our efforts to safeguard the planet in areas under our control. All Cortina-branded packaging, including our 50th anniversary gift bags, are made with FSC-certified material. At the same time, we increased the use of LED light bulbs in our showcases, in line with our plans to incorporate them in all our showcases. We are also exploring more sustainable options for the bottled water we serve our customers.

Meanwhile, we withdrew S\$10 million in Green Deposits in December 2022 to fund our expansion plans and will consider opportunities to invest in them again in the future.

Looking Ahead

For over 50 years, we have striven to secure a sustainable business that champions economic performance, anti-corruption, the environment, our employees, our community and customer privacy. Guiding this mission is our Board of Directors (“the Board”), who collectively oversee the management and governance of the Group’s sustainability efforts. As we enhance our sustainability practices and goals, the Board ensures these remain in line with our strategic direction of upholding ethically, socially and environmentally sustainable business operations.

Today, our efforts have resulted in a robust company that safeguards the interests of all stakeholders. Playing a critical role in our sustainability journey are our people, partners and customers, especially those who have lent us their steadfast support from the very beginning. We are truly grateful for their dedication and faith in us, and look forward to their continued support in the road ahead.

Despite our achievements to date, we always seek to do more and do better. As we enter a new decade for the Group, we will stay true to the values that have shaped Cortina and achieve greater sustainability for the good of all.

ABOUT THIS REPORT

This Sustainability Report focuses on our strategy, approach and sustainability performance for the financial year ended 31 March 2023. Besides providing an account of our financial results, it details our environmental, social and governance (ESG) performance, including initiatives that impacted material ESG factors. This report does not include outsourced activities, joint ventures or suppliers. Our previous Sustainability Report was published together with the Group’s Annual Report in July 2022.

This report complies with the Singapore Exchange (“SGX”) Rules 711A and 711B and the SGX Sustainability Reporting Guide. Additionally, it references Global Reporting Initiative (“GRI”) Standards: Core Option and adheres to the GRI principles to ensure quality reporting.

The information in this report was authenticated by the Group’s internal processes. No independent assurance was obtained for the ESG and economic performance data. Any feedback or questions regarding our sustainability performance can be submitted on our website at www.cortinawatch.com.

ABOUT CORTINA HOLDINGS

Company Profile

Since opening our doors in 1972, Cortina Holdings has been specialising in the distribution and retailing of luxury timepieces and accessories. Incorporated and headquartered in Singapore, we were listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 29 July 2002.

Our strategic acquisition of Sincere Watch in 2021 expanded our brand portfolio and enlarged our regional footprint. Today, we operate over 40 retail boutiques in major cities throughout Singapore, Malaysia, Thailand, Indonesia, Hong Kong, Taiwan and Australia. While we are the exclusive distributor of Franck Muller in 13 countries across the Asia Pacific region, we also carry a diverse selection of international brands, such as Bell & Ross, Bvlgari, Cartier, Chopard, H Moser, Parmigiani, Longines, MontBlanc, Omega, Patek Philippe, Rolex, TAG Heuer and Greuber Forsey, among others. Having added significantly to Sincere Watch’s stable since the acquisition, we now house a wide selection of independent brands, from Faberge and Louis Moinet, to Gorilla, HYT and Czapek.

We remain committed to growth. By strengthening our brand presence and leveraging expansion opportunities in markets with high growth potential, we seek to realise our vision of becoming the leading retailer and distributor of high-end watches. Backed by a dedicated team of 613 employees, we will continue to drive service excellence and bring exceptional timepieces to horological connoisseurs everywhere.



Mission

To offer to our clients an extensive, intricately curated selection of preeminent luxury watch brands through our expansive distribution channels and well-situated, impeccably furnished boutiques, while delivering top-notch service through our professional, client-centric and knowledgeable sales force.



Vision

To be the Asia Pacific leader in luxury watch retailing and distribution and the preferred choice for timepiece aficionados of style, elegance and class.

Sustainability Report

Membership of Associations

Represented by our board members, Cortina is active in various industry associations and public organisations. Mr Anthony Lim, Cortina Holding's Executive Chairman, was the President of the Singapore Clock & Watch Trade Association (SCWTA) from 2002 to 2008 and continues to be an active member of the organisation. Meanwhile, the Group's Executive Director, Mr Jeremy Lim, has been the President of the SCWTA since April 2012. He is also involved in the Singapore Chinese Chamber of Commerce & Industry (SCCCI) as a council member and Vice-Chairman of the External Relations Committee.

Supply Chain Management

Our suppliers are an integral part of our business. We identify and engage suppliers who adhere to our commitments and standards for ethical conduct, human rights, workplace standards and the environment. All suppliers are put through a pre-selection assessment process to ascertain their service standards and product quality. In safeguarding the planet, we seek out environmentally-friendly suppliers and lower greenhouse gas emissions from transportation where possible.

Together, we forge close partnerships with the aim of building long-term relationships. Such partnerships stand us in good stead. This was most evident amidst the supply chain disruptions brought on by COVID-19, where we successfully mitigated their impact on our operations and maintained inventory levels to ensure our customers remained unaffected.

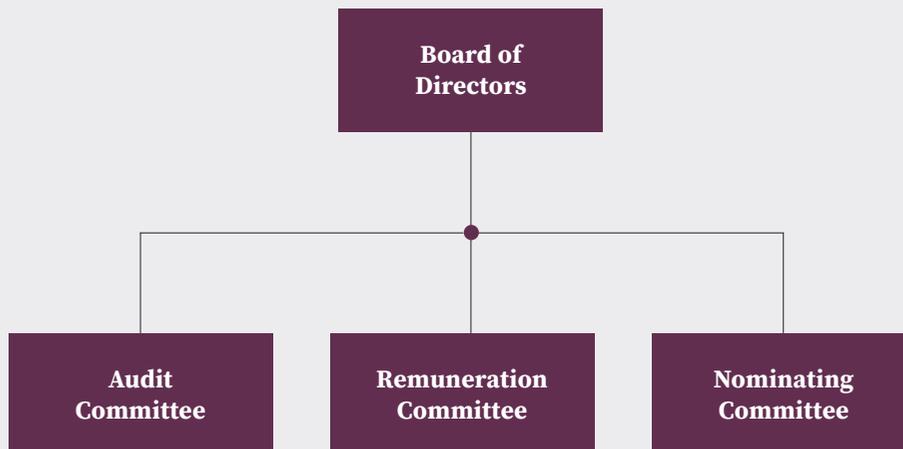
Sustainability Governance

Aimed at securing long-term business sustainability, we ensure high standards of governance, accountability, professionalism and integrity across our operations.

With our senior management team spearheading our sustainability efforts, the Group has developed a comprehensive framework to drive sustainability governance. While aligning our sustainability strategy with our business objectives, it also guides the execution of related initiatives. Our board oversees the development of these strategies and receives regular updates from our senior management.

For more information, please refer to the Corporate Governance section of our Annual Report.

CORTINA WATCH'S CORPORATE GOVERNANCE STRUCTURE



STAKEHOLDER ENGAGEMENT

We upheld our commitment to deliver sustainable value to our stakeholders. As a forward-looking organisation, we value their feedback and review them with the aim of enhancing our business and operations. The table below summarises our key stakeholder engagement activities for the year. These individuals were identified and prioritised based on their dependence and influence on Cortina's business.

Stakeholder Group	Engagement Activities	Stakeholder Expectations	Frequency
Customers	<ul style="list-style-type: none"> Improving the appearance and functionality of new and existing boutiques to create a better shopping environment Connecting with customers through personalised appointments and online and digital events to foster more meaningful and engaging interactions 	<ul style="list-style-type: none"> Outstanding shopping experience with timepieces of the finest craftsmanship 	Ongoing
Suppliers	<ul style="list-style-type: none"> Partnering suppliers who uphold Cortina's values and high standards in areas such as ethical conduct and workplace standards 	<ul style="list-style-type: none"> Adhere to terms and conditions of purchasing policies and procedures Uphold ethical standards 	Ongoing
Employees	<ul style="list-style-type: none"> Offering a conducive work environment that facilitates staff development Implementing Safe Management Measures at the workplace (e.g. providing masks, sanitisers and UV-C disinfectant lights, arranging split team working schedule, etc.) 	<ul style="list-style-type: none"> Staff rights and welfare Personal development Good working environment 	Ongoing
Shareholders	<ul style="list-style-type: none"> Publishing unaudited financial statements every six months and releasing corporate announcements promptly 	<ul style="list-style-type: none"> Profitability, transparency, fair purchasing practices and timely reporting of matters requiring disclosure to shareholders 	Half-yearly Or As per SGX Guideline
Financial Institutions	<ul style="list-style-type: none"> Preserving good relationships with bankers 	<ul style="list-style-type: none"> Transparency Timely reporting 	Ongoing
Business Partners	<ul style="list-style-type: none"> Working with business partners to inspire collectors' appreciation for the art of watchmaking 	<ul style="list-style-type: none"> Partnership for opportunities and growth 	Ongoing
Government and Regulators	<ul style="list-style-type: none"> Continuing good working relationships with regulators Releasing pertinent information promptly 	<ul style="list-style-type: none"> Environmentally-friendly business approach Compliance with regulations Timely reporting and resolution of issues 	Ongoing

Sustainability Report

MATERIALITY ASSESSMENT

We aim to generate lasting value for all our stakeholders by addressing the most significant impacts, risks and opportunities related to sustainability. We follow a rigorous internal process that helps us identify, prioritise and verify the issues that matter to Cortina in terms of environmental, social, governance and economic aspects. These are the key matters for FY2023.



Economic

- Economic Performance
- Anti-Corruption and Whistle-Blowing Policy



Social

- Employment
- Local Communities
- Customer Privacy



Environmental

- Energy

We keep these issues under constant review to ensure they remain aligned with our business priorities and goals.

ECONOMIC PERFORMANCE

We aim to achieve progressive and sustainable growth. Over the financial year, Group revenue rose by 15.3% year-on-year to S\$826.6 million, from S\$716.9 million in FY2022. Similarly, net profit increased to S\$83.5 million from S\$73.8 million, while gross profit margin remained constant at 32.9% for both financial years. Earnings per share was 46.2 cents, up from 41.5 cents in the year before.

FY2023 Revenue
S\$826.6m
S\$716.9m in FY2022

FY2023 Net Profit
S\$83.5m
S\$73.8m in FY2022

FY2023 Earnings per share
46.2 cents
41.5 cents in FY2022

FY2023 Gross Profit Margin
32.9%
32.9% in FY2022

ANTI-CORRUPTION AND WHISTLE-BLOWING POLICY

At Cortina, we maintain a stringent policy against dishonest and corrupt practices, and ensure that all business functions are well-versed with our code of conduct and ethical corporate practices. Underpinned by our zero-tolerance approach towards bribery and corruption, we are committed to conducting our operations in compliance with all relevant laws, regulations and rules in the countries where we operate.

Our strong anti-corruption stance is reinforced by our whistle-blowing policy, which has been endorsed by the Board and implemented throughout the organisation. Adhering to the highest standards of corporate governance and professionalism, this policy provides a platform for internal and external stakeholders to report any malpractice or irregularities within the Group. The Audit Committee (“AC”) oversees the administration of the policy, while ensuring that whistle-blowing procedures are in place. In addition, the AC conducts independent investigations into complaints and decides on the appropriate course of action. Any cases of unlawful, unethical or fraudulent behaviour will be reported to the Group CEO and the AC Chairman. We have established appropriate channels for our people to report any questionable activity to their head of country. Such channels are clearly communicated to all staff on an annual basis.

At the same time, we have disseminated our internal policies, procedures and controls (“IPPC”) regarding anti-corruption and anti-money laundering measures to all employees. Outlet staff are required to fill up a dedicated form should they be unsure about any situation or have queries about the IPPC. Over FY2023, all sales personnel completed a refresher course on anti-money laundering.

Today, we have achieved positive outcomes in our push against fraud and corruption. During the year, all outlet staff adhered to the IPPC and there were no reported incidences of unethical behaviour in marketing or bribery. Moving forward, we will continue upholding a firm stance against fraudulent and corrupt activities to ensure the sustainability of our business.

CLIMATE CHANGE AND THE ENVIRONMENT

As a distributor and retailer of luxury timepieces, Cortina relies on its brand partners to minimise their environmental impact throughout their value chain, from sourcing and manufacturing to their logistics networks. At the same time, we operate in malls and developments, which manage water, energy and waste for the entire property.

Despite there being few areas of influence for us, we remain committed to doing our part to tackle climate change in aspects under our control. Building on our past efforts to conserve resources and improve energy efficiency, we expanded the use of LED light bulbs in our showcases at more stores during the year. Our aim is to incorporate these light bulbs at every store under our care throughout the region. At the same time, we continued to ensure all Cortina-branded packaging is made using FSC-certified material and are currently reviewing sustainable alternatives for the bottled water at our stores.

In December 2022, we withdrew the S\$10 million we placed in green deposits earlier in the year in order to finance our growth plans. We value such investments and will explore opportunities to make green deposits in the future.

Cortina's Board is kept abreast of all business risks, including any climate-related ones, with the audit committee approving the plans and strategies to tackle them. Over the next year, we expect to strengthen our drive to safeguard the environment and do our part in targeting climate change.

EMPLOYMENT

We value our employees as the lifeblood of our organisation. By nurturing a supportive office culture and instilling ethical labour practices, we create a conducive workplace for all staff to excel.

At Cortina, we are an equal opportunity employer that prizes diversity and the broad spectrum of experience and insights it brings to our team. Guided by the Group's stringent employment policy, we advocate transparency and fairness throughout our hiring and talent development processes. Specifically, we emphasise recruiting individuals with suitable experience and abilities to advance our business objectives, without considering their background, ethnicity, gender and age. The Group's employment policy is regularly evaluated by our senior management to secure its continued relevance with our business practices and alignment with the laws and regulations of the countries we operate in.

Our employees enjoy a compensation package that includes competitive and equitable remuneration, benefits and welfare privileges. The Group adopts a performance-based reward system for all staff that encompasses annual performance evaluations with corresponding increments, promotions and bonuses.

We believe in grooming our employees to fulfil their potential within the Group. In ensuring equal opportunities for training and development, we present our people with diverse training resources to hone their skills and abilities. Over FY2023, our training activities centred on soft skills development, comprising professional image, service leadership, service challenges and relationship management, among others. Around 530 staff from our head office, boutiques and regional stores attended these courses, amassing a total of 7,583 training hours for the year.

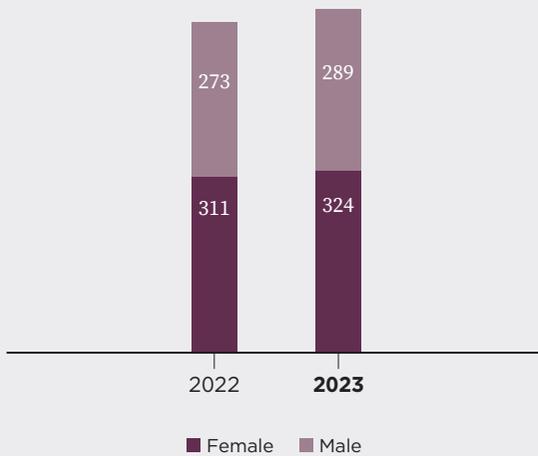
As at 31 March 2023, the Group comprised 613 employees, including 324 female and 289 male staff, and a 9% female management team – demonstrating our commitment to gender equality. At the same time, our turnover rate registered a slight uptick from 20.0% in the previous year to 20.7% in FY2023. Looking ahead, we will press on with our drive to improve staff retention and better our workplace.

Sustainability Report

The charts below depicts the statistical snapshot of total employees in Cortina:

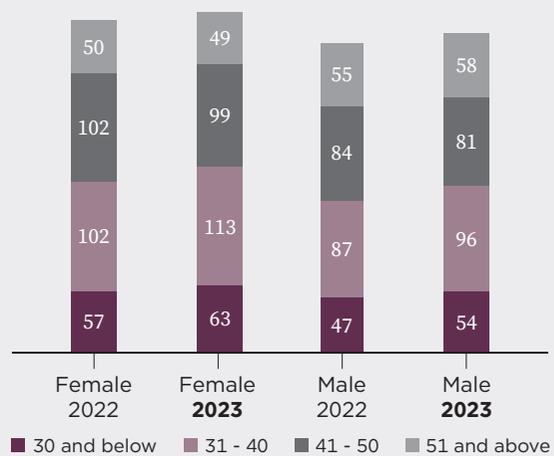
By Gender

As at 31 March 2022 vs 31 March 2023



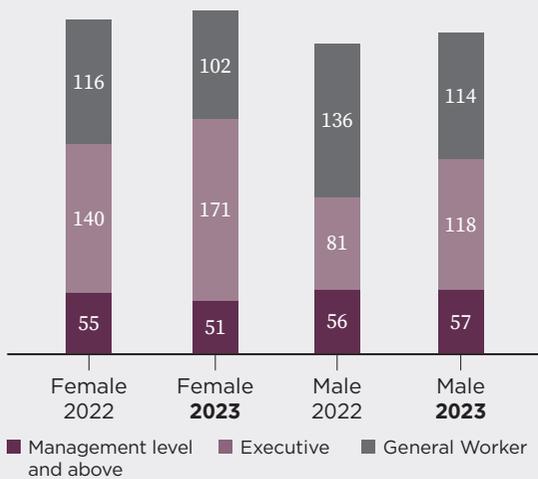
By Gender and Age

As at 31 March 2022 vs 31 March 2023



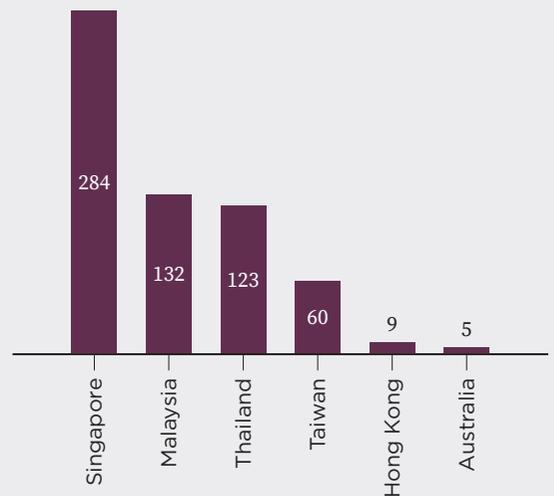
By Category and Gender

As at 31 March 2022 vs 31 March 2023



By Region

As at 31 March 2023



COMMUNITY

We seek to improve lives and uphold communities where we operate. As we celebrated Cortina's 50th anniversary, we moved to support 25 organisations with a total donation of S\$1.2 million. From education and the arts to healthcare and hospitals, we embraced the causes close to our hearts to spread our reach and uplift different sectors of society.

In particular, the National Council of Social Services received S\$500,000 to fuel their work among over 500 social service organisations in Singapore, while S\$200,000 went to the Singapore Heart Foundation to help disadvantaged heart patients and prevent cardiovascular diseases and stroke. Another S\$100,000 was channelled to Ren Ci Hospital in aid of seniors needing affordable medical, nursing and rehabilitative care.

Recognising the need to do more, we also contributed S\$500,000 to AWWA in FY2023 and have pledged another S\$500,000 which will be distributed in FY2024. This will be channelled towards empowering underprivileged children and funding programmes in schools to nurture these youths and surround them with educational opportunities to achieve a brighter future.

As a company, we hope to inspire others to care for the less fortunate in our community. During the year, we continued to encourage our people to volunteer for issues they care about, and will persist in supporting the less fortunate among us.

CUSTOMER PRIVACY

At Cortina, the safety of personal data belonging to our customers, employees and stakeholders is our priority. We collect data in accordance with the Personal Data Protection Act 2012 (No. 26 of 2021) of Singapore and the General Data Protection Regulation ("GDPR") (EU) 2016/679 for customers residing outside Singapore.

Our Privacy Policy outlines our approach to protecting and managing customers' personal data, and forms the cornerstone of our internal policies and procedures. This policy is accessible on our website at www.cortinawatch.com/en/privacy-policy.

In June 2023, there was one incident of a personal data breach. We took immediate steps to limit the impact of the cyber-attack. We engaged external consultants to further contain the risk, implemented measures to enhance data protection and installed a new network system with state-of-the-art digital security features. The matter was reported to the relevant authorities in Singapore and Cortina abided by their recommendation not to engage with the perpetrator. All parties who could potentially be affected were quickly informed of the incident. We take this matter very seriously and will review our policies and systems to uphold and strengthen our cybersecurity continuously.

Sustainability Report

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Corporate Governance Report

Cortina Holdings Limited (“CHL”) is committed to ensuring high standards of corporate governance and this report outlines CHL’s corporate governance practices with reference to the principles and guidelines of the Singapore Code of Corporate Governance 2018 (the “Code”). CHL has complied in all material aspects with the principles and guidelines of the Code, and where there are deviations from the Code, appropriate explanations are provided.

BOARD MATTERS

Board’s Conduct of its Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long term success of the company.

Provision 1.1

Board’s Role

The Directors are fiduciaries who act objectively in the best interests of CHL and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within CHL. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

The role of the Board is to:

- (a) provide entrepreneurial leadership, set strategic aims, and ensure that the necessary financial and human resources are in place for CHL to meet its goals and objectives;
- (b) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders’ interests and the Group’s assets;
- (c) review Management performance;
- (d) instil an ethical corporate culture and ensure that CHL’s values, standards, policies and practices are consistent with the culture;
- (e) ensure transparency and accountability to key stakeholder groups; and

The Board also considers sustainability issues of its business strategy. In accordance with the listing requirements, CHL has included its sustainability report as part of this annual report, and also made it available on SGXNET and CHL’s website at www.cortina.com.sg. The Company has in place an internal review programme as approved by its Audit Committee to review the components reported in the Company’s sustainability reporting over an internal audit cycle plan.

Provision 1.2

Directors’ Duties and Responsibilities

Directors are required to understand CHL’s business as well as their directorship duties (including their roles as executive, non-executive and independent directors).

Compliance with Listing Requirements

The Board is accountable to the shareholders and is committed to ensure compliance with the Listing Rules of the Singapore Exchange Trading Limited (“SGX-ST”). The Directors have each signed the respective undertaking in the form set out in Appendix 7.7 of the Listing Rules of SGX-ST (“Listing Rules”) undertaking to use their best endeavours to comply with the Listing Rules and to procure that CHL shall so comply. A similar undertaking has been executed by the Chief Financial Officer in his capacity as Executive Officer.

The Board ensures timely, reliable and full disclosure of material information to shareholders in compliance with statutory requirements and the Listing Rules.

CHL has in place a process of induction, training and development for both new and existing Directors.

Orientation, briefings, updates and trainings provided for Directors

CHL has in place an orientation process. A new incoming independent director will be issued a formal letter of appointment setting out his duties and obligations.

Incoming directors joining the Board will be briefed by the NC on their directors’ duties and obligations and will be introduced to the Group’s business and governance practice, in particular CHL’s policies relating to the disclosure of interests in securities, disclosure of conflicts of interest in transactions involving CHL, prohibition on dealings in CHL’s securities and restrictions on the disclosure of price sensitive and trade sensitive information.

The incoming director will meet up with the senior management and the Company Secretary to familiarize himself with their roles, organization structure and business practices. This will enable him to get acquainted with senior management and the Company Secretary thereby facilitating board interaction and independent access to senior management and the Company Secretary.

If the new director is a first-time director of a listed company, he must undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST.

The Directors are continually and regularly updated on the Group’s business and governance practices, changes to the accounting standards and regulatory updates, the Code of Corporate Governance and Listing Manual by the Company Secretary and the auditors. The Directors are also encouraged to be members of the Singapore Institute of Directors (SID) and for them to receive updates and training from SID. Briefings and updates provided for directors in FY2023 included the following:

- At every AC meeting, the external auditors briefed the AC members on developments in accounting and auditing standards whenever there are changes or there is a need to update such standards;
- The Board was briefed on the compliance with the Listing Rules and the Code by the Company Secretary;
- The CEO updated the Board at each meeting on business and strategic developments;
- The Directors also attended briefings, courses and seminars where appropriate to update themselves on the latest developments in the areas of financial reporting, corporate governance and any other areas relevant to directors;
- All Directors attended the sustainability training prescribed by SGX-ST; and
- Apart from discussion at Board meetings, the Directors were also provided with timely updates on developments within the Group on a regular basis, mainly through emails. Two-way communication between the Directors and the management was maintained throughout the year.

Corporate Governance Report

Provision 1.3

Matters Requiring Board Approval

The Board has adopted internal guidelines governing matters that require the Board's approval. Matters specifically reserved for the Board's decision are:

- (a) matters involving a conflict of interest for a substantial shareholder or a director;
- (b) strategic policies of the Group;
- (c) annual budgets;
- (d) public release of periodic financial results;
- (e) material acquisitions and disposal of assets;
- (f) corporate or financial restructuring;
- (g) share issuances, interim dividends and other returns to shareholders; and
- (h) any investment or expenditure not in the ordinary course of business and where the transactions fall within Rule 1004 (b) to (d) of the Listing Manual.

Provision 1.4

Delegation of Authority to Board Committees

The Board has formed Board Committees, namely Audit Committee ("AC"), Nominating Committee ("NC") and Remuneration Committee ("RC"), to assist in carrying out and discharging its duties and responsibilities efficiently and effectively.

These Committees function within clearly defined terms of reference and operating procedures, which are reviewed on a regular basis. The segments of this report under Principles 4 to 10 detail the activities of the NC, RC and AC respectively.

The current members of the Board and their membership on the Board Committees are as follows:

Name of director	Board appointments		Board Committees		
	Executive Director	Independent Director	AC	NC	RC
Lim Keen Ban	*		-	-	-
Lim Jit Ming	*		-	-	-
Yu Chuen Tek Victor	*		-	-	-
Lim Jit Yaw	*		-	-	-
Chin Sek Peng, Michael		*	Chairman	Member	-
Lau Ping Sum, Pearce		*	Member	Member	Chairman
Chuang Keng Chiew		*	Member	Chairman	Member
Foo See Jin		*	-	-	Member
Tan Siew San		*	Member	Member	-

Provision 1.5 Meetings of Board and Board Committees

The following table discloses the number of meetings held for Board and Board Committees and the attendance of all Directors for the financial year ended 31 March 2023.

	Board	Audit Committee	Nominating Committee	Remuneration Committee
Number of meetings held	2	3	1	1
Name of Directors	Number of meetings attended			
Lim Keen Ban	2	N.A.	N.A.	N.A.
Lim Jit Ming	2	N.A.	N.A.	N.A.
Yu Chuen Tek	2	N.A.	N.A.	N.A.
Lim Jit Yaw	2	N.A.	N.A.	N.A.
Chin Sek Peng, Michael	2	3	1	N.A.
Lau Ping Sum, Pearce	2	3	1	1
Foo See Jin	2	N.A.	N.A.	1
Chuang Keng Chiew	2	3	1	1
Tan Siew San	2	3	1	N.A.

N.A. – Not applicable when the Director is not a member of the Board Committee.

While the Board considers Directors' attendance at Board meetings to be important, it is not the only criterion to measure their contributions. It takes into account the contributions by board members in other forms including periodic review, provision of guidance and advice on various matters relating to the Group. The Board also considers other listed board representations held by the Directors and ensures that Directors give sufficient time and attention to the affairs of the Group.

Provision 1.6 Board's Access to Information

All Directors are from time to time furnished with information concerning CHL to enable them to be fully cognizant of the decisions and actions of the Management. The Management provides the Board with regular management reports, which includes budgets, forecasts and quarterly management accounts. In respect of budgets, any material variances between the projections and actual results are explained to the Board. Management provides Directors with information whenever necessary and board papers are sent to Directors before each Board and Board Committee meeting. The Board has unrestricted access to CHL's records and information.

As and when required, senior members of management staff are available to provide explanatory information in the form of briefings to the Directors or formal presentations in attendance at board meetings, or by external consultants engaged on specific projects.

Corporate Governance Report

Provision 1.7

Board's Access to Management, Company Secretary and External Advisers

The Board has separate and independent access to the Company Secretary and to other senior management executives of the Company and of the Group at all times in carrying out their duties. The Company Secretary attends all Board meetings and meetings of the Committees of CHL and ensures that relevant board and board committee procedures are followed and that applicable rules and regulations are complied with.

The appointment and removal of the Company Secretary is subject to the approval of the Board.

Each Director has the right to seek independent legal and other professional advices, at CHL's expense, concerning any aspect of the Group's operations or undertakings in order to fulfill their duties and responsibilities as Directors.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1

Independent Directors

At the date of this report, the Board consists of nine Directors, four of whom are Executive Directors and five are independent Directors, one of them being the Lead Independent Director

The criterion for independence is based on the definition given in the Code and in the Listing Rules. The Code has defined an "independent" director as one who is independent in conduct, character and judgement and has no relationship with CHL, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to the best interests of CHL. Under the Listing Rules, an independent director is not one who is or has been employed by CHL or any of its related corporations for the current or any of the past three financial years; or not one who has an immediate family member who is, or has been in any of the past three financial years, employed by CHL or any of its related corporations and whose remuneration is determined by the RC.

The independence of each Independent Director is reviewed annually by the NC, based on the definition of independence as stated in the Code and the Listing Rules. For the purpose of determining Directors' independence, on an annual basis, every Director has provided declaration of his independence which is reviewed by the NC and the Board.

In addition, the NC and the Board reviewed whether Mr Foo's independence would in any way be compromised by his 4.3% shareholding in CHL and long years of service on the Board. Mr Foo's shareholding was acquired a long time ago and that his shareholdings have been viewed by the Board as positive, demonstrating his commitment to the interest of CHL.

Mr Lau, Mr Chin, Mr Chuang and Ms Tan as NC members did not participate in the NC's and Board's deliberations on their respective independence. Mr Foo did not participate in the Board's deliberations of his independence.

Except for the Executive Directors, all the other Directors on the Board are considered by the NC and the Board to be Independent Directors.

Pursuant to Listing Rule 210(5)(d)(iv) effective from 11 January 2023 and Transitional Arrangements to the Listing Rules the Independent Directors who have served for more than nine years, namely Mr Lau Ping Sum Pearce, Mr Foo See Jin and Mr Chin Sek Peng Michael may continue to be considered independent until the conclusion of the AGM in 2024 for the financial year ending 31 March 2024. Thereafter, they will cease as Independent Directors. During the transition to the AGM in 2024, the Board will be seeking new Independent Directors to refresh the Board and to ensure compliance with the composition of independent directors on the Board as set out in Listing Rules and the Code.

Provisions 2.2 and 2.3

Composition of Independent Directors and Non-Executive Directors on the Board

At the date of this report, the Board comprises 9 directors of which 4 are Executive Directors and 5 are Non-Executive and Independent Directors.

In accordance with the requirement under the Listing Rules, the Independent Directors should make up at least one-third of the Board. The composition of the Board complies with this requirement.

In accordance with the Provision 2.2 of the Code, the Independent Directors make up the majority of the Board where the Chairman is not independent. In accordance with Provision 2.3 of the Code, the Non-Executive Directors (who are all Independent Directors) make up a majority of the Board.

Provision 2.4

Size and Diversity of the Board

The Board is of the view that the current Board size is appropriate taking into account the scope and nature of the business of the Group.

The Board has a diversity policy which endorses the principle that there should be diversity to ensure effective decision making and governance of the Company and its businesses.

The Board seeks a balance of skill, knowledge, experience and diversity of perspectives to meet the needs and strategies of the Board and the Group as well as gender representation within the Board. The NC and the Board viewed that the Board comprises persons with diverse skills and experience which provide for effective direction of the Group as represented below.

Skills, knowledge, experience & gender representation on the Board	Number of Directors
Industry knowledge	4
Business & Management	9
Finance & Accounting	2
Legal	1
Female gender representation	1

The NC and the Board have considered the requirements of Rule 710A on board diversity. The Board does not intend to set quantitative targets to appoint persons as token representatives to meet targets or to simply increase gender representation. The NC will assist the Board to consider candidates on their individual merit and of the right fit to meet the current needs and future plans of the Group's businesses at that relevant time and not to restrict its choice or miss the opportunity of getting the best available candidates at that relevant time.

Corporate Governance Report

The NC will annually review the Board's composition to ensure board diversity of relevant skills and experience are met and serve the needs of the Company which will be disclosed in the annual report. The NC viewed that the intent of Listing Rule 710A has been met.

The profiles of the directors are disclosed in the "Board of Directors'" section of this Annual Report.

Provision 2.5

Role of Non-Executive Directors

During FY2023, the Non-Executive Directors (who are all Independent Directors) constructively challenged and helped develop both the Group's short-term and long-term business strategies. Management's progress and performance in implementing such agreed business strategies are monitored by the Non-Executive Directors and Executive Directors, as a full board.

During FY2023, the Non-Executive and Non-Independent Directors, led by the Lead Independent Director communicated among themselves without the presence of Management as and when the need arose. Where appropriate, the Lead Independent Director had provided feedback to the Board and/or Chairman as appropriate.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provisions 3.1 and 3.2

Chairman and CEO

Mr Lim Keen Ban is the Chairman of the Board and Mr Lim Jit Ming is the Group Chief Executive Officer. ("CEO"). While the roles of Chairman and CEO are held by two closely related family members, the responsibilities of Chairman and CEO are separate and distinct.

As the Chairman, Mr Lim Keen Ban's responsibilities include leading the Board in setting the agenda for board meetings and ensure that adequate time is available for discussion of all agenda items in particular strategic issues and promote good governance.

As CEO, Mr Lim Jit Ming has executive responsibilities for executing the strategies set by the Board, and for the Group's performance.

In assuming their roles and responsibilities, Mr Lim Keen Ban and Mr Lim Jit Ming consult with the Board, AC, NC and RC on major issues. Mr Chin Sek Peng, Michael has been CHL's Lead Independent Director since September 2007. Also, the Independent Directors make up more than half the Board. With these, the Board believes that there are adequate safeguards in place against having a concentration of power and authority in a single individual.

Provision 3.3**Lead Independent Director**

Mr Chin Sek Peng, Michael as Lead Independent Director is available as a channel of communication between shareholders and the Board or the Management.

The Independent Directors meet amongst themselves without the presence of the management and Executive Directors where necessary, and depending on the issues and follow-up actions identified, the Lead Independent Director will provide feedback to the Chairman after such meetings.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provisions 4.1 and 4.2**Nominating Committee**

CHL has established the NC which is guided by the terms of reference approved by the Board.

The NC comprises four members, all of whom are Independent Directors. The members of the NC are:

Mr Chuang Keng Chiew	(Independent Director)
Mr Chin Sek Peng, Michael	(Lead Independent Director)
Mr Lau Ping Sum, Pearce	(Independent Director)
Ms Tan Siew San	(Independent Director)

Guideline 4.2**NC Responsibilities**

The NC functions under the terms of reference which sets out its responsibilities as follows:

- To review board succession plans for directors and key management personnel, in particular the Chairman and the CEO;
- To recommend to the Board, the appointments and re-appointments of directors;
- To ensure that independent directors meet the SGX-ST's and the Code's guidelines and criteria;
- To ensure the effectiveness of the Board as a whole and the effectiveness and contribution of each director to the Board;
- To develop a process for evaluation of the performance of the Board, its committees and its directors, and undertake assessment of the effectiveness of the Board, Board Committees and Directors, including reviewing multiple board representations of directors where applicable;
- To review the training and professional development programmes for the Board; and
- To assess the independence of the Independent Directors.

Succession planning

The NC has in place a board succession plan for Directors, in particular, the Executive Chairman and CEO. The NC has reviewed contingency arrangements for any unexpected incapacitation of the CEO or any of the top management personnel and is satisfied with the procedures in place for smooth transition.

Corporate Governance Report

Provision 4.3

Process for the Selection, Appointment and Re-appointment of New Directors

The NC will conduct an annual review of the composition of the Board in terms of the size and mix of skills and qualifications of Board members. It may, if it deems appropriate, recommend the appointment of additional directors to strengthen the composition of the Board.

CHL has in place policy and procedures for the appointment of new directors to the Board, including a description on the search and nomination process. The NC will deliberate and propose the background, skills, qualification and experience of the candidate it deems appropriate. The factors taken into consideration by the NC could include, among other things, the new director's ability to add to or complement the mix of skills and qualifications in the existing Board, relevance of his experience and contributions to the business of CHL and the depth and breadth he could bring to Board discussions.

New Directors will be appointed by way of a Board resolution after the NC makes the necessary recommendation to the Board.

Article 91 of CHL's constitution requires one-third of the Board to retire from office at each annual general meeting ("AGM"). Accordingly, the Directors will submit themselves for re-nomination and re-election at regular intervals of at least once every three years.

The NC has recommended to the Board the re-election of Mr Lim Jit Ming, Mr Chin Sek Peng Michael and Mr Foo See Jin who will retire by rotation pursuant to Article 91 of CHL's constitution at the forthcoming annual general meeting. Mr Chin has abstained from the NC's deliberations on his re-election.

The Board accepts the recommendations of the NC on the above re-elections. Mr Lim Jit Ming, Mr Chin Sek Peng Michael and Mr Foo See Jin each abstained from the Board's deliberations on their respective re-elections.

In accordance with the Listing Rules, the information as set out in Appendix 7.4.1 of the Listing Manual in respect of Mr Lim Keen Ban, Mr Lim Jit Yaw, Mr Yu Chuen Tek, Mr Lau Ping Sum Pearce, Mr Chuang Keng Chiew and Ms Tan Siew San are provided under the "Board of Directors" section of this Annual Report.

Provision 4.4

Determining Directors' Independence

The NC had conducted an annual review of the independence of the Independent Directors as set out in Provision 2.1 above and had ascertained that they are independent.

Provision 4.5

Directors' multiple board representations

The NC decides if a Director is able to and has been adequately carrying out his duties as a director of CHL vis-à-vis his other listed company directorships and principal commitments.

The NC has set guidelines on the maximum number of Board appointments in listed companies that a Board member can hold to ensure that the Directors are able to commit their time to effectively discharge their responsibilities. Based on the guidelines set by the NC, each Board member cannot have more than six listed Board representations, including CHL. All the directors currently do not sit on the boards of more than six listed companies.

Details of the Directors' principal commitments and outside directorships are set out in the "Board of Directors'" section of this Annual Report.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2

Conduct of Board's and Board Committee's Performance

The NC, as set out in the terms of reference, is responsible for reviewing and evaluating the Board's performance. The evaluations are based on certain objective performance criteria which are decided by the NC.

Performance of the Board

The NC has with the Board's approval, implemented a process for annually assessing the effectiveness of the Board and the contribution by each individual director to the effectiveness of the Board on an annual basis.

The Board evaluation process involves having the Directors complete the respective performance evaluation form seeking their evaluation on the performance of the Board and Board Committees. The Board is evaluated on various aspects of Board performance, such as the Board's level of governance, effective delegation to the Board Committees, leadership and accountability. The Board Committees are evaluated on their competencies to perform their respective role and responsibilities.

The Company Secretary compiles and consolidates the directors' evaluations of the Board and Board Committees. The consolidated reports on the performance of the Board and Board Committees are discussed at the NC meeting and also shared with the entire Board.

The NC had reviewed the performance of the Board and Board Committees in terms of their roles and responsibilities and the conduct of their affairs for FY2023 and was of the view that the performance of the Board and Board Committees had been satisfactory.

Evaluation of Individual Directors

Each individual Director conducts a self-assessment of his own performance as a Director and peer assessment of the other Directors. The individual Directors' assessment forms are submitted to the NC for its evaluation.

Where a Director has multiple board representations, the NC will evaluate whether or not the Director is able to carry out and has been adequately carrying out his duties as a Director of CHL. If the Director sits on a Board Committee, the NC will review the Director's performance and contribution to the effectiveness of the Board Committee. A member of the NC will abstain from the NC's review of his performance.

For FY2023, based on the assessment done on the contribution of individual directors, the NC was of the view that each Director had allocated sufficient time and resources to the affairs of CHL and adequately carried out his duties as a Director and had contributed to the satisfactory performance of the Board and Board Committees.

CHL does not use any external professional facilitator for the assessments of the Board, Board Committees and individual Directors, and will consider the use of such facilitator as and when appropriate.

Corporate Governance Report

REMUNERATION MATTERS

Procedures for Developing Remuneration policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions 6.1 and 6.2 Remuneration Committee

The RC comprises three Directors, all of whom are independent. The members of the RC are:

Mr Lau Ping Sum, Pearce (Chairman)	(Independent Director)
Mr Chuang Keng Chiew	(Independent Director)
Mr Foo See Jin	(Independent Director)

The RC recommends to the Board a framework of remuneration for the directors and executive officers, and reviews the specific remuneration package for each executive director and the CEO. The RC recommends to the Board where appropriate the terms of renewal of service agreements for directors who entered into service agreement with CHL.

The RC functions under the Terms of Reference which sets out its responsibilities as follows:

- To recommend to the Board a framework for remuneration for the Executive Directors and key management personnel;
- To review the specific remuneration packages for each Executive Director and key management personnel;
- To recommend the compensation framework for Non-Executive Directors to the Board and review the appropriateness of the compensation for Non-Executive Directors for approval at the AGM;
- To review the Group's obligations arising in the event of termination of the executive directors' and key management personnel's contracts of service, to ensure that such service contracts contain fair and reasonable termination clauses which are not overly generous;
- To review the remuneration of employees who are immediate family members of a director, CEO or substantial shareholder to ensure that the remuneration of each of such employees is commensurate with his or her duties and responsibilities, and no preferential treatment is given to him or her; and
- To review and recommend the engagement of remuneration consultant on the request of management or as it deems appropriate for CHL.

Provision 6.3 Review of remuneration

All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses and benefits-in-kind, will be reviewed by the RC, including termination terms. Each RC member will abstain from voting on any resolution in respect of his remuneration.

Each of the Executive Directors and key management personnel has an employment contract with CHL which can be terminated by either party giving notice of resignation/termination. The RC has reviewed and concluded that the termination clauses are fair and reasonable and there are no onerous or over-generous removal clauses contained in the employment contract.

Provision 6.4**Engagement of remuneration consultants**

The recommendations of the RC will be submitted to the Board for approval. The RC will be provided with access to expert professional advice on remuneration matters as and when necessary. The expense of such services shall be borne by CHL. For FY2023, there was no engagement of remuneration consultant.

LEVEL AND MIX OF REMUNERATION**Disclosure on Remuneration**

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1**Remuneration of Executive Directors and Key Management Personnel**

Each Executive Director and key management personnel has a service agreement with CHL. The remuneration structure provides for basic salaries, annual wage supplement, and incentive bonus which is tied to the performance of the individual and the Group.

The level and mix of each remuneration package of the Executive Directors are designed after considering the market's pay and employment conditions within the industry and in comparable companies, the individual's level of responsibilities, CHL's relative performance and the performance of individual Directors. As part of its review, the RC ensures that the performance-related elements of remuneration form a significant part of the total remuneration package of Executive Directors and is designed to align the Directors' interest with the long-term interest and risk policies of CHL and of the shareholders, and link rewards to corporate and individual performance.

Key management personnel are compensated on a fixed plus variable basis based on individual and the Group's performance.

The RC would periodically review the Group's remuneration framework for Executive Directors and key management personnel to ensure that performance related remuneration is aligned with interests of CHL and its shareholders and promotes the long-term success of the Group.

Currently there is no contractual provision to allow CHL to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the issuer. The RC would review such contractual provision as and when necessary and would put forward to the Board.

Provision 7.2**Remuneration of Non-Executive and Independent Directors**

For Independent Non-Executive Directors of CHL, the structure and level of directors' fees are tied to their respective roles and responsibilities on the Board and Board Committees. The directors' contributions and attendance at meetings are taken into consideration in determining the directors' fee structure.

Corporate Governance Report

Provision 7.3

Appropriate remuneration to attract, retain and motivate Directors and key management personnel

Currently, the Company has no long term incentive scheme. The RC has reviewed and is satisfied that the existing remuneration structure for Executive Directors and key management personnel for their fixed and variable components to be paid out in cash would continue to be adequate in incentivising performance without being excessive.

DISCLOSURE OF REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provisions 8.1 and 8.2

Remuneration Report

Remuneration of Directors and the CEO

A breakdown showing the level and mix of each director's remuneration for the financial year ended 31 March 2023 is as follows:

Remuneration Band and Name of Director	Fee %	Salary %	Bonus %	Other Benefits ¹ %
\$6,000,000 to \$6,250,000				
Lim Jit Ming ²	1	7	91	1
\$4,500,000 to \$4,750,000				
Lim Keen Ban	2	10	86	2
\$4,000,000 to \$4,250,000				
Yu Chuen Tek Victor	1	11	87	1
Lim Jit Yaw ²	1	9	88	2
Below \$250,000				
Chin Sek Peng, Michael	100	-	-	-
Lau Ping Sum, Pearce	100	-	-	-
Foo See Jin	100	-	-	-
Chuang Keng Chiew	100	-	-	-
Tan Siew San	100	-	-	-

¹ Other benefits refer to benefits-in-kind such as car, club membership, etc. which are made available to directors, as appropriate.

² Mr Lim Jit Ming and Mr Lim Jit Yaw are the sons of Mr Lim Keen Ban, controlling shareholder and Chairman.

The Board is of the view that, apart from confidentiality and the sensitivity of remuneration information, it is in the best interests of the Company that specific details of the remuneration of each individual Director be kept confidential. The Board believes that the disclosure provided would avoid a situation where the information might be exploited by the competitors, while allowing directors to maintain some degree of their personal confidentiality on remuneration matters.

While the exact remuneration of the Directors is not given, the level and mix of remuneration of the Directors in percentage terms within remuneration bands of S\$250,000 are provided. The Company believes that such disclosure, taking into account of the reasoning mentioned above, provides shareholders with an adequate appreciation of the remuneration packages of the Directors and is consistent with the intent of Principle 8 of the Code.

Remuneration of Key Management

The remuneration paid to the key management personnel (who are not Directors or the CEO) for FY2023 is as follows:

	Salary %	Bonus %	Other benefits* %	Total %
S\$1,000,000 to S\$1,249,999				
Krist Chatikaratana	17	81	2	100
S\$750,000 to S\$999,999				
Tay Liam Khoon	34	65	1	100
S\$500,000 to S\$749,999				
Lim Yin Chian [#]	50	45	5	100
Yuen King Yu Andrew	53	44	3	100
Tan Han Lim	39	49	12	100
Ong Ban	67	30	3	100

* Other benefits refer to benefits-in-kind such as car, housing allowances, etc. which are made available to key management personnel, as appropriate.

[#] Ms Lim Yin Chian is the daughter of Mr Lim Keen Ban, substantial shareholder and Chairman.

The aggregate of total remuneration paid or accrued to the key management personnel (who are not directors or the CEO) for FY2023 was S\$4,274,427.

Corporate Governance Report

Employees who are substantial shareholders or immediate family members of substantial shareholders, Directors or the CEO

The following are employees (with remuneration of S\$100,000 and above) who are immediate family members of Mr Lim Keen Ban, controlling shareholder and Chairman and Mr Lim Jit Ming, the CEO. Their remuneration in bands of S\$100,000 during the financial year ended 31 March 2023 are shown below:

Relationship to Mr Lim Keen Ban	
\$300,000 to \$399,999	
Chia Nyok Song @ Cheah Yoke Heng	Spouse
\$200,000 to \$299,999	
Cheah Yoke Kian Dorris	Sister-in-law
Cheah Kok Chong	Brother-in-law
Lim Hui Ying	Granddaughter
\$100,000 to S\$199,999	
Tsai Kim Chon Ivan	Brother-in-law
Lim Jun Sheng	Grandson
Lim Jun Kai	Grandson

Provision 8.3 Share Incentive Scheme

CHL does not have any share option or other share incentive schemes for its employees.

ACCOUNTABILITY AND AUDIT

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1 Risk Management and Internal Control Systems

The Board determines the nature and extent of the significant risks which CHL is willing to take in achieving its strategic objectives and value creation.

The responsibility of overseeing CHL's risk management framework and policies is undertaken by the AC with the assistance of the internal auditor. As the AC has assumed the function of a risk committee, no separate risk committee is required.

The AC reviews the effectiveness of the Group's material internal controls to address key financial, operational, information technology and compliance risks. In this respect, the AC reviews the audit plans, and the findings of the external and internal auditors and ensures that Management follows up on the auditors' recommendations raised during the audit processes. Additionally, the Board acknowledges that no cost effective internal control systems will preclude all errors and irregularities. An internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against occurrence of material misstatements, losses, human errors, fraud or other irregularities. The Board is satisfied that if control failures or weaknesses were to arise, necessary actions would be swiftly taken to remedy or rectify them. In the case of a sophisticated cyber-attack on one of the Group's servers in June 2023, the Company had taken swift steps to contain the attack as announced on 6 June 2023 and to review the incident to improve its cybersecurity. In consultation with the information technology consultant assisting with the containment and remedial efforts for the incident, the AC was satisfied that save for the incident, the information technology controls were generally adequate and effective in addressing and defending information technology risks. The Company will continue to strengthen its internal controls relating to key financial, operational, compliance and information technology risks as well as enhancing its remedial or rectification processes to contain any control failure incidents.

The Management regularly reviews its business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks and will highlight all significant matters to the Board of Directors and the AC.

To enhance the Group's continuous effort in risk management, the Group has implemented an Enterprise Risk Management ("ERM") framework in consultation with a risk consulting firm to ensure consistency in risk identification and risk management across the Group.

Key risks identified are closely assessed, monitored and action plans are put in place to improve areas where the internal controls could be further strengthened. These are communicated to the AC with updates by the Management on the status of these action plans.

The Group strives to attain a proper balance of risk and return in regard to its business operations and overall strategies.

During the year, the AC had reviewed the effectiveness of the Group's risk management system and internal controls in light of key business and financial risks affecting the operations and submitted the report of its review to the Board.

The Group's financial risk management objectives and policies are discussed under Note 34 of the Financial Statements.

Corporate Governance Report

Provision 9.2 Assurances to the Board

The Board has received assurance from the CEO and the Chief Financial Officer that:

- (a) the financial records have been properly maintained and the financial statements for FY2023 give a true and fair view of the Group's operations and finances; and
- (b) the Group's risk management and internal control systems are adequate and effective to address key financial, operational, compliance and information technology risks which CHL considers relevant and material to its current business environment.

The CEO and the Chief Financial Officer have obtained similar assurances from the General Manager and Head of Finance (or equivalent positions) of each operating Group entity.

Board's Comment on Adequacy and Effectiveness of Internal Controls

Based on the risk management system and internal controls established and maintained by the Group, the assurance from the CEO and the Chief Financial Officer as described above and work performed by the external and internal auditors ("auditors") and discussions with them, including the Management's responses to the auditors' recommendations for improvements to the Group's internal controls, the Board is of the opinion that the Group's risk management systems and internal controls of the Group are adequate and effective in addressing the key financial, operational, compliance and information technology risks which are significant as at the reporting date. The AC concurs with the Board's opinion based on assurance from management and its review and discussions of audit findings on internal controls and risks with the internal and external auditors.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

Provisions 10.1 and 10.2 AC membership and responsibilities

The AC comprises the following members, all of whom are independent:

Mr Chin Sek Peng, Michael (Chairman)	(Lead Independent Director)
Mr Lau Ping Sum, Pearce	(Independent Director)
Mr Chuang Keng Chiew	(Independent Director)
Ms Tan Siew San	(Independent Director)

The Chairman of the AC, Mr Chin Sek Peng, Michael, is a public accountant, a fellow practising member of the Institute of Singapore Chartered Accountants (“ISCA”), and a fellow member of the Institute of Chartered Accountants in England and Wales. He was formerly a council member of ISCA and the Chairman of the Public Accounting Practice Committee. Mr Lau Ping Sum has the requisite financial experience having previously chaired for more than 10 years the AC of another listed company. Ms Tan Siew San was a former ambassador to Thailand and Deputy Secretary (Policy) in Mindef and brings to the AC her skills in diplomacy, policy and strategy. The AC further benefits from Mr Chuang Keng Chiew’s legal experience as a practicing lawyer in reviewing issues with a legal perspective. The AC is kept abreast by the Management, external and internal auditors on the changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group’s business and financial statements. The Board is satisfied that Mr Chin and Mr Lau have recent and relevant accounting or related financial management expertise or experience, facilitated by Mr Chuang’s legal expertise to discharge the AC’s functions.

The AC is guided by the following terms of reference, which include the following:

- (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of CHL and any announcements relating to CHL’s financial performance;
- (b) reviewing at least annually the adequacy and effectiveness of CHL’s internal controls and risk management systems;
- (c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements and the adequacy and effectiveness of internal controls and risk management systems;
- (d) reviewing the findings relating to auditing matters as presented by the external and internal auditors including any other matters which the external and internal auditors wish to discuss with the AC in the absence of Management;
- (e) reviewing findings of any internal investigations and Management’s response;
- (f) reviewing the independence, effectiveness and adequacy of the result of the external audit and of the internal audit function;
- (g) recommending to the Board on the appointment, re-appointment and removal of the external auditor;
- (h) reviewing interested person transactions and potential conflicts of interest situations that may arise including any transactions, procedures or courses of action that raise questions about Management’s integrity; and
- (i) reviewing complaints that may raise concerns about possible improprieties or irregularities that require the AC to review and if required, investigate with the support of external professional service firms.

In addition, the AC had presented a report to the Board in respect of:

- (j) (i) the co-operation given by the Company’s officers to the external and internal auditors and whether the auditors in the course of carrying out their duties, were obstructed or impeded by Management;
- (ii) the adequacy of the Group’s internal accounting control system and its internal control procedures as reported by the external and internal auditors to the AC;
- (iii) compliance with legal and other regulatory requirements; and
- (iv) any other matters which, in the AC’s opinion, should be brought to the attention of the Board.

and confirmed that the above have been satisfactorily discharged.

Corporate Governance Report

Commentary on key audit matter set out in the Independent Auditor's Report

The AC noted the key audit matter raised by the independent auditor in its audit report to the members of Cortina Holdings Limited. Key audit matters are those matters that, in the external auditor's professional judgement, were of most significance in their audit of the financial statements of the current reporting year. Below sets out the AC's comments to the key audit matter.

Key audit matter involving significant judgement and estimates	Matter considered	Conclusion by AC
<p>Net realisable value of inventories</p> <p>(see Note 22 of the audited financial statements)</p>	<p>In the Group's statement of financial position, gross inventories net of obsolescence provision amounted to about S\$232 million at 31 March 2023 (2022: S\$211 million) and this accounted for approximately 36% of total assets of the Group at reporting date. The Group's inventories comprised luxury timepieces and luxury accessories that are of different brands and ages.</p> <p>The Singapore accounting standard requires inventories to be stated at the lower of cost and net realisable value ("NRV"). NRV can be lower than cost due to a variety of reasons such as (i) decline in demand, (ii) physical damage to the goods or (iii) obsolescence due to old age. All these reasons may result in the inventory being sold at below cost. When NRV is lower than cost, the inventory would need to be reduced by an allowance for inventories. The lower of cost and NRV is consistent with the principle of asset impairment which requires assets not to be reported in the statement of financial position in excess of the amounts to be recovered.</p> <p>As the monetary value of inventories in the Group's statement of financial position is highly significant, assessing the amount of allowances to be made for the Group's inventories is a key audit matter given that such inventory provision requires management to make significant judgement and estimates based on factors such as historical allowance experience, future demand and selling prices and ageing of the inventories.</p> <p>Management has in prior years established a provisioning policy that is consistent and prudent based on the principle that the older the inventory, the higher the provision given that the risk of an inventory item being sold lower than cost is higher. The auditor has reviewed the provisioning policy and carried out the audit procedures as stated in its auditor's report. No adverse findings were reported to the AC by the external auditor on this matter. At 31 March 2023, the inventory obsolescence provision amounted to approximately S\$15.1 million compared to prior year of S\$15.8 million. This is disclosed in Note 22 to the financial statements.</p>	<p>Based on the discussion with management and the external auditor including review of the results of the auditor's evaluation of the inventory obsolescence provision as well as AC's review of the inventory obsolescence provisioning policy and ageing of inventories, the AC is satisfied that the inventories are stated at the lower of cost and net realisable value.</p>

Authority of AC

The AC has the power to conduct or authorise investigations into any matters within the AC's scope of responsibility. The AC is authorised to obtain independent professional advice if it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by CHL. Each member of the AC shall abstain from voting any resolutions in respect of matters he is interested in.

Independence of External Auditors

The Company confirms compliance with Rules 712, 715 and 716 of the Listing Manual. RSM Chio Lim LLP is the external auditor of CHL and its subsidiaries and is registered with the Accounting and Corporate Regulatory Authority. The names of the auditors of CHL's subsidiaries and its associated companies are disclosed in note 18 of the financial statements. The Board and the AC are satisfied that the appointment of different auditors for its foreign subsidiaries and associated companies would not compromise the standard and effectiveness of the audit of the Group.

The AC has reviewed the non-audit services rendered to the Group by the external auditor. During the year, the fees paid to the external auditor of CHL for non-audit services amounted to S\$42,000 or 16.28% of the total fees. The AC is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditor. The AC had reviewed the results of the external audit with the external auditor and is satisfied with the independence, adequacy and effectiveness of the audit. The AC recommended their re-appointment to the Board.

Whistleblowing Policy

CHL has in place a whistleblowing policy to deal with staff concerns about improprieties. The AC is responsible for oversight and monitoring of whistleblowing and ensures that arrangements are in place for the independent investigation of such matters and for appropriate follow-up actions.

The staff of the Group and any other persons may, in confidence, raise concerns about possible improprieties on matters of financial reporting or other matters to the Executive Directors or the Human Resource Department, for onward forwarding to the AC Chairman. CHL also makes known to such complainants that they may, if they so wish, make direct reports to the AC. The written and circulated whistleblowing policy and procedures also set out the procedures for raising concern or making complaints, and the process of investigation. Such concerns raised are independently investigated and appropriate follow-up action taken.

CHL will treat all information received as confidential and protect the identity and interest of all whistleblowers. Following investigation and evaluation of a complaint, the AC will decide whether the matter needs further follow up and appropriate action to be taken. If the AC decides not to proceed with the investigation, the decision must be explained as fully as possible to the person who raised the concern. The action determined by the AC will then be brought to the Board or to appropriate members of senior management, for improvements or remedial actions, as appropriate.

CHL will not tolerate the harassment or victimisation of anyone reporting a genuine concern. If a whistleblower has suffered adverse treatment, harassment or victimisation as a result of his or her disclosure, he or she should submit a formal complaint under the grievance procedure to the Human Resource Manager and any higher authority, as appropriate. An investigation may take place and disciplinary action may be taken against the perpetrator of such harassment or victimization.

The whistle-blowing policy is communicated to all employees as part of the Group's efforts to promote awareness of fraud control.

Corporate Governance Report

Provision 10.3

Restriction on AC membership

No former partner or director of CHL's existing auditing firm is a member of the AC.

Provision 10.4

Internal Audit Function

The Company has engaged One e-Risk Services Pte Ltd as its internal auditor.

The Internal Auditor reports directly to the AC. The AC ensures that the internal audit function has appropriate standing with the management and staff and has unfettered access to the AC and all the company's documents, records, properties and personnel. The AC has assurance from the Internal Auditor that it has the capacity and resources for the internal audit function to be adequately resourced.

The AC is satisfied that the Internal Auditor is a suitable professional service firm to meet the Company's internal audit obligations, with adequate resources and the assigned engagement team to the Company's internal audit has the number and experience of supervisory and professional staff. The IA is guided by the International Standards for the Professional Practice of Internal Auditing (IIA Standards) issued by the Institute of Internal Auditors.

The primary functions of Internal Audit are:

- (a) To assess if adequate systems of internal controls are in place to safeguard the funds and assets of the Group, and to ensure that control procedures are complied with;
- (b) To assess if the business processes under review are conducted efficiently and effectively; and
- (c) To identify and recommend improvement to internal control procedures, where required.

Adequacy and Effectiveness of Internal Audit Function

The AC reviews the audit plans of the Internal Auditor, ensures that adequate resources are directed to carry out those plans, and reviews the results of the Internal Auditor's examination of CHL's system of internal controls. The AC is satisfied that the internal audit function is independent, effective and adequately resourced.

Provision 10.5

Meeting with External and Internal Auditors without Presence of Management

During the year, the AC met with both the external and internal auditors without the presence of the Management. These meetings enable the external auditor and internal auditors to raise any issue encountered in the course of their work directly with the AC.

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1

Shareholders' participation and vote at general meetings

Every shareholder has the right to receive notice of general meetings and to vote thereat. Notice of a general meeting is sent out at least 14 days before the meeting so that sufficient notice of meeting is given to shareholders to attend the meeting or appoint proxies to attend and vote in their stead.

At the annual general meeting, shareholders are given the opportunity to express their views and ask the Board and Management questions regarding the operations of CHL. All resolutions at general meetings are required to be voted by poll under the Listing Rules. Shareholders will be briefed by CHL on the poll voting procedures at general meetings. An independent scrutineer firm is present to validate the votes at the AGM. The results of the poll voting on each resolution tabled at the AGM, including the total number of votes cast for or against each resolution, will be announced after the said meeting via SGXNet.

Provision 11.2

Separate resolutions at general meetings

CHL will have separate resolutions at general meetings on each distinct issue. For resolutions that are special business, explanations are given in the accompanying notes to the Notice of the AGM. For resolutions on the election or re-election of directors, information on the Directors as set out in Appendix 7.4.1 of the Listing Manual are given under the "Board of Directors" section of this Annual Report.

Provision 11.3

Attendance of Directors and auditors at general meetings

The Directors, including the chairpersons of each of the Board Committees are available at the general meetings to address shareholders' queries. The external auditors shall also be present to assist the Directors in addressing any relevant queries by the shareholders. In FY2023, the Company held one general meeting which was attended by all the Directors and the auditors.

Provision 11.4

Absentia voting

The Company's Constitution allows a member (other than a relevant intermediary as defined in section 181 of the Companies Act) to appoint one or two proxies to attend and vote at its general meetings. A shareholder who is absent from a general meeting can exercise his vote in absence through his proxy or proxies. The Companies Act allows relevant intermediaries who include CPF agent banks nominees to appoint multiple proxies, and empower CPF investors to attend and vote at general meetings of CHL as their CPF agent banks' proxies.

Corporate Governance Report

Provision 11.5

Minutes of general meetings

CHL prepares minutes of general meetings detailing the proceedings and questions raised by shareholders and answers given by the Board and Management. The minutes will be taken and published in CHL's corporate website at www.cortina.com.sg.

Provision 11.6

Dividend Policy

CHL does not have a policy on payment of dividend. The Board will consider the Group's level of cash and retained earnings and projected capital expenditure and investments in proposing a dividend. The details of dividend payment, if any, would be disclosed via the release of the announcements through SGXNET.

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters.

Provision 12.1

Communication between the Board and shareholders

In line with continuous obligations of CHL pursuant to the Listing Rules, the Board's policy is that all shareholders be informed of all major developments that impact the Group.

Information is disseminated to shareholders on a timely basis through:

- (a) SGXNET announcements and news release;
- (b) Annual Report prepared and issued to all shareholders;
- (c) Press releases on major developments of the Group;
- (d) Notices of and explanatory memoranda for AGM and extraordinary general meetings; and
- (e) CHL's website at www.cortina.com.sg where shareholders can access information on the Group.

CHL's general meetings are the principal forum for dialogue with shareholders, to gather their views or inputs, and address their concerns, if any. CHL will consider the use of other forums as and when applicable.

In accordance with the Listing Rules, CHL does not practise selective disclosure and price sensitive and trade sensitive information are publicly released on an immediate basis where required under the Listing Rules.

Provisions 12.2 and 12.3

Investor relations

CHL strives to reach out to shareholders and investors via its online investor relations site within its corporate website at www.cortinawatch.com/en/investor-relations/ where it updates shareholders and investors on the latest news of the Group.

CHL has provided communication channel on its corporate website to facilitate shareholders and stakeholders who wish to communicate with the Company in respect of investor relation matter.

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provisions 13.1 and 13.2

Engage with its material stakeholder groups

The Group's material stakeholders are its shareholders, customers, business partners, employees, regulator and suppliers. CHL seeks to create and maintain long standing relationship with all its stakeholders. Internal and external stakeholders' feedback, needs and concerns are actively sought through various communication channels established and set out in CHL's sustainability report for FY2023 published in this Annual Report.

Provision 13.3

Corporate website to communicate and engage with stakeholders.

The Group maintains a corporate website at www.cortinawatch.com/en/investor-relations/ at which stakeholders can access information on the Group. The website provides, inter alia, corporate announcements, press releases and profiles of the Group. CHL has an online investor relations site within its corporate website as an outreach to shareholders and all other stakeholders.

OTHER CORPORATE GOVERNANCE MATTERS

Dealing in Securities

In line with Rule 1207(19) of the Listing Manual, CHL has in place a policy prohibiting dealings of the CHL's securities by CHL and its Directors and officers on short-term considerations or if they are in possession of price sensitive or trade sensitive information and during the period one month before and up to the release of the half year and full-year financial statements ("restricted dealing periods"). Directors and employees are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading period.

CHL issues circulars to its directors and employees to remind them of the dealing prohibition before the commencement of each restricted dealing period.

CHL confirms it has complied with the best practice pursuant to Listing Rule 1207(19)(c) in not dealing in its securities during the restricted dealing periods.

Interested Persons Transactions

There were no interested person transactions which require disclosure or shareholders' approval under the Listing Rules regulating interested person transactions.

Material Contracts

There was no material contract entered into by CHL or any of its subsidiary companies involving the interest of the CEO, any Director or controlling shareholder.

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Statement by Directors

The directors of the company are pleased to present the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company for the reporting year ended 31 March 2023.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are drawn up so as to give a true and fair view of the financial position of the group and the company as at 31 March 2023 and, of the financial performance, changes in equity and cash flows of the group and changes in equity of the company for the reporting year then ended; and
- (b) at the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. DIRECTORS

The directors of the company in office at the date of this statement are:

Lim Keen Ban	(Executive Chairman)
Lim Jit Ming	(Group CEO)
Yu Chuen Tek	(Executive Director)
Lim Jit Yaw	(Group COO)
Chin Sek Peng, Michael	(Lead Independent Director)
Lau Ping Sum, Pearce	(Independent Director)
Foo See Jin	(Independent Director)
Chuang Keng Chiew	(Independent Director)
Tan Siew San	(Independent Director)

Statement by Directors

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the company holding office at the end of the reporting year had no interests in shares in or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act 1967 ("the Act") except as follows:

Name of directors and company in which interests are held	Shareholdings registered in the name of the directors		
	At beginning of the reporting year	At end of the reporting year	As at 21 April 2023
<u>The company</u> <u>Cortina Holdings Limited</u>		Number of ordinary shares of no par value	
Yu Chuen Tek	8,835,015	8,835,015	9,335,015
Lau Ping Sum, Pearce	30,000	30,000	30,000
Foo See Jin	7,107,320	7,107,320	7,107,320
Chuang Keng Chiew	7,000	7,000	7,000

Name of directors and company in which interests are held	Shareholdings in which directors are deemed to have interest		
	At beginning of the reporting year	At end of the reporting year	As at 21 April 2023
<u>The company</u> <u>Cortina Holdings Limited</u>		Number of ordinary shares of no par value	
Lim Keen Ban	70,861,425	70,861,425	72,461,425
Lim Jit Ming	52,657,490	52,657,490	72,461,425
Yu Chuen Tek	7,428,000	7,428,000	7,428,000
Lim Jit Yaw	70,861,425	70,861,425	72,461,425

At the beginning and end of the reporting year, Messrs Lim Keen Ban, Lim Jit Ming, and Lim Jit Yaw, who by virtue of their deemed interests of not less than 20% of the issued capital of the company, are deemed to have interests in the shares held by the company in all its subsidiaries.

Statement by Directors

4. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

5. OPTIONS

During the reporting year, no option to take up unissued shares of the company or other body corporate in the group was granted.

During the reporting year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares under option.

6. INDEPENDENT AUDITOR

RSM Chio Lim LLP has expressed its willingness to accept re-appointment as the independent auditor of the company at the next annual general meeting of the company.

7. REPORT OF AUDIT COMMITTEE

The members of the audit committee at the date of this report are as follows:

Chin Sek Peng, Michael	(Chairman of audit committee and lead independent and non-executive director)
Chuang Keng Chiew	(Independent and non-executive director)
Lau Ping Sum, Pearce	(Independent and non-executive director)
Tan Siew San	(Independent and non-executive director)

The audit committee performs the functions specified by section 201B (5) of the Act. Among other functions, it performed the following:

- Reviewed with the independent external auditor and the internal auditor their respective audit plans;
- Reviewed with the independent external auditor its evaluation of the company's internal accounting controls relevant to its statutory audit, and its report on the financial statements and the assistance given by management to them;
- Reviewed with the internal auditor the findings and recommendations arising from its review of the group's internal controls to address key financial, operational and compliance risks, and the assistance given by management to the internal auditor;

Statement by Directors

7. REPORT OF AUDIT COMMITTEE (CONT'D)

- Reviewed the consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company prior to their submission to the directors of the company for adoption;
- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report of the company. It also includes an explanation of how independent auditor objectivity and independence are safeguarded where the independent auditor provides non-audit services.

The audit committee has recommended to the board of directors that the independent auditor, RSM Chio Lim LLP, be nominated for re-appointment as independent auditor at the next annual general meeting of the company.

8. SUBSEQUENT DEVELOPMENTS

Except as disclosed in the financial statements, there are no significant developments subsequent to the release of the group's and the company's preliminary financial results and information, as announced on 29 May 2023, which would materially affect the group's and company's operating and financial performance as of the date of this report.

On behalf of the directors

Lim Jit Ming
Director

Yu Chuen Tek
Director

28 June 2023

Independent Auditor's Report

TO THE MEMBERS OF CORTINA HOLDINGS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Cortina Holdings Limited, (the “company”) and its subsidiaries (the “group”), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 31 March 2023, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including accounting policies.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS (I)) so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 31 March 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the reporting year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

a) Net realisable value of inventories

We refer to Note 2A and 2C of the financial statements for the relevant accounting policy and critical judgements, assumptions and estimation uncertainties and Note 22 on inventories for the reporting year end and to the section on the audit committee's review and responses to the reported key audit matter in the annual report.

The group's principal activities are in the retail and distribution of luxury timepieces and luxury accessories. The group holds inventories of \$231,624,000 (2022: \$211,199,000) as at the end of the reporting year. The cost of inventories may not be recoverable in full if any inventories are damaged, or if they become obsolete, or if their selling prices have declined.

The estimate of allowance for inventories is based on the age of these inventories, prevailing market conditions of the luxury timepieces and related products in the retail industry and historical allowance experience which require management's judgement. Management applies judgement in determining the appropriate allowance for inventories based upon a detailed technical assessment of inventories concerned including considering the future demand and future selling prices for the products and ageing analysis of inventories. This methodology relies upon assumptions made in determining the appropriate allowance percentages for each category of inventories.

Independent Auditor's Report

TO THE MEMBERS OF CORTINA HOLDINGS LIMITED

a) Net realisable value of inventories (cont'd)

Our procedures performed included the following:

- Reviewed the appropriateness of the policy for allowances for inventories adopted by management (taking into consideration the historical information and forward looking estimates, inventory ageing and management's technical assessment) and the group's adherence to it;
- Evaluated the appropriateness of the specific allowances for certain brands by reviewing the key assumptions adopted by the group's management and comparing utilisation rates to subsequent sales records;
- Evaluated the accuracy of the group's inventory ageing by verifying on a sample basis that inventory items were categorised appropriately in the relevant ageing band based on the purchase date of the inventories;
- Compared the net realisable value of a sample of inventories to subsequent selling prices;
- Reviewed the inventory turnover days and ageing of the inventories to assess if there were any significant build-up of aged inventories; and
- Assessed the adequacy of disclosures made in the financial statements.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and the financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the group's financial reporting process.

Independent Auditor's Report

TO THE MEMBERS OF CORTINA HOLDINGS LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report

TO THE MEMBERS OF CORTINA HOLDINGS LIMITED

Auditor's responsibilities for the audit of the financial statements (cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current reporting year and are therefore considered as the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the company and by those subsidiary corporations incorporated in Singapore of which we are the auditor have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Eu Chee Wei David.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

28 June 2023

Engagement partner - effective from year ended 31 March 2022.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 31 MARCH 2023

	Notes	Group	
		2023 \$'000	2022 \$'000
Revenue	5	826,555	716,866
Interest income	6	1,119	211
Other income and gains	7	1,013	6,652
Changes in inventories of finished goods		20,424	(3,240)
Purchase of goods and consumables		(574,887)	(478,009)
Employee benefits expense	8	(65,799)	(60,881)
Rental expense	28	(9,752)	(6,791)
Depreciation expense	15,16	(8,800)	(7,146)
Depreciation of right-of-use-assets	17	(33,114)	(32,807)
Other expenses	9,20	(43,977)	(36,057)
Other losses	7	(2,364)	(2,731)
Finance costs	10	(4,040)	(3,501)
Share of profit from equity-accounted associates	19	71	67
Profit before tax		106,449	92,633
Income tax expense	11	(22,948)	(18,818)
Profit, net of tax		83,501	73,815
Profit attributable to owners of the parent, net of tax		76,526	68,763
Profit attributable to non-controlling interests, net of tax		6,975	5,052
Profit, net of tax		83,501	73,815
Earnings per share		Cents	Cents
Earnings per share currency unit			
Basic and diluted	14	46.2	41.5
Profit, net of tax		83,501	73,815
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax		(8,286)	(2,534)
Total comprehensive income for the year, net of tax		75,215	71,281
Total comprehensive income attributable to owners of the parent		69,040	66,665
Total comprehensive income attributable to non-controlling interests		6,175	4,616
Total comprehensive income		75,215	71,281

The accompanying notes form an integral part of these financial statements.

Statements of Financial Position

AS AT 31 MARCH 2023

	Notes	Group		Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	15	37,940	24,429	1,701	394
Investment properties	16	57,643	6,548	70,343	9,011
Right-of-use assets	17	105,155	95,000	-	-
Investments in subsidiaries	18	-	-	141,487	141,487
Investments in associates	19	3,527	3,494	1,000	1,000
Intangible assets	20	550	919	-	-
Deferred tax assets	11	2,504	2,689	-	-
Other assets	21	12,810	9,567	-	-
Total non-current assets		220,129	142,646	214,531	151,892
Current assets					
Inventories	22	231,624	211,199	-	-
Trade and other receivables	23	13,018	12,351	26,340	14,304
Other assets	21	9,245	4,233	120	663
Cash and cash equivalents	24	166,484	226,520	5,246	525
Total current assets		420,371	454,303	31,706	15,492
Total assets		640,500	596,949	246,237	167,384
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	25	35,481	35,481	35,481	35,481
Other reserves	26	(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
Non-current liabilities					
Provisions	27	5,502	4,925	-	-
Financial liabilities – lease liabilities	28	75,699	70,390	69	-
Other financial liabilities	29	5,000	25,500	-	-
Other liabilities	31	2,911	5,357	-	-
Deferred tax liabilities	11	128	156	-	-
Total non-current liabilities		89,240	106,328	69	-
Current liabilities					
Income tax payable		13,689	12,718	284	220
Financial liabilities – lease liabilities	28	32,765	27,194	67	12
Trade and other payables	30	102,007	83,646	18,774	98,447
Other financial liabilities	29	10,231	21,484	-	-
Other liabilities	31	10,919	16,411	203	-
Total current liabilities		169,611	161,453	19,328	98,679
Total liabilities		258,851	267,781	19,397	98,679
Total equity and liabilities		640,500	596,949	246,237	167,384

The accompanying notes form an integral part of these financial statements.

Statements of Changes in Equity

YEAR ENDED 31 MARCH 2023

	← Attributable to parent →				Retained earnings \$'000	Non-controlling interests \$'000
	Total equity \$'000	Sub-total \$'000	Share capital \$'000	Other reserves \$'000		
Group:						
Current year:						
Opening balance at 1 April 2022	329,168	314,532	35,481	356	278,695	14,636
Changes in equity:						
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 (Note 13)	(22,734)	(19,870)	-	-	(19,870)	(2,864)
Closing balance at 31 March 2023	381,649	363,702	35,481	(7,123)	335,344	17,947
Previous year:						
Opening balance at 1 April 2021	269,892	258,630	35,481	2,440	220,709	11,262
Changes in equity:						
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 (Note 13)	(12,005)	(10,763)	-	-	(10,763)	(1,242)
Closing balance at 31 March 2022	329,168	314,532	35,481	356	278,695	14,636

The accompanying notes form an integral part of these financial statements.

Statements of Changes in Equity

YEAR ENDED 31 MARCH 2023

	Total Equity \$'000	Share Capital \$'000	Retained Earnings \$'000
Company:			
Current year:			
Opening balance at 1 April 2022	68,705	35,481	33,224
Changes in equity:			
Total comprehensive income for the year	178,005	–	178,005
Dividends paid (Note 13)	(19,870)	–	(19,870)
Closing balance at 31 March 2023	226,840	35,481	191,359
Previous year:			
Opening balance at 1 April 2021	75,646	35,481	40,165
Changes in equity:			
Total comprehensive income for the year	3,822	–	3,822
Dividends paid (Note 13)	(10,763)	–	(10,763)
Closing balance at 31 March 2022	68,705	35,481	33,224

Consolidated Statement of Cash Flows

YEAR ENDED 31 MARCH 2023

	2023 \$'000	2022 \$'000
Cash flows from operating activities		
Profit before tax	106,449	92,633
Adjustments for:		
Depreciation of property, plant and equipment and investment properties	8,800	6,702
Depreciation of right-of-use assets	33,114	32,807
Amortisation of intangible assets	369	444
Interest income	(1,119)	(211)
Interest expense	4,040	3,501
Share of profit from equity-accounted associates	(71)	(67)
Gains on disposal of right-of-use assets	(236)	(87)
Gains on disposal of plant and equipment	(572)	-
Property, plant and equipment disposed/written-off	1,136	555
Provisions	-	(279)
Operating cash flows before changes in working capital	151,910	135,998
Inventories	(25,551)	2,475
Trade and other receivables	(1,615)	2,882
Other assets	(8,744)	(352)
Trade and other payables	16,250	25,864
Other liabilities	(7,414)	7,789
Net cash flows generated from operations	124,836	174,656
Income taxes paid	(17,797)	(15,830)
Net cash flows generated from operating activities	107,039	158,826
Cash flows from investing activities		
Disposal of property, plant and equipment	944	-
Purchase of property, plant and equipment (Note 24B)	(24,103)	(16,093)
Purchase of investment properties	(50,500)	(2,467)
Acquisition of subsidiaries	-	(4,386)
Interest received	1,119	211
Net cash flows used in investing activities	(72,540)	(22,735)
Cash flows from financing activities		
Lease liabilities paid	(31,860)	(31,618)
Increase in loans and borrowings	-	50,000
Loans and borrowings paid	(31,583)	(40,950)
Interest paid	(4,040)	(3,501)
Dividends paid	(19,870)	(10,763)
Dividend paid to non-controlling interest of subsidiaries	(2,864)	(1,242)
Cash restricted in use	30,016	(30,130)
Net cash flows used in financing activities	(60,201)	(68,204)
Net increase in cash and cash equivalents	(25,702)	67,887
Cash and cash equivalents, beginning balance	196,390	130,026
Effect of foreign exchange rate adjustments	(4,318)	(1,523)
Cash and cash equivalents, ending balance (Note 24)	166,370	196,390

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

31 MARCH 2023

1. GENERAL

The company is incorporated in Singapore with limited liability. It is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”). The financial statements are presented in Singapore dollars and they cover the company (referred to as “parent”) and the subsidiaries (the “group”).

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The company is an investment holding company and provides management services to its subsidiaries and associates. The principal activities of the subsidiaries are described in Note 18 to the financial statements.

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.

Uncertainties relating to the current economic conditions:

Management has considered the current economic conditions caused by the Covid-19 pandemic, commodities inflation, as well as the war in Ukraine at the end of the reporting year and reviewed the probable impact and plausible downside scenarios. No material uncertainties were identified in connection with the reporting entity’s ability to continue in operational existence for the near future.

Statement of compliance with financial reporting standards

These financial statements have prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and the related Interpretations to SFRS(I) (“SFRS (I) INT”) as issued by the Accounting Standards Committee under ACRA. They are in compliance with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standard Board (IASB).

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity’s accounting policies.

The areas requiring management’s most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

Notes to the Financial Statements

31 MARCH 2023

1. GENERAL (CONT'D)

Basis of presentation and principles of consolidation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee and cease when the reporting entity loses control of the investee.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary, with any resulting gain or loss recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investment financial assets in accordance with the financial reporting standard on financial instruments.

The company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the company's separate statement of profit or loss and other comprehensive income and separate statement of cash flows are not presented.

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

2A. Significant accounting policies

Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sale of goods – Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Services – Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (cont'd)

Other income

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

Dividend from equity instruments is recognised in profit or loss only when the entity's right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Interest income is recognised using the effective interest method.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute for the Singapore employees to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). Certain overseas subsidiaries have defined contribution retirement benefit plans in which employees are entitled to join upon fulfilling certain conditions. The assets of the fund may or may not be held separately from those of the entity in an independently administered fund. The entity contributes an amount equal to a fixed percentage of the salary of each participating employee. For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

For subsidiaries incorporated in Thailand, provision for post-employment benefits is made in accordance with Thai Labour Law and the subsidiaries' staff manual which is calculated using the last salaries as of reporting date in conjunction with discount rates, mortality rates, employee turnover rates and expected number of years of service.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (cont'd)

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds and are recognised as an expense in the period in which they are incurred. Interest expense is calculated using the effective interest rate method.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Translation of financial statements of other entities

Each entity in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

The direct method is used whereby the financial statements of the foreign operations are translated directly into the functional currency of the ultimate parent.

Income tax

Income taxes are recorded using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated.

The tax expense (tax benefit) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (cont'd)

Income tax (cont'd)

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries and associates except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Freehold property	-	2%
Leasehold property	-	Over terms of lease which is approximately 2%
Leasehold improvement	-	16.67% to 50%
Plant and equipment	-	10% to 50%
Assets in progress	-	Not depreciated

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (cont'd)

Property, plant and equipment (cont'd)

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 27 on provisions.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The annual rates of depreciation are as follows:

Retail outlets	-	Over terms of lease which is approximately 20% to 50%
Office spaces	-	Over terms of lease which is approximately 33.33% to 50%
Motor vehicles	-	Over terms of lease which is approximately 33.33% to 50%

Investment property

Investment property is property, land or a building or part of building or both owned or held under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business. It includes an investment property in the course of construction. After initial recognition at cost including transaction costs, the cost model is used to measure the investment property using the treatment for property, plant and equipment, that is, at cost less any accumulated depreciation and any accumulated impairment losses. An investment property that meets the criteria to be classified as held for sale is carried at the lower of carrying amount and fair value. For disclosure purposes, the fair values are measured periodically on a systematic basis at least once in three years by external independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The annual rate of depreciation is as follows:

Leasehold property	-	2%
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Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. An interest expense is recognised on the lease liability (included in finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term. For these leases, a right-of-use asset is recognised.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (cont'd)

Leases of lessor

For a lessor each of lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease, the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

Associates

An associate is an entity including an unincorporated entity in which the reporting entity has a significant influence and that is neither a subsidiary nor a joint arrangement of the reporting entity. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. An investment in an associate includes goodwill on acquisition, which is accounted for in accordance with the financial reporting standard on business combinations. However the entire carrying amount of the investment is tested under the financial reporting standard on impairment, by comparing its recoverable amount (higher of value in use and fair value) with its carrying amount, whenever application of the requirements in the financial reporting standard on financial instruments indicates that the investment may be impaired.

In the consolidated financial statements, the accounting for investments in an associate is on the equity method. Under the equity method the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The carrying value and the net book value of the investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Losses of an associate in excess of the reporting entity's interest in the relevant associate are not recognised except to the extent that the reporting entity has an obligation.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (cont'd)

Associates (cont'd)

Profits and losses resulting from transactions between the reporting entity and an associate are recognised in the financial statements only to the extent of unrelated reporting entity's interests in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are changed where necessary to ensure consistency with the policies adopted by the reporting entity. The reporting entity discontinues the use of the equity method from the date that when its investment ceases to be an associate and accounts for the investment in accordance with the financial reporting standard on financial instruments from that date. Any gain or loss is recognised in profit or loss. Any investment retained in the former associate is measured at fair value at the date that it ceases to be an associate.

In the company's separate financial statements, investment in an associate is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for an associate is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of an investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange.

Non-controlling interests

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the reporting entity as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant Note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

Inventories

Inventories are measured at the lower of cost (on the specific identification method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Notes to the Financial Statements

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2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (cont'd)

Carrying amounts of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (cont'd)

Financial instruments (cont'd)

Recognition and derecognition of financial instruments: (cont'd)

Financial assets are classified into (1) Financial asset classified as measured at amortised cost; (2) Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI); (3) Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI); and (4) Financial asset classified as measured at fair value through profit or loss (FVTPL). At the end of the reporting year, the reporting entity had the following financial assets:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL, that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

Hedging

The entity is exposed to currency and interest rate risks. The policy is to reduce currency and interest rate exposures through derivatives and other hedging instruments. From time to time, there may be borrowings and foreign exchange arrangements or interest rate swap contracts or similar instruments entered into as hedges against changes in interest rates, cash flows or the fair value of the financial assets and liabilities. The gain or loss from remeasuring these hedging or other arrangement instruments at fair value are recognised in profit or loss. The derivatives and other hedging instruments used are described below in the notes to the financial statements.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Significant accounting policies (cont'd)

Derivative financial instruments

A derivative financial instrument is a financial instrument with all three of the following characteristics (a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices, credit ratings or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract; (b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and (c) it is settled at a future date. The derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently classified as measured at FVTPL unless the derivative is designated and effective as a hedging instrument.

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

In making the fair value measurement for a non-financial asset, management determines the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2B. Other explanatory information

Segment reporting

The reporting entity discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

2C. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Net realisable value of inventories:

A review is made periodically on inventory for excess inventory and declines in net realisable value below cost and an allowance is recorded against the inventory balance for any such declines. In any case the realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the reporting year and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of allowance or write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement that could materially affect the carrying amount of inventories including the ornament timepieces at the end of the reporting year. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in Note 22 on inventories.

Notes to the Financial Statements

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (CONT'D)

2C. Critical judgements, assumptions and estimation uncertainties (cont'd)

Expected credit loss allowance on trade receivables:

The allowance for expected credit losses (ECL) assessment requires a degree of estimation and judgement. It is based on the lifetime ECL for 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. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in Note 23 on trade and other receivables.

Income tax amount:

The entity recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised. A deferred tax asset is recognised if it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. Moreover, the measurement of a deferred tax asset or liability reflects the manner in which the entity expects to recover the asset's carrying value or settle the liability. As a result, due to their inherent nature assessments of likelihood are judgmental and not susceptible to precise determination. The income tax amounts are disclosed in Note 11 on income tax.

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. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the property, plant and equipment and right-of-use assets at the end of the reporting year is disclosed in Note 15 and Note 17 respectively.

Lease term:

The lease liabilities are initially measured by discounting the lease payments over the lease terms. 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. This requires the consideration of whether the facts and circumstances created an economic incentive for the exercise of the lease extension or renewal option. The amount of the lease liabilities at the end of the reporting year is disclosed in Note 28.

Notes to the Financial Statements

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3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

3A. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

In addition to transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

Significant related party transactions:

	Associates	
	2023	2022
	\$'000	\$'000
Purchase of goods	-	(8)
Repair charges	(23)	-
Sale of goods	94	59

3B. Key management compensation

	Group	
	2023	2022
	\$'000	\$'000
Salaries and other short-term employee benefits	23,253	20,929
Post-employment benefit	42	186

Notes to the Financial Statements

31 MARCH 2023

3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONT'D)

3B. Key management compensation (cont'd)

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Group	
	2023 \$'000	2022 \$'000
Remuneration of directors of the company	19,021	16,710
Remuneration of directors of the subsidiaries	1,693	1,612
Fees payable to directors of the company	726	931

Further information about the remuneration of individual directors is provided in the corporate governance report.

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The above amounts for key management compensation are for all the directors and key executives.

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

4A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas and the major customers are made as required by the financial reporting standard on operating segments. The disclosure standard has no impact on the reported financial performance or financial position of the group.

For management purposes the reporting entity is organised into the following major strategic operating segments that offer different products and services: (1) wholesale and (2) retail. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The segments and the types of products and services are as follows:

The retail segment is involved in retailing of timepiece, branded pens and accessories (the "Retail").

The wholesale segment is involved in wholesale of timepiece and luxury branded accessories (the "Wholesale").

Others operations include provision of other support services.

Notes to the Financial Statements

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4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4A. Information about reportable segment profit or loss, assets and liabilities (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. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

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 properties, 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.

The management reporting system evaluates performances based on a number of factors. However the primary profitability measurement to evaluate segment's operating results comprises two major financial indicators: (1) earnings from operations before depreciation, interests and income taxes (called "Recurring EBITDA") and (2) operating result before income taxes and other unallocated items (called "ORBT").

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

4B. Profit or loss from continuing operations and reconciliations

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

Notes to the Financial Statements

31 MARCH 2023

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4B. Profit or loss from continuing operations and reconciliations (cont'd)

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

4C. Assets and reconciliations

	Retail \$'000	Wholesale \$'000	Others \$'000	Elimination \$'000	Group \$'000
2023:					
Segment assets	501,188	102,367	240,181	(209,267)	634,469
Unallocated assets:					
Deferred tax assets					2,504
Investments in associates					3,527
Total group assets					640,500
2022:					
Segment assets	491,598	93,536	11,756	(6,124)	590,766
Unallocated assets:					
Deferred tax assets					2,689
Investments in associates					3,494
Total group assets					596,949

Notes to the Financial Statements

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4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4D. Liabilities and reconciliations

	Retail \$'000	Wholesale \$'000	Others \$'000	Elimination \$'000	Group \$'000
2023:					
Segment liabilities	213,231	59,584	1,793	(29,574)	245,034
Unallocated liabilities:					
Deferred and current tax liabilities					13,817
Total group liabilities					258,851
2022:					
Segment liabilities	189,412	49,676	16,113	(294)	254,907
Unallocated liabilities:					
Deferred and current tax liabilities					12,874
Total group liabilities					267,781

4E. Other material items and reconciliations

	Retail \$'000	Wholesale \$'000	Others \$'000	Elimination \$'000	Group \$'000
Expenditures for non-current assets:					
2023:	64,176	2,746	63,703	(280)	130,345
2022:	47,041	4	4,933	-	51,978

Notes to the Financial Statements

31 MARCH 2023

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4F. Geographical information

The following table provides an analysis of the revenue by geographical market, irrespective of the origin of the goods and services:

	Revenue		Total assets	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Singapore	378,347	330,235	384,247	369,686
South East Asia ^(a)	363,185	301,329	185,845	164,171
North East Asia ^(b)	82,821	83,092	65,853	55,257
Others countries	2,202	2,210	5,359	5,148
Unallocated	-	-	(804)	2,687
Total	826,555	716,866	640,500	596,949

(a) South East Asia includes Malaysia, Thailand and Indonesia

(b) North East Asia includes Hong Kong and Taiwan

Revenues are attributed to countries on the basis of the customer's location irrespective of the origin of the goods and services. The total assets are analysed by the geographical area in which the assets are located.

4G. Information about major customers

There are no customers with revenue transactions exceeding 10% of the group revenue.

5. REVENUE

Revenue classified by type of good or service:

	Group	
	2023 \$'000	2022 \$'000
Sale of goods	824,383	713,079
Other revenue	2,172	3,787
Total revenue	826,555	716,866

All the contracts are less than 12 months. The revenue from sale of goods is recognised based on point in time. The customers are consumers, retailers and wholesalers.

Notes to the Financial Statements

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6. INTEREST INCOME

	Group	
	2023 \$'000	2022 \$'000
Interest income from financial institutions	1,119	211

7. OTHER INCOME AND GAINS AND (OTHER LOSSES)

	Group	
	2023 \$'000	2022 \$'000
Foreign exchange adjustments (loss)/gains	(1,180)	950
Gains on disposal of property, plant and equipment	572	–
Gains on disposal of right-of-use assets	236	87
Government grant from Jobs Support Scheme	205	2,839
Covid-19 related rent concessions from lessors	–	2,496
Inventories written off	(48)	(2,176)
Reversal of provision for dismantling and removing Property, plant and equipment written-off	–	280
	(1,136)	(555)
Net	(1,351)	3,921
Presented in the consolidated statement of profit or loss as:		
Other income and gains	1,013	6,652
Other losses	(2,364)	(2,731)
Net	(1,351)	3,921

Notes to the Financial Statements

31 MARCH 2023

8. EMPLOYEE BENEFITS EXPENSE

	Group	
	2023 \$'000	2022 \$'000
Short term employee benefits expense	62,471	57,514
Contributions to defined contribution plans	3,328	3,367
Total employee benefits expense	65,799	60,881

9. OTHER EXPENSES

The major components and other selected components include the following:

	Group	
	2023 \$'000	2022 \$'000
Advertising and promotion	17,702	16,534
Credit cards commission	13,024	11,847
	30,726	28,381

10. FINANCE COSTS

	Group	
	2023 \$'000	2022 \$'000
Interest expense on bank borrowings	1,358	780
Interest on lease liabilities	2,682	2,721
	4,040	3,501

Notes to the Financial Statements

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11. INCOME TAX

11A. Components of tax expense recognised in profit or loss include:

	Group	
	2023	2022
	\$'000	\$'000
Current tax expense:		
Current tax expense	22,693	18,219
Under/(over) adjustments in respect of prior years	98	(62)
Subtotal	22,791	18,157
Deferred tax expense:		
Deferred tax expenses	133	630
Under adjustments in respect of prior years	24	31
Subtotal	157	661
Total income tax expense	22,948	18,818

The amount of income tax payable of the group as at end of the reporting year was \$13,689,000 (2022: \$12,718,000). Such an amount is net of tax advances, which, according to the tax rules, were paid before the end of the reporting year.

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate. The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2022: 17%) to profit or loss before tax as a result of the following differences:

There are no income tax consequences in respect of dividends paid to owners of the company.

	Group	
	2023	2022
	\$'000	\$'000
Profit before tax	106,449	92,633
Share of profit from equity-accounted associates	(71)	(67)
	106,378	92,566
Income tax expense at the above rate	18,084	15,736
Expenses not taxable for tax purposes	1,333	2,572
Income not subject to tax	(97)	-
Stepped income exemption	(85)	(52)
Under/(Over) adjustments in respect of prior years	122	(31)
Effect of different tax rates in different countries	2,218	1,816
Other minor items less than 3% each	(707)	93
Unrecognised deferred tax assets/(reversal)	2,080	(1,316)
Total income tax expense	22,948	18,818

Notes to the Financial Statements

31 MARCH 2023

11. INCOME TAX (CONT'D)

11B. Deferred tax expense recognised in profit or loss includes:

	Group	
	2023	2022
	\$'000	\$'000
Excess of book over tax depreciation on plant and equipment	(175)	71
Excess of tax over book depreciation on plant and equipment	127	170
Intangible assets	(28)	(75)
Provisions	871	1,478
Tax losses carryforward	1,442	(2,299)
Unrecognised deferred tax (reversal)/assets	(2,080)	1,316
Total deferred tax expense recognised in statement of profit or loss	157	661

11C. Deferred tax balances in the statement of financial position:

	Group	
	2023	2022
	\$'000	\$'000
<u>Deferred tax assets/(liabilities) recognised in statement of financial position:</u>		
Excess of net book value of plant and equipment over tax values	-	(175)
Excess of tax values over net book value of plant and equipment	57	184
Intangible assets	(128)	(156)
Provisions	2,925	3,796
Tax loss carry forwards	22	1,464
Unrecognised deferred tax assets	(500)	(2,580)
Total	2,376	2,533
Presented in the statement of financial position as follows:		
Deferred tax liabilities	(128)	(156)
Deferred tax assets	2,504	2,689
Net Balance	2,376	2,533

Temporary differences arising in connection with interests in subsidiaries are insignificant.

Notes to the Financial Statements

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11. INCOME TAX (CONT'D)

11C. Deferred tax balances in the statement of financial position: (cont'd)

Certain subsidiaries of the group have unutilised tax losses of approximately \$3,386,000 (2022: \$8,610,000), available to offset against future profits. No deferred tax assets have been recognised on these tax losses as the future profit streams of these subsidiaries are not probable. The realisation of the future income tax benefits from tax carryforwards is available for unlimited future period and subject to applicable laws and agreement by relevant tax authorities, except that the following unutilised tax losses of subsidiaries in Hong Kong and Taiwan which can only be carried forward as follows:-

	Unused gross tax losses	
	2023 \$'000	2022 \$'000
<u>Year of expiry</u>		
2023	-	164
2029	75	78
2030	674	705
Indefinitely	2,637	7,663
Total unused gross tax losses	3,386	8,610

12. ITEMS IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In addition to the profit and loss line items disclosed elsewhere in the notes to the financial statements, this item includes the following expenses:-

	Group	
	2023 \$'000	2022 \$'000
Audit fees to the independent auditor of the company	216	216
Audit fees to the other independent auditors - network firms	47	47
Audit fees to the other independent auditors - non-network firms	273	265
Audit-related services (ARS) fees to the independent auditor of the company	5	5
Non-ARS fees to the independent auditor of the company	37	24
Non-ARS fees to the independent auditors - network firms	7	6
Non-ARS to the independent auditors- non-network firms	75	79

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13. DIVIDENDS ON EQUITY SHARES

	Rate per share		Group and Company	
	2023	2022	2023 \$'000	2022 \$'000
Final tax exempt (1-tier) dividend paid	0.020	0.020	3,312	3,312
Special tax exempt (1-tier) dividend paid	0.050	0.045	8,279	7,451
Special 50th Anniversary tax exempt (1-tier) dividend	0.050	-	8,279	-
Total dividends paid in the year	0.120	0.065	19,870	10,763

In respect of the current reporting year, the directors propose that a final tax exempt (1-tier) dividend of 2.0 cents per share and a special tax exempt (1-tier) dividend of 14.0 cents per share with a total of \$26,493,000 be paid to shareholders after the annual general meeting to be held on the 28 July 2023. There are no income tax consequences. The dividends are subject to approval by shareholders at the next annual general meeting and have not been included as a liability in these financial statements. The proposed dividends are payable in respect of all ordinary shares in issue at the end of the reporting year and including the new qualifying shares issued up to the date the dividends becomes payable.

14. EARNINGS PER SHARE

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

	Group	
	2023	2022
Numerator:		
Earnings attributable to equity holders: (\$'000)	76,526	68,763
Denominator:		
Weighted average number of equity shares		
Basic	165,578,415	165,578,415

The weighted average number of equity shares refers to shares in circulation during the reporting period.

Basic earnings per share ratio is based on the weighted average number of common shares outstanding during each period. There is no dilution of earnings per share as there are no dilutive potential ordinary shares outstanding as at the end of the reporting year.

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15. PROPERTY, PLANT AND EQUIPMENT

	Freehold/ Leasehold Properties \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Assets in Progress \$'000	Total \$'000
Group					
<u>Cost:</u>					
At 1 April 2021	2,326	20,251	18,268	246	41,091
Additions	2,467	9,486	5,088	-	17,041
Disposals/written-off	-	(7,998)	(5,402)	-	(13,400)
Reclassifications	-	226	20	(246)	-
Foreign exchange adjustments	(15)	(492)	(197)	-	(704)
At 31 March 2022	4,778	21,473	17,777	-	44,028
Additions	11,441	6,906	6,757	-	25,104
Disposals/written-off	-	(2,755)	(3,627)	-	(6,382)
Reclassifications	-	2,940	(2,940)	-	-
Transfer to investment properties (Note 16)	(1,719)	-	-	-	(1,719)
Foreign exchange adjustments	(137)	(1,257)	(430)	-	(1,824)
At 31 March 2023	14,363	27,307	17,537	-	59,207
<u>Accumulated depreciation:</u>					
At 1 April 2021	726	14,821	10,897	-	26,444
Depreciation for the year	52	3,013	3,544	-	6,609
Disposals/written-off	-	(7,717)	(5,128)	-	(12,845)
Foreign exchange adjustments	(5)	(453)	(151)	-	(609)
At 31 March 2022	773	9,664	9,162	-	19,599
Depreciation for the year	145	4,741	3,405	-	8,291
Reclassifications	-	3,476	(3,476)	-	-
Transfer to investment properties (Note 16)	(616)	-	-	-	(616)
Disposals/written-off	-	(1,740)	(3,134)	-	(4,874)
Foreign exchange adjustments	(49)	(701)	(383)	-	(1,133)
At 31 March 2023	253	15,440	5,574	-	21,267
<u>Carrying value:</u>					
At 1 April 2021	1,600	5,430	7,371	246	14,647
At 31 March 2022	4,005	11,809	8,615	-	24,429
At 31 March 2023	14,110	11,867	11,963	-	37,940

Certain items are under finance lease agreements (see Note 28).

Notes to the Financial Statements

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15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Leasehold Property \$'000	Plant and Equipment \$'000	Total \$'000
<u>Company</u>			
<u>Cost:</u>			
At 1 April 2021 and 31 March 2022	284	731	1,015
Additions	-	1,790	1,790
Disposals/written-off	-	(533)	(533)
At 31 March 2023	284	1,988	2,272
<u>Accumulated depreciation:</u>			
At 1 April 2021	100	395	495
Depreciation for the year	6	120	126
At 31 March 2022	106	515	621
Depreciation for the year	6	424	430
Disposals/written-off	-	(480)	(480)
At 31 March 2023	112	459	571
<u>Carrying value:</u>			
At 1 April 2021	184	336	520
At 31 March 2022	178	216	394
At 31 March 2023	172	1,529	1,701

Notes to the Financial Statements

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16. INVESTMENT PROPERTIES

	Leasehold Properties \$'000
Group	
<u>At cost:</u>	
At 1 April 2021	4,685
Additions	2,467
At 31 March 2022	7,152
Additions	50,500
Transfer from Property, plant and equipment	1,719
At 31 March 2023	59,371
<u>Accumulated depreciation:</u>	
At 1 April 2021	230
Depreciation for the year	93
At 31 March 2022	323
Depreciation for the year	509
Transfer from Property, plant and equipment	616
Foreign exchange adjustments	(1)
At 31 March 2023	1,447
<u>Accumulated impairment:</u>	
At 1 April 2021, 31 March 2022 and 31 March 2023	281
<u>Carrying value:</u>	
At 1 April 2021	4,174
At 31 March 2022	6,548
At 31 March 2023	57,643

Notes to the Financial Statements

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16. INVESTMENT PROPERTIES (CONT'D)

	2023 \$'000	2022 \$'000
Fair value for disclosure purposes only:		
Fair value at end of the year	59,585	6,600
Rental income from investment properties	353	63
Direct operating expenses (including repairs and maintenance) arising from investment properties	68	14
		Leasehold Properties \$'000
<u>Company</u>		
<u>At cost:</u>		
At 1 April 2021		4,685
Additions		4,933
At 31 March 2022		9,618
Additions		61,941
At 31 March 2023		71,559
<u>Accumulated depreciation:</u>		
At 1 April 2021		230
Depreciation for the year		96
At 31 March 2022		326
Depreciation for the year		609
At 31 March 2023		935
<u>Accumulated impairment:</u>		
At 1 April 2021, 31 March 2022 and 31 March 2023		281
<u>Carrying value:</u>		
At 1 April 2021		4,174
At 31 March 2022		9,011
At 31 March 2023		70,343

Notes to the Financial Statements

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16. INVESTMENT PROPERTIES (CONT'D)

	2023 \$'000	2022 \$'000
Fair value for disclosure purposes only:		
Fair value at end of the year	73,185	9,000
Rental income from investment properties	353	63
Direct operating expenses (including repairs and maintenance) arising from investment properties	123	18

There are no restrictions on the realisability of investment properties or the remittance of income and proceeds of disposal.

The fair value of the investment properties was measured in June 2022, October 2022 or December 2022 based on direct comparison with recent market transactions of comparable properties within the vicinity and elsewhere to reflect the actual market state and circumstances as of the end of the reporting year. The fair value was based on valuation made by Edmund Tie & Company (SEA) Pte Ltd and Knight Frank, a firm of independent professional valuers on a systematic basis at least once in three years.

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16. INVESTMENT PROPERTIES (CONT'D)

For fair value measurements categorised within Level 3 of the fair value hierarchy, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows:

Valuation technique for recurring fair value measurements:

Comparison with market evidence of recent offer to sell prices for similar properties.

Asset:	Fair value hierarchy	Fair value \$	Significant observable inputs and range (weighted average) Price per square meter:	Sensitivity on management's estimates 10% variation from estimate
43C Beach Road ^(a) Evershine & Century Complex Singapore 189681	Level 3	4,200,000	17,872	420,000
1 Upper Aljunied Link #06-06 ^(a) Singapore 367901	Level 3	2,400,000	7,385	240,000
1 Upper Aljunied Link #04-06 ^(b) Singapore 367901	Level 3	2,400,000	7,385	240,000
888 Lai Chi Kok Road #22-A1 ^(b) A2 and B12 Kowloon Hong Kong	Level 3	11,200,000	44,290	1,120,000
15 Scotts Road #04-01 to ^(a) 13, 15 Scotts Singapore 228218	Level 3	52,985,000	41,524	5,298,500

(a) Classified as investment properties at Group and Company.

(b) Classified as investment properties at Company.

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17. RIGHT-OF-USE ASSETS

The right-of-use assets in the statement of financial position are as follows:

	Retail Outlets \$'000	Office Space \$'000	Motor Vehicles \$'000	Total \$'000
Group				
<u>Cost:</u>				
At 1 April 2021	127,246	10,128	318	137,692
Additions	26,517	5,953	–	32,470
Written-off	(6,138)	(1,255)	–	(7,393)
Foreign exchange adjustments	(825)	(23)	1	(847)
At 31 March 2022	146,800	14,803	319	161,922
Additions / Remeasurements	54,140	392	209	54,741
Reclassifications	(327)	327	–	–
Written-off	(51,894)	(3,117)	(194)	(55,205)
Foreign exchange adjustments	(3,351)	(166)	(25)	(3,542)
At 31 March 2023	145,368	12,239	309	157,916
<u>Accumulated depreciation:</u>				
At 1 April 2021	38,709	2,468	107	41,284
Depreciation	30,621	2,020	166	32,807
Written-off	(6,136)	(435)	–	(6,571)
Foreign exchange adjustments	(567)	(27)	(4)	(598)
At 31 March 2022	62,627	4,026	269	66,922
Depreciation	30,734	2,287	93	33,114
Reclassifications	106	(106)	–	–
Written-off	(44,038)	(1,088)	(194)	(45,320)
Foreign exchange adjustments	(1,860)	(71)	(24)	(1,955)
At 31 March 2023	47,569	5,048	144	52,761
<u>Carrying value:</u>				
At 1 April 2021	88,537	7,660	211	96,408
At 31 March 2022	84,173	10,777	50	95,000
At 31 March 2023	97,799	7,191	165	105,155

Notes to the Financial Statements

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17. RIGHT-OF-USE ASSETS (CONT'D)

Other information about the leasing activities relating to the right-of-use assets are summarised as follows:

Group	Retail Outlets \$'000	Office Space \$'000	Motor Vehicles \$'000	Total \$'000
Number of right-of-use assets	39	12	2	53
Remaining term – range	0.17 years to 5.33 years	1.17 years to 5.83 years	2.33 years	–
Number if lease with extension options	4	2	–	–
Weighted average incremental borrowing rate applied to lease liabilities	2.04% - 5.00%	2.26% - 4.80%	2.26% - 2.62%	–

The leases are for retail outlets, office space and motor vehicles.

There are restrictions or covenants imposed by the leases to sublet the asset to another party. The right-of-use asset can only be used by the lessee. Unless permitted by the owner, the lease prohibits from selling or pledging the underlying leased assets as security. Typically the leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. For leases over properties the leases require those properties in a good state of repair and return the properties in their original condition at the end of the lease. Insurance and maintenance fees on right-of-use assets are usually required under the lease contracts.

18. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023 \$'000	2022 \$'000
Unquoted equity shares:		
Balance at beginning of the year and end of the year	141,187	141,487
Total cost comprising:		
Unquoted equity shares at cost	145,623	145,623
Allowance for impairment	(4,136)	(4,136)
Balance at the end of the year	141,487	141,487

Notes to the Financial Statements

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

	Company	
	2023 \$'000	2022 \$'000
Analysis of amount denominated in non-functional currencies:		
Hong Kong Dollars	5,142	5,142
New Taiwan Dollars	10,049	10,049
Malaysian Ringgit	33,320	33,320
Thailand Baht	4,531	4,531

The subsidiaries held by the company and its subsidiaries are listed below:

Name of subsidiaries, country of incorporation, place of operations and principal activities (and independent auditors)	Cost in books of company		Effective percentage of equity held by company	
	2023 \$'000	2022 \$'000	2023 %	2022 %
Chronoswiss Asia Pte Ltd ^(a) Singapore Import and export of Chronoswiss watches	90	90	90	90
Cortina Watch HK Limited ^(b) Hong Kong Retail, import and export of watches (RSM Hong Kong)	2,529	2,529	100	100
Cortina Watch Pte Ltd ^(a) Singapore Retail, import and export of timepiece, branded pens and luxury accessories	6,871	6,871	100	100
Cortina Watch (Indochina) Pte Ltd ^(a) Singapore Dormant	519	519	100	100
Cortina Watch TW Pte Ltd ^(a) Singapore Retail, import and export of watches	300	300	100	100

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The subsidiaries held by the company and its subsidiaries are listed below: (cont'd)

Name of subsidiaries, country of incorporation, place of operations and principal activities (and independent auditors)	Cost in books of company		Effective percentage of equity held by company	
	2023	2022	2023	2022
	\$'000	\$'000	%	%
Cortina Watch Sdn Bhd ^(b) Malaysia Retail, import and export of watches, pens and clocks (RSM Malaysia)	33,320	33,320	90	90
Pactime HK Limited ^(d) Hong Kong Dormant	2,613	2,613	100	100
Pacific Time Pte Ltd ^(a) Singapore Import and export of watches	106	106	100	100
Cortina Watch (Thailand) Co. Ltd ^(b) Thailand Retail, import and export of watches (RSM Audit Services (Thailand) Limited)	4,531	4,531	70	70
Cortina Watch Co., Ltd ^(c) Taiwan Retail, import and export of watches (Nexia Sun Rise CPAs & Co.)	8,757	8,757	100	100
Pacific Time Co., Ltd ^(c) Taiwan Distribution of watches (Nexia Sun Rise CPAs & Co.)	1,292	1,292	100	100
Sincere Watch Limited ^(c) Singapore Retail, import and export of watches (Deloitte & Touche LLP)	84,695	84,695	100	100
	145,623	145,623		

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries, country of incorporation, place of operations and principal activities (and independent auditors)	Effective percentage of equity held by company	
	2023 %	2022 %
<u>Held through Cortina Watch (Indochina) Pte Ltd</u>		
Cortina Watch (Yangon) Ltd ^(d) Myanmar Dormant	100	100
<u>Held through Sincere Watch Limited</u>		
Suntime Watch Pte Ltd ^(c) Singapore Dormant (Deloitte & Touche LLP)	100	100
Franck Muller Pte Ltd ^(c) Singapore Marketing of Franck Muller time pieces (Deloitte & Touche LLP)	100	100
Franck Muller TW Pte. Ltd ^(c) (f.k.a Heirloom Restoration Services Pte Ltd) Singapore Watch repair services (Deloitte & Touche LLP)	100	100
Sincere SHH TW Pte. Ltd. ^(c) (f.k.a Swiss Master Time Pte Ltd) Singapore Marketing of luxury goods (Deloitte & Touche LLP)	100	100
Suntime Watch Sdn Bhd ^(c) Malaysia Dormant (Deloitte & Touche LLP)	100	100
Sincere Watch Sdn Bhd ^(c) Malaysia Retailing of watches, clocks, pens and related accessories and servicing of watches (Deloitte & Touche LLP)	100	100

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries, country of incorporation, place of operations and principal activities (and independent auditors)	Effective percentage of equity held by company	
	2023 %	2022 %
<u>Held through Sincere Watch Limited</u>		
Cortina Watch Pty Limited ^(c) (f.k.a Sincere Watch Pty Limited) Australia Marketing and distribution of watches (Connect National Audit, Australia)	100	100
Sincere Watch (India) Pte Ltd ^(c) India Dormant (Neeraj Agrawal & Co., India)	100	100
Pendulum Ltd ^(c) Thailand Retailing and distribution of watches and clocks (Deloitte & Touche LLP)	100	100
Franck Muller (North Asia) Limited ^(e) Hong Kong Marketing of Franck Muller time pieces	100	-
<u>Held through Franck Muller (North Asia) Limited</u>		
Franck Muller (HK) Limited ^(e) Hong Kong Marketing of Franck Muller time pieces	100	-

(a) Audited by RSM Chio Lim LLP.

(b) Audited by member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member.

(c) Other independent auditors. Audited by firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member. Their names are indicated above.

(d) Not audited, as it is not material and not required to be audited under the relevant laws and regulations of its country of incorporation.

(e) Newly incorporated during the year, and not audited as it is not material and not required to be audited under the relevant laws and regulations of its country of incorporation.

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18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

There are subsidiaries that have non-controlling interests that are considered material to the reporting entity and additional disclosures on them (amounts before inter-company eliminations) are presented below.

	Group	
	2023 \$'000	2022 \$'000
<u>Name of the subsidiary: Cortina Watch Sdn Bhd, Malaysia</u>		
1. NCI percentage of ownership and voting interest	10%	10%
2. The profit allocated to NCI of the subsidiary during the reporting year	1,209	1,090
3. Accumulated NCI of the subsidiary at the end of the reporting year	6,182	5,344
4. The summarised financial information of the subsidiary (not adjusted for the percentage ownership held by the group and before inter-company eliminations) is as follows:		
Current assets	61,514	51,505
Non-current assets	20,353	23,628
Current liabilities	11,790	9,316
Non-current liabilities	8,256	12,375
Revenues	129,968	104,945
Profit for the reporting year	12,090	10,899
Total comprehensive income	12,090	10,899
Increase in operating cash flows	16,986	17,857
Net increase in cash flows	10,716	9,386
<u>Name of the subsidiary: Cortina Watch (Thailand) Co. Ltd, Thailand</u>		
1. NCI percentage of ownership and voting interest	30%	30%
2. The profit allocated to NCI of the subsidiary during the reporting year	5,766	3,964
3. Accumulated NCI of the subsidiary at the end of the reporting year	11,677	9,207
4. Dividends paid to NCI	2,865	1,242
5. The summarised financial information of the subsidiary (not adjusted for the percentage ownership held by the group and before inter-company eliminations) is as follows:		
Current assets	52,527	47,570
Non-current assets	5,531	2,480
Current liabilities	16,252	17,392
Non-current liabilities	2,884	1,976
Revenues	124,400	94,377
Profit for the reporting year	19,221	13,214
Total comprehensive income	19,221	13,214
Increase in operating cash flows	16,161	19,129
Net increase in cash flows	5,598	13,862

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19. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Movements in carrying value:				
At beginning of the year	3,494	3,474	1,000	1,000
Share of profit for the year	71	67	-	-
Foreign exchange adjustments	(38)	(47)	-	-
At end of the year	3,527	3,494	1,000	1,000
Carrying value:				
Unquoted equity shares at cost	1,125	1,125	1,000	1,000
Share of post-acquisition profits, net of dividends received	2,402	2,369	-	-
	3,527	3,494	1,000	1,000

The associates held by the company are listed below:

Name of associates, country of incorporation, place of operations and principal activities (and independent auditors)	Effective percentage of equity held by group	
	2023 %	2022 %
Montre Royale Distributors (Singapore) Pte Ltd ^(a) Singapore Dealers in watches	50	50
<u>Held through Montre Royale Distributors (Singapore) Pte Ltd</u> Societe Anonyme De La Montre Royale ^(b) Switzerland Commission agents and general trading (GF Audit S.A.)	50	50
<u>Held through Sincere Watch Limited</u> Pendulum Services Center Ltd ^(b) Thailand Watch repair services (SB Auditing Service Co, Ltd)	49	49

(a) Audited by RSM Chio Lim LLP.

(b) Other independent auditors. Audited by firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member. Their names are indicated above.

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19. INVESTMENTS IN ASSOCIATES (CONT'D)

These associates are not considered material to the reporting entity. The summarised financial information of these non-material associates and the aggregate amounts (and not the reporting entity's share of those amounts) based on the financial statements of the associates are set out below.

	Group	
	2023	2022
	\$'000	\$'000
<hr/>		
<u>Aggregate for all non-material associates:</u>		
Assets	7,170	7,068
Liabilities	345	314
Revenue	1,211	976
Profit for the year and total comprehensive income	145	138
	<hr/>	

20. INTANGIBLE ASSETS

	Distributorship agreement	Favourable lease agreement	Total
	\$'000	\$'000	\$'000
<hr/>			
Group			
<u>Cost:</u>			
At 1 April 2021 and 31 March 2022	1,288	75	1,363
Written-off	-	(75)	(75)
At 31 March 2023	1,288	-	1,288
<hr/>			
<u>Accumulated amortisation and impairment:</u>			
At 1 April 2021	-	-	-
Amortisation for the year	369	75	444
At 31 March 2022	369	75	444
Amortisation for the year	369	-	369
Written-off	-	(75)	(75)
At 31 March 2023	738	-	738
<hr/>			
At 1 April 2021	1,288	75	1,363
At 31 March 2022	919	-	919
At 31 March 2023	550	-	550
	<hr/>		

The intangible assets with finite useful lives are amortised in accordance with the contract terms.

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21. OTHER ASSETS

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Non-current:</u>				
Deposits to secure services	12,412	9,323	-	-
Prepayments	398	244	-	-
	<u>12,810</u>	<u>9,567</u>	<u>-</u>	<u>-</u>
	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Current:</u>				
Deposits to secure services	4,495	459	6	100
Prepayments	4,750	3,774	114	563
	<u>9,245</u>	<u>4,233</u>	<u>120</u>	<u>663</u>

22. INVENTORIES

	Group	
	2023 \$'000	2022 \$'000
<hr/>		
Finished goods		
- at cost	197,497	170,935
- at net realisable value	34,127	40,264
Total finished goods at lower of cost and net realisable value	<u>231,624</u>	<u>211,199</u>
Inventories are stated after allowance.		
Movements in allowance:		
Balance at beginning of the year	15,848	13,610
Charged to profit or loss included in changes in inventories of finished goods	(720)	2,238
Balance at end of the year	<u>15,128</u>	<u>15,848</u>
The write-downs of inventories charged to profit or loss included in other losses (Note 7)		
Changes in inventories of finished goods – (increase)/decrease	<u>48</u>	<u>2,176</u>
	<u>(20,424)</u>	<u>3,240</u>

Notes to the Financial Statements

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23. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Trade receivables:</u>				
Outside parties	6,150	5,544	-	-
Associates	3	-	-	-
Subtotal	6,153	5,544	-	-
<u>Other receivables:</u>				
Subsidiaries	-	-	26,270	14,116
Associates (Note 3)	-	3	-	-
Other receivables	6,865	6,804	70	188
Subtotal	6,865	6,807	26,340	14,304
Total trade and other receivables	13,018	12,351	26,340	14,304

Trade and other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. Trade receivables comprises mainly creditworthy debtors with good payment record, NETS and credit card payments that will be settled in a few days and are considered to have low credit risk and customers which can be graded as low risk individually. Other receivables are normally with no fixed terms and therefore there is no maturity. Other receivables from the subsidiaries are regarded as of low credit risk if they are guaranteed by the parent or a related company with the ability to settle the amount. Other receivables at amortised cost and which can be graded as low risk individually are also considered to have low credit risk. No loss allowance is necessary.

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period. There are no collateral held as security and other credit enhancements for the trade receivables.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 30 to 60 days (2022: 30 to 60 days). But some customers take a longer period to settle the amounts.

Notes to the Financial Statements

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23. TRADE AND OTHER RECEIVABLES (CONT'D)

Concentration of the group's trade receivables as at the end of the reporting year:

	2023 \$'000	2022 \$'000
Top 1 debtor	3,463	3,151
Top 2 debtors	4,120	3,810
Top 3 debtors	4,354	4,403

24. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Not restricted in use	166,370	196,390	5,246	525
Restricted in use	114	30,130	-	-
	166,484	226,520	5,246	525

The interest earning balances are insignificant.

24A. Cash and cash equivalents in the Statement of cash flows:

	Group	
	2023 \$'000	2022 \$'000
As shown above	166,484	226,520
Restricted in use	(114)	(30,130)
Cash and cash equivalents for statement of cash flows purposes and at the end of the year	166,370	196,390

Notes to the Financial Statements

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24. CASH AND CASH EQUIVALENTS (CONT'D)

24B. Non-cash transactions:

Included in additions to property, plant and equipment, there were:

- (a) Amount of \$142,000 (2022: \$221,000) acquired by means of leases (Note 28).
- (b) Amount of \$859,000 (2022: \$727,000) being provision for dismantling and removing items and restoring site relating to property, plant and equipment capitalised (Note 27).

Included in additions to right-of-use assets, there were:

- (c) Amount of \$54,645,000 (2022: \$31,886,000) acquired by means of leases (Note 28).
- (d) Amount of \$96,000 (2022: \$584,000) being provision for dismantling and removing items and restoring site relating to right-of-use assets capitalised (Note 27).

24C. Reconciliation of liabilities arising from financing activities:

	2022 \$'000	Cash flows \$'000	Non-cash Changes \$'000		2023 \$'000
Group					
Other financial liabilities	46,984	(31,583)	(170)	(a)	15,231
Leases liabilities	97,584	(31,860)	42,740	(b)	108,464
Total liabilities from financing activities	144,568	(63,443)	42,570		123,695

	2021 \$'000	Cash flows \$'000	Non-cash Changes \$'000		2022 \$'000
Group					
Other financial liabilities	37,934	9,050	-	(a)	46,984
Lease liabilities	98,295	(34,339)	33,628	(b)	97,584
Total liabilities from financing activities	136,229	(25,289)	33,628		144,568

(a) Foreign exchange movements

(b) Acquisition and disposal of right-of-use assets and lease liabilities and foreign exchange movements.

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25. SHARE CAPITAL

	Group and Company	
	Number of shares issued	Share capital \$'000
<u>Ordinary shares of no par value:</u>		
Balance at 1 April 2021, 31 March 2022 and 31 March 2023	165,578,415	35,481

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.

In order to maintain its listing on the Singapore Stock Exchange, the company has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will automatically continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/adjusted capital. This ratio is calculated as net debt/adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

Notes to the Financial Statements

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25. SHARE CAPITAL (CONT'D)

	2023 \$'000	2022 \$'000
Net debt:		
All current and non-current borrowings including leases	123,695	144,568
Less: cash and cash equivalents	(166,370)	(196,390)
Net debt	(42,675)	(51,822)
Adjusted capital:		
Total equity	381,649	329,168
Debt-to-adjusted capital ratio	N.M.	N.M.

N.M. – Not meaningful as the total cash and cash equivalents is larger than borrowings.

26. OTHER RESERVES

	Group	
	2023 \$'000	2022 \$'000
Foreign currency translation reserve (Note 26A)	(8,511)	(1,025)
Statutory reserve (Note 26B)	1,388	1,381
Total at the end of the year	(7,123)	356

All reserves classified on the face of the statement of financial position as retained earnings represent past accumulated earnings and are distributable. The other reserves are not available for cash dividends unless realised.

Notes to the Financial Statements

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26. OTHER RESERVES (CONT'D)

26A. Foreign currency translation reserve

	Group	
	2023	2022
	\$'000	\$'000
At beginning of the year	(1,025)	1,073
Exchange differences on translating foreign operations	(7,486)	(2,098)
At end of the year	<u>(8,511)</u>	<u>(1,025)</u>

The foreign currency translation reserve accumulates all foreign exchange differences arising from the translation of financial statements of entities that are denominated in currencies other than the presentation currency of the company.

26B. Statutory reserve

	Group	
	2023	2022
	\$'000	\$'000
At beginning of the year	1,381	1,367
Transferred from profit and loss	7	14
At end of the year	<u>1,388</u>	<u>1,381</u>

This relates to legal reserve set aside for the subsidiaries in Taiwan and Thailand.

In accordance with the relevant laws and regulations in Taiwan, the subsidiary in Taiwan is required to set aside 10% of its distributable earnings as its legal reserve and it should not be used to distribute dividends.

In accordance with the relevant laws and regulations in Thailand, the subsidiaries in Thailand are required to set aside as a statutory reserve upon declaration of dividend at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The reserve is non-distributable.

Notes to the Financial Statements

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27. PROVISIONS

	Group	
	2023 \$'000	2022 \$'000
Provision for dismantling and removing (Note 27A)	3,992	3,406
Provision for employee benefit costs (Note 27B)	1,510	1,519
Total at the end of the year	5,502	4,925

27A. Provision for dismantling and removing

	Group	
	2023 \$'000	2022 \$'000
Provision for dismantling and removing items and restoring site relating to property, plant and equipment:		
Movements in above provision:		
At beginning of the year	3,406	3,534
Additions	955	1,311
Reversed during the year	(541)	(1,428)
Foreign exchange adjustments	172	(11)
At end of the year	3,992	3,406

The provision is based on the present value of costs to be incurred to remove leasehold improvements from leased property. The estimate is based on quotations from external contractors. The unexpired terms range from 3 years to 5 years. The unwinding of discount is not significant.

Notes to the Financial Statements

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27. PROVISIONS (CONT'D)

27B. Provision for employee benefit costs

The group maintains defined benefit scheme for employees in Thailand. The scheme is valued by management at the end of each year.

	Group	
	2023 \$'000	2022 \$'000
At beginning of the year	1,519	2,045
Periodic benefit costs/(reversal)	90	(180)
Paid during the year	(34)	(252)
Foreign exchange adjustments	(65)	(94)
At end of the year	1,510	1,519

The following table is a summary of the assumptions relating to the actuarial technique as at the statement of financial position date:

	Group	
	2023 \$'000	2022 \$'000
Discount rate (%)	ThaiBMA 2023	ThaiBMA 2022
Salary increase rate (%)	5%	3.00% – 5.00%
Employee turnover (%)	0% – 11.31%	0% – 11.11%
Mortality	105% of Thai mortality rate (TMO2017)	105% of Thai mortality rate (TMO2017)

The group has recorded provision for employee benefits as an expense in the statement of profit or loss in accordance with the terms outlined in the Labour Protection Act (No. 7), BE 2562 is announced in the Royal Gazette on 5 April 2021 to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, received severance payment of 400 days of wages in the most recent wage.

Notes to the Financial Statements

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28. FINANCIAL LIABILITIES - LEASE LIABILITIES

Lease liabilities are presented in the statement of financial position as follows:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Lease liabilities, current	32,765	27,194	67	12
Lease liabilities, non-current	75,699	70,390	69	-
	108,464	97,584	136	12

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets. The right-of-use assets are disclosed in Note 17.

Only variable lease payments that depend on an index or a rate; payments that vary to reflect changes in market rental rates are included in the measurement of the lease liability. Such variable amounts that are unpaid at the commencement date are included in the measurement of lease liability. Variable lease payments would also include extension options and termination options; residual value guarantees; and leases not yet commenced to which the lessee is committed. The variable lease payments based on revenue are recognised in profit or loss in the year in which the condition that triggers those payments occurs.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The incremental borrowing rate applied to lease liabilities recognised is 1.88% to 5.17% (2022: 2.26% to 6.34%) per year.

	Group	
	2023 \$'000	2022 \$'000
Net book value of plant and equipment under lease liabilities	999	1,359
Net book value of right-of-use assets under lease liabilities	105,155	95,000

Certain obligations under leases of \$452,000 (2022: \$588,000) are secured by a legal charge over the leased assets.

Notes to the Financial Statements

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28. FINANCIAL LIABILITIES - LEASE LIABILITIES (CONT'D)

	Company	
	2023	2022
	\$'000	\$'000
Net book value of plant and equipment under lease liabilities	466	217

Certain obligations under leases of \$141,000 (2022: \$12,000) are secured by a legal charge over the leased assets.

Total cash outflows for leases of the group for the year ended 31 March 2023 are shown in the consolidated statement of cash flows. A summary of the maturity analysis of lease liabilities is disclosed in Note 34E.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The future cash outflows commitments to which the lessee is potentially exposed are not reflected in the measurement of lease liabilities above. This includes exposure arising from: (1) variable lease payments; (2) extension options and termination options; (3) residual value guarantees; and (4) leases not yet commenced to which the lessee is committed.

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	Group	
	2023	2022
	\$'000	\$'000
Expense relating to short-term leases and leases of low-value assets included in rental expenses	1,063	448
Expense relating to variable lease payments not included in lease liabilities included in rental expenses	8,689	6,343

Notes to the Financial Statements

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29. OTHER FINANCIAL LIABILITIES

	Group	
	2023	2022
	\$'000	\$'000
<u>Non-current:</u>		
<u>Financial instruments with floating interest rates:</u>		
Bank loan A (Note 29A)	-	12,500
Bank loan B (Note 29B)	5,000	13,000
	5,000	25,500
<u>Current:</u>		
<u>Financial instruments with floating interest rates:</u>		
Bank loan A (Note 29A)	-	8,333
Bank loan B (Note 29B)	8,000	8,000
Bills payable (Note 29C)	2,231	5,151
	10,231	21,484
Total current and non-current	15,231	46,984

The ranges of floating interest rate paid were as follows:

	Group	
	2023	2022
Bank loans	4.75%	1.68% to 1.71%
Bills payable	3.06% to 4.75%	1.24% to 4.0%

29A. Bank loan A

The bank loan pertains to working capital loans and repayable by equal quarterly instalment over three years from 16 August 2021. These loans are covered by a corporate guarantee from the company. The loan has been repaid during the year.

The bank loans are at floating rates of interest. The fair value (Level 2) was a reasonable approximation of the carrying amount due to their short term nature or that they were floating rate instruments that were frequently re-priced to market interest rates.

Notes to the Financial Statements

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29. OTHER FINANCIAL LIABILITIES (CONT'D)

29B. Bank loan B

The bank loan pertains to working capital loans and repayable by equal quarterly instalment over three years from 24 September 2021. These loans are covered by a corporate guarantee from the company.

The bank loans are at floating rates of interest. The fair value (Level 2) is a reasonable approximation of the carrying amount due to their short term nature or that they are floating rate instruments that are frequently re-priced to market interest rates.

29C. Bills payable to banks

The bills payable to banks are covered by corporate guarantees from the company and a subsidiary.

30. TRADE AND OTHER PAYABLES

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Trade payables:</u>				
Outside parties and accrued liabilities	102,007	83,646	18,774	15,960
<u>Other payables:</u>				
Subsidiaries	-	-	-	82,487
Subtotal	-	-	-	82,487
Total trade and other payables	102,007	83,646	18,774	98,447

Notes to the Financial Statements

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31. OTHER LIABILITIES

	Group	
	2023	2022
	\$'000	\$'000
Deposits from customers – current	10,919	16,411
Deposits – non-current	182	190
Deposits from customers – non-current	2,729	5,167
	<u>2,911</u>	<u>5,357</u>

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting year:

	Group	
	2023	2022
	\$'000	\$'000
Expected to be recognised within 1 year	10,919	16,411
Expected to be recognised after 1 year but before 2 years	2,911	5,357
	<u>13,830</u>	<u>21,768</u>

32. CONTINGENT LIABILITIES

	Company	
	2023	2022
	\$'000	\$'000
Corporate guarantee given to bank in favour of subsidiaries ^(a)	249,575	246,467
Unsecured bank guarantee issued in favour of third parties	14,381	12,032
Undertaking to support subsidiaries with deficits	<u>73</u>	<u>86</u>

(a) A fee is not charged for these corporate guarantees and not recorded at the company level as the amount of the charge involved is not significant. It has no effect at the group level.

There are also corporate guarantees given to banks by a subsidiary in favour of other subsidiaries amounting to \$9,773,000 (2022: \$10,269,000) as at end of the year.

Notes to the Financial Statements

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33. COMMITMENTS

33A. Capital commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Commitment for renovation of outlets	119	2,403	-	-
Commitment for purchase of plant and equipment	998	522	-	522
	1,117	2,925	-	522

33B. Purchases commitments

	Group	
	2023 \$'000	2022 \$'000
Within 1 year	43,584	43,884
2 to 5 years	107,945	152,572
	151,529	196,456

In the financial year end 31 March 2021, pursuant to the acquisition of Sincere Watch Limited and its subsidiaries, the group acquired exclusive distribution agreements with a supplier, whereby the group is expected to make minimum purchases as shown above.

The supplier has the right to terminate the exclusive distribution agreements if the group fails to meet the minimum purchase requirements pursuant to the terms and conditions of the agreements.

Notes to the Financial Statements

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34. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS

34A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Financial assets:</u>				
Financial assets at amortised cost	179,502	238,871	31,592	14,829
At end of the year	179,502	238,871	31,592	14,829
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	225,702	228,214	18,910	98,459
At end of the year	225,702	228,214	18,910	98,459

Further quantitative disclosures are included throughout these financial statements.

34B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not formally documented in written form. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risk for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following acceptable market practices.
5. When appropriate consideration is given to entering into derivatives or any other similar instruments solely for hedging purposes.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

Notes to the Financial Statements

31 MARCH 2023

34. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

34C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

34D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses (ECL) on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

Notes to the Financial Statements

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34. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

34E. Liquidity risk – financial liabilities maturity analysis

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than 1 year \$'000	2 - 5 years \$'000	Over 5 years \$'000	Total \$'000
Group				
Non-derivative financial liabilities:				
<u>2023:</u>				
Gross borrowings commitments	10,706	5,095	–	15,801
Gross lease liabilities	36,054	76,133	3,460	115,647
Trade and other payables	102,007	–	–	102,007
At end of the year	148,767	81,228	3,460	233,455
<u>2022:</u>				
Gross borrowings commitments	26,655	21,323	–	47,978
Gross lease liabilities	30,503	69,828	3,153	103,484
Trade and other payables	83,646	–	–	83,646
At end of the year	140,804	91,151	3,153	235,108
	Less than 1 year \$'000	2 - 5 years \$'000	Over 5 years \$'000	Total \$'000
Company				
Non-derivative financial liabilities:				
<u>2023:</u>				
Gross lease liabilities	71	71	–	142
Trade and other payables	18,774	–	–	18,774
At end of the year	18,845	71	–	18,916
<u>2022:</u>				
Gross lease liabilities	12	–	–	12
Trade and other payables	98,447	–	–	98,447
At end of the year	98,459	–	–	98,459

Notes to the Financial Statements

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34. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

34E. Liquidity risk – financial liabilities maturity analysis (cont'd)

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

Financial guarantee contracts - For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the reporting year no claims on the financial guarantees are expected to be payable (See Note 32).

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 to 90 days (2022: 30 to 90 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary. In order to meet such cash commitments the operating activity and undrawn borrowing facilities are expected to generate sufficient cash inflows.

	Group	
	2023	2022
	\$'000	\$'000
<hr/>		
<u>Bank Facilities:</u>		
Undrawn borrowing facilities	229,853	172,274

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

Notes to the Financial Statements

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34. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

34F. Interest rate risk

The interest rate risk exposure is mainly from changes in fixed rate and floating interest rates and it mainly concerns financial liabilities. The interest from financial assets including cash balances is not significant.

The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Financial liabilities:</u>				
Fixed rate	108,464	97,584	136	12
Floating rate	15,231	46,984	-	-
At end of the year	123,695	144,568	136	12

The floating rate debt instruments are with interest rates that are re-set regularly at one, three or six month intervals. The interest rates are disclosed in the relevant notes.

Sensitivity Analysis:

	Group	
	2023 \$'000	2022 \$'000
<u>Financial liabilities:</u>		
A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would have an increase/decrease in pre-tax profit for the year by	152	470

The analysis has been performed for floating interest rate over a year for financial instruments. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

In management's opinion, the above effective interest rates are unrepresentative of the inherent interest risks as the historical exposure does not reflect the exposure in the future.

The effect on pre-tax profit is not significant for the company.

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34. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

34G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, ie in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

Analysis of significant amounts denominated in non-functional currencies of respective entities in the group:

	Singapore Dollars \$'000	Swiss Franc \$'000	Malaysia Ringgit \$'000	Others \$'000	Total \$'000
Group					
<u>2023:</u>					
<u>Financial assets:</u>					
Cash	2,429	8,730	12	3	11,174
Total financial assets	2,429	8,730	12	3	11,174
<u>Financial liabilities:</u>					
Trade and other payables	3,546	49,112	21	134	52,813
Total financial liabilities	3,546	49,112	21	134	52,813
Net financial liabilities at end of the year	(1,117)	(40,382)	(9)	(131)	(41,639)
Group					
<u>2022:</u>					
<u>Financial assets:</u>					
Cash	2,414	4,774	13	5	7,206
Loans and receivables	30	437	-	-	467
Total financial assets	2,444	5,211	13	5	7,673
<u>Financial liabilities:</u>					
Trade and other payables	2,614	34,035	-	-	36,649
Total financial liabilities	2,614	34,035	-	-	36,649
Net financial (liabilities)/assets at end of the year	(170)	(28,824)	13	5	28,976

There is exposure to foreign currency risk as part of its normal business activities.

Notes to the Financial Statements

31 MARCH 2023

34. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

34G. Foreign currency risks (cont'd)

	2023 \$'000	2022 \$'000
A hypothetical 10% strengthening in exchange rate of functional currency \$ against Swiss Franc with all other variables held constant would have a favourable effect on post-tax profit of:	4,038	2,882

The above table shows sensitivity to the hypothetical percentage variations in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each non-functional currency to which the entity has significant exposure at end of the reporting year. The analysis above has been carried out on the basis that there are no hedged transactions.

The company does not have any financial assets and financial liabilities amounts denominated in non-functional currency.

Notes to the Financial Statements

31 MARCH 2023

35. EVENTS AFTER THE END OF REPORTING YEAR

(a) Transfer of subsidiary

On 1 April 2023, Sincere Watch Pty Limited a wholly-owned subsidiary of Sincere Watch Limited was transferred to the Company. Consequently, Sincere Watch Pty Limited has changed its name to Cortina Watch Pty Limited.

(b) Cybersecurity incident

On 6 June 2023, the Group announced on SGX of a cybersecurity incident. This was a sophisticated cyber-attack where an unknown party gained unauthorised access to one of the Group's servers and encrypted the information therein. The Group had also reported the matter to the relevant authorities, including the Singapore Police Force and the Personal Data Protection Commission. The Group engaged an external consultant to assist with the containment and remedial efforts.

At the date of approval of these financial statements, the investigations on the cybersecurity incident are still ongoing.

(c) Litigation proceeding in Hong Kong

On 28 June 2023, the Board of Directors of the Group announced that Sincere Brand Management Limited ("SBML") has commenced proceedings against our Group in the High Court of the Hong Kong Special Administrative Region (the "HK High Court") by the issuance of a Writ of Summons (the "Writ"); and by way of an Originating Summons (the "Originating Summons").

The Group has been granted the exclusive right to distribute, promote, and sell timepieces, watch accessories and spare parts bearing the "Franck Muller" and "Franck Muller Geneve" trademarks (the "Trademarks") (the "Products"), together with the right to use the Trademarks exclusively in connection with the promotion and sale of the Products within the Hong Kong Special Administrative Region, the Macao Special Administrative Region, Taiwan (Republic of China) and the People's Republic of China (the "Territory") by GFM Watchland SA ("GFM"). GFM has represented to us that the owner of the Trademarks had granted GFM the sole mandate for the world-wide distribution rights for "Franck Muller" watches; and as such GFM has the right to mandate sub-distributors for the Products for such countries as it chooses.

SBML alleges in the Writ that, by an exclusive distributorship agreement (the "EDA") with Multicontinental Distribution (Asia) DMCC ("MDA"), it is the exclusive distributor of the Products with the exclusive right to distribute, promote and sell the Products, together with the right to use the Trademarks in connection with the promotion and sale of the Products in the Territory. SBML states in the Writ that MDA wrote to SBML "purporting to terminate" the EDA, and alleges that the grounds of termination that MDA had relied on were invalid.

As at the date of approval of these financial statements, the above proceedings are still ongoing and it is premature to predict and the Group cannot reliably determine the eventual outcome of these claims. In addition, the timeline for resolution of these claims cannot be determined presently.

Notes to the Financial Statements

31 MARCH 2023

36. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the current reporting year new or revised financial reporting standards were issued by the Accounting Standards Committee under ACRA. Those applicable to the reporting entity are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

SFRS (I) No.	Title
SFRS (I) 3	Definition of a Business - Reference to the Conceptual Framework
Various	Annual Improvements to SFRS (I)s 2018-2020 - Amendments to SFRS(I) 1 First-time Adoption of SFRS(I); IFRS 9 Financial Instruments; SFRS(I) 16 Leases, and ;SFRS(I) 1-41 Agriculture

37. NEW OR AMENDED STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

For the future reporting years certain new or revised financial reporting standards were issued by the Accounting Standards Committee under ACRA and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

SFRS (I) No.	Title	Effective date for periods beginning on or after
SFRS (I) 1-1	Disclosure of Accounting Policies - Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2 Making Materiality Judgements	1 Jan 2023
SFRS (I) 1-8	Definition of Accounting Estimates	1 Jan 2023
SFRS (I) 1-12 and SFRS (I) 1	Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments	1 Jan 2023
SFRS (I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 Jan 2024
SFRS (I)10 and SFRS (I) 1-28	Sale or Contribution of Assets between and Investor and its Associate or Joint Venture	To be determined

Shareholding Statistics

AS AT 15 JUNE 2023

Number of issued Shares	:	165,578,415
Number of treasury shares	:	Nil
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	2	0.46	60	0.00
100 – 1,000	101	23.43	65,700	0.04
1,001 – 10,000	247	57.31	1,079,100	0.65
10,001 – 1,000,000	68	15.78	4,273,900	2.58
1,000,001 and above	13	3.02	160,159,655	96.73
Total	431	100.00	165,578,415	100.00

No.	Name	No. of Shares	%
1	LIM KEEN BAN HOLDINGS PTE LTD	52,657,490	31.80
2	HENRY TAY YUN CHWAN	21,038,700	12.71
3	MING YAW PTE LTD	19,803,935	11.96
4	PHILLIP SECURITIES PTE LTD	10,051,700	6.07
5	YU CHUEN TEK	9,335,015	5.64
6	RENNICK PTE LTD	7,310,000	4.42
7	CITIBANK NOMS SPORE PTE LTD	7,174,040	4.33
8	FOO SEE JIN MICHAEL	7,107,320	4.29
9	YU LEE CHIUN	6,880,010	4.16
10	YU YUNG TEK	6,880,010	4.16
11	RAFFLES NOMINEES(PTE) LIMITED	5,519,100	3.33
12	DBS NOMINEES PTE LTD	3,631,700	2.19
13	LONG AH HIAN	2,770,635	1.67
14	HUI YI WAN	600,000	0.36
15	CHEAH YOK KIAN	350,000	0.21
16	TAN SOO YONG	250,000	0.15
17	PATRICK NG BEE SOON	250,000	0.15
18	LOH YONG HUAT	200,000	0.12
19	JEREMY TAN JUN DA	188,200	0.11
20	SEOW KHOW HO CATHERINE @SEOW KHOW HOE	161,900	0.10
	Total	162,159,755	97.93

Shareholding Statistics

AS AT 15 JUNE 2023

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 15 June 2023, approximately 20.78% of the issued ordinary shares of the Company are held by the public and therefore Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

SUBSTANTIAL SHAREHOLDERS

	Direct Interests		Deemed interests	
	No. of Shares	%	No. of Shares	%
Lim Keen Ban Holdings Pte Ltd	52,657,490	31.80	-	-
LKB Private Trust Company Limited ⁽¹⁾			52,657,490	31.80
Lim Keen Ban ⁽²⁾⁽³⁾	-	-	72,461,425	43.76
Chia Nyok Song@Cheah Yoke Heng ⁽²⁾⁽³⁾	-	-	72,461,425	43.76
Lim Jit Ming ⁽²⁾⁽³⁾	-	-	72,461,425	43.76
Lim Jit Yaw ⁽²⁾⁽³⁾	-	-	72,461,425	43.76
Lim Yin Chian ⁽²⁾⁽³⁾	-	-	72,461,425	43.76
Henry Tay Yun Chwan	21,038,700	12.71	-	-
Ming Yaw Pte Ltd	19,803,935	11.96	-	-
Yu Chuen Tek ⁽⁴⁾	9,335,015	5.64	7,428,000	4.49
Maria Norma D Yu ⁽⁴⁾	118,000	0.07	16,645,015	10.05

Notes:

- (1) LKB Private Trust Company Limited ("PTC") is trustee of a trust constituted by Mr Lim Keen Ban, Mdm Chia Nyok Song@Cheah Yoke Heng, Mr Lim Jit Ming, Mr Lim Jit Yaw and Ms Lim Yin Chian which holds all the shares in Lim Keen Ban Holdings Pte Ltd and is deemed to be interested in the shares in the Company held by Lim Keen Ban Holdings Pte Ltd.
- (2) Mr Lim Keen Ban, Mdm Chia Nyok Song@Cheah Yoke Heng, Mr Lim Jit Ming, Mr Lim Jit Yaw and Ms Lim Yin Chian are deemed interested in the 52,657,490 shares held by Lim Keen Ban Holdings Pte Ltd. through PTC.
- (3) In addition, Mr Lim Keen Ban, Mdm Chia Nyok Song@Cheah Yoke Heng, Mr Lim Jit Ming, Mr Lim Jit Yaw and Ms Lim Yin Chian are deemed to be interested in the 19,803,935 shares held by Ming Yaw Pte Ltd.
- (4) Mr Yu Chuen Tek is the spouse of Mdm Maria Norma D Yu. Both jointly owned Rennick Pte Ltd. Mr Yu Chuen Tek is deemed to be interested in the 118,000 shares held by Mdm Maria and 7,310,000 shares held by Rennick Pte Ltd. Mdm Maria is deemed to be interested in the 9,335,015 shares held by Mr Yu and 7,310,000 shares held by Rennick Pte Ltd.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Cortina Holdings Limited will be held at York Hotel, 21 Mount Elizabeth, Singapore 228516 on Friday, 28 July 2023 at 9.00 a.m. to transact the following businesses:-

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements and Directors' Statement for the financial year ended 31 March 2023 together with the Auditors' Report thereon. **(Resolution 1)**
2. To declare a final one-tier tax exempt dividend of 2 cents per share and a special one-tier tax exempt dividend of 14 cents per share for the financial year ended 31 March 2023 (2022: a final one-tier tax exempt dividend of 2 cents per share, a special one-tier tax exempt dividend of 5 cents per share and a special 50th anniversary one-tier tax exempt dividend of 5 cents per share). **(Resolution 2)**
3. To approve the Directors' Fee of S\$725,875 for the financial year ending 31 March 2024 (2023: S\$725,875). **(Resolution 3)**
4. To re-elect the following Directors who will retire by rotation pursuant to Article 91 of the Company's Constitution and whom being eligible, are offering themselves for re-election:

(i) Mr Lim Jit Ming	(Resolution 4)
(ii) Mr Chin Sek Peng Michael	(Resolution 5)
(iii) Mr Foo See Jin	(Resolution 6)
	(See Explanatory Note 1)
5. To re-appoint RSM Chio Lim LLP as Auditors of the Company to hold office until the next Annual General Meeting of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:

6. Authority to allot and issue shares

"That, pursuant to Section 161 of the Companies Act 1967, and the listing rules of the Singapore Exchange Securities Trading Limited, approval be and is hereby given to the Directors of the Company at any time to:

- (a) (i) issue shares of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

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; and

Notice of Annual General Meeting

- (b) (Notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the authority was in force, provided always that:
- (i) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings), and for the purpose of this Resolution, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be the Company's total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
- (A) new shares arising from the conversion or exercise of convertible securities, and
- (B) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST, and
- (C) any subsequent bonus issue, consolidation or subdivision of the Company's shares,
- and adjustments in accordance with (A) or (B) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this resolution, and
- (ii) such authority shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.”
- (Resolution 8)**
(See Explanatory Note 2)

ANY OTHER BUSINESS

7. To transact any other business that may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Foo Soon Soo
Company Secretary

12 July 2023

Notice of Annual General Meeting

Explanatory Notes

1. Mr Lim Jit Ming will, upon being re-elected as a Director of the Company, remain as Senior Executive Director and Group CEO of the Company.

Mr Chin Sek Peng Michael will, upon being re-elected as a Director of the Company, remain as Lead Independent Director, Chairman of the Audit Committee and Member of the Nominating Committee. Mr Chin Sek Peng Michael is considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

Mr Foo See Jin will, upon being re-elected as an Independent Director of the Company, remain as Member of the Remuneration Committee.

Detailed information on Mr Lim Jit Ming, Mr Chin Sek Peng Michael and Mr Foo See Jin can be found under the “Board of Directors” section in the Company’s Annual Report 2023.

2. Resolution 8, if passed, will empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company of which the total number of shares and convertible securities issued other than on a pro rata basis to existing shareholders shall not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time the Resolution is passed, for such purposes as they consider would be in the interests of the Company. The total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company for this purpose shall be the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed (after adjusting for new shares arising from the conversion of convertible securities or share options on issue at the time this Resolution is passed and any subsequent bonus issues, consolidation or subdivision of the Company’s shares). This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

NOTES:

Submission of proxies

1. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member’s form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
2. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member’s form of proxy appoints more than two proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967.

3. A proxy need not be a member of the Company.
4. The proxy form (a copy of which is attached hereto), duly completed and signed, must be submitted by:
 - (i) mail or deposit at the share registrar’s office at 1 Raffles Place #04-63, One Raffles Place (Tower 2), Singapore 048616; or
 - (ii) email to cortina-agm@kckcs.com.sg (a clear scanned signed form in PDF)

not later than 9.00 am. on 26 July 2023, being 48 hours before the time fixed for the meeting.

Notice of Annual General Meeting

5. The instrument appointing a proxy/proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy/proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
6. In the case of members whose shares are entered against their names in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act 2001 of Singapore), the Company may reject the form of proxy submitted if such members' names do not appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the Annual General Meeting.
7. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the Annual General Meeting in person if appointed as proxy of his/her CPF and/or SRS Approved Nominee. CPF and SRS Investors who are unable to attend the Annual General Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Annual General Meeting.

Submission of questions

8. Members, CPF Investors and SRS Investors may submit substantial and relevant questions related to the resolutions to be tabled at the Annual General Meeting ahead of the meeting by email to cortina-agm@kckcs.com.sg or by post to the share registrar's office at 1 Raffles Place #04-63, One Raffles Place (Tower 2), Singapore 048616 by 9.00 a.m. on 20 July 2023.
9. The Company will endeavour to address all substantial and relevant questions if received by the prescribed deadline in paragraph 8 above and post the answers on SGXNet and the Company's website by 9.00 a.m. on 24 July 2023. For substantial and relevant questions received after the prescribed deadline, the Company will endeavour to address them together with questions raised at the Annual General Meeting. Where substantially similar questions are received, they will be consolidated and not all questions may be individually addressed.

Minutes of Annual General Meeting

10. The minutes of the Annual General Meeting together with the responses to the substantial and relevant question(s) by the shareholders not already answered and announced, will be posted on the SGXNet and the Company's website within one month after the date of the Annual General Meeting.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Notice of Annual General Meeting

NOTICE OF BOOKS CLOSURE DATE

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Cortina Holdings Limited (the “**Company**”) will be closed on 7 August 2023 after 5.00 p.m. for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company’s Share Registrar, KCK CorpServe Pte. Ltd., 1 Raffles Place #04-63, One Raffles Place (Tower 2), Singapore 048616 up to 5.00 p.m. on 7 August 2023 will be registered to determine shareholders’ entitlements to the proposed final and special dividends. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares of the Company as at 5.00 p.m. on 7 August 2023 will be entitled to the proposed final and special dividends.

The proposed final and special dividends, if approved by shareholders at the Annual General Meeting to be held on 28 July 2023 will be paid on 18 August 2023.

BY ORDER OF THE BOARD

Foo Soon Soo
Company Secretary

12 July 2023

CORTINA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Registration No. 197201771W

Proxy Form ANNUAL GENERAL MEETING

IMPORTANT

1. This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. A CPF or SRS investor may attend and cast his/her vote(s) at the Annual General Meeting in person if appointed as proxy of his/her CPF and/or SRS Approved Nominee. CPF and SRS Investors who are unable to attend the Annual General Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Annual General Meeting.

PERSONAL DATA PRIVACY

3. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 12 July 2023.

I/We, _____

of _____

being a member/members of Cortina Holdings Limited (the “Company”), hereby appoint.

Name	Address	NRIC/Passport No.	Proportion of Shareholdings to be represented by proxy (%)
and/or (delete as appropriate)			

as my/our proxy/proxies, to vote for me/us on my/our behalf at the Annual General Meeting (“AGM”) of the Company to be held at York Hotel, 21 Mount Elizabeth, Singapore 228516 on Friday, 28 July 2023 at 9.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or abstain from voting on the resolutions to be proposed at the AGM in the spaces provided hereunder. If no specified directions as to voting are given, the proxy/proxies will vote or abstain from voting at his/her discretion.

Please indicate your vote “For” or “Against” or “Abstain” with a tick [√] or cross (x) within the box provided.

No.	Ordinary Resolutions	No. of Votes or to indicate with a tick [√] or cross (x) ¹		
		For	Against	Abstain
	Ordinary Business			
1.	To receive and adopt the Audited Financial Statements of the Company			
2.	To approve final and special dividends for the financial year ended 31 March 2023			
3.	To approve Directors’ fee for the financial year ending 31 March 2024			
4.	To re-elect Mr Lim Jit Ming as Director			
5.	To re-elect Mr Chin Sek Peng Michael as Director			
6.	To re-elect Mr Foo See Jin as Director			
7.	To re-appoint RSM Chio Lim LLP as Auditors of the Company			
	Special Business			
8.	To authorize Directors to issue and allot shares pursuant to Section 161 of the Companies Act 1967			

¹ All resolutions would be put to vote by poll in accordance with the listing rules of Singapore Exchange Securities Limited.

Please tick [√] or cross (x) or indicate the number of votes within the box provided. A tick or cross would represent you are exercising all your votes “For” or “Against” or “Abstain” from voting on the relevant resolution.

Dated this _____ day of _____ 2023

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

Total Number of Shares Held



IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THIS PROXY FORM

NOTES:

1. A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
2. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 (the "Companies Act").
3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy/proxies, duly completed and signed, must be submitted by:
 - (i) mail or deposit at the share registrar's office at 1 Raffles Place #04-63, One Raffles Place (Tower 2), Singapore 048616; or
 - (ii) email to cortina-agm@kckcs.com.sg (a clear scanned signed form in PDF)not later than 48 hours before the time fixed for the meeting.
5. The instrument appointing a proxy/proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy/proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
6. In the case of members whose shares are entered against their names in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act 2001 of Singapore), the Company may reject the form of proxy submitted if such members' names do not appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the Annual General Meeting.
7. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast his/her vote(s) at the meeting in person if appointed as proxies by their respective CPF and SRS Approved Nominees or SRS Operators. CPF and SRS Investors who are unable to attend the meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the meeting.
8. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the meeting. Any appointment of a proxy/proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the meeting.
9. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with its Constitution and Section 179 of the Companies Act.
10. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she should insert that number of shares. If the member has shares registered in his/her name in the Register of Members (maintained by or on behalf of the Company), he/she should insert that number of shares. If the member has shares entered against his/her name in the Depository Register and shares registered in his name in the Register of Members of the Company, 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 of the Company.
11. Personal data privacy: By submitting this instrument of proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.

Fold here

AFFIX
STAMP

The Share Registrar
CORTINA HOLDINGS LIMITED
c/o 1 Raffles Place
#04-63 One Raffles Place (Tower 2)
Singapore 048616

Corporate Listings

Corporate Office

Cortina Holdings Limited

391B Orchard Road
 #18-01, Ngee Ann City Tower B
 Singapore 238874
 Tel: (65) 6339 9447
 Fax: (65) 6336 4939

SINGAPORE

Office

Cortina Watch Pte Ltd

391B Orchard Road
 #18-01, Ngee Ann City Tower B
 Singapore 238874
 Tel: (65) 6339 9447
 Fax: (65) 6336 4939 / 6336 7913
www.cortinawatch.com

Sincere Watch Limited

391B Orchard Road
 #21-01, Ngee Ann City Tower B
 Singapore 238874
 Tel: (65) 6737 4592
 Fax: (65) 6235 0172 / 6733 0923
www.sincere.com.sg
www.sincerewatch.com

Distribution Division

Chronoswiss Asia Pte Ltd

391B Orchard Road
 #21-01, Ngee Ann City Tower B
 Singapore 238874
 Tel: (65) 6339 9447
 Fax: (65) 6271 4711

Franck Muller Pte Ltd

391B Orchard Road
 #21-03, Ngee Ann City Tower B
 Singapore 238874
 Tel: (65) 6317 2938
 Fax: (65) 6884 6751

Pacific Time Pte Ltd

391B Orchard Road
 #21-01, Ngee Ann City Tower B
 Singapore 238874
 Tel: (65) 6339 9447
 Fax: (65) 6271 4711

Multi-Brands

Cortina Watch Capitol Singapore

15 Stamford Road
 #01-77/78/79/80
 Singapore 178906
 Tel: (65) 6384 3250
 Fax: (65) 6384 4143

Cortina Watch Mandarin Gallery

333A Orchard Road
 #01-07
 Singapore 238897
 Tel: (65) 6732 0892
 Fax: (65) 6732 0796

Cortina Watch Paragon

290 Orchard Road
 #01-13
 Singapore 238859
 Tel: (65) 6235 0084
 Fax: (65) 6738 1641

Corporate Listings

SINGAPORE

Multi-Brands

**Cortina Watch
Raffles City**

252 North Bridge Road
#01-36/36A/36B/37
Singapore 179103
Tel: (65) 6339 9185
Fax: (65) 6339 1566

**Sincere Fine Watches
Suntec City Mall**

3 Temasek Boulevard
#01-352 /356/358/360
Singapore 038983
Tel: (65) 6337 5150
Fax: (65) 6336 5296

**Sincere Fine Watches
Takashimaya S.C.**

391 Orchard Road
#01-12
Singapore 238872
Tel: (65) 6733 0618
Fax: (65) 6235 1204

**Sincere Fine Watches
The Shoppes At Marina Bay Sands**

2 Bayfront Avenue
#B2M-202
Singapore 018972
Tel: (65) 6634 9782
Fax: (65) 6688 7563

Specialist

**Patek Philippe
by Cortina Watch
ION Orchard**

2 Orchard Turn
#02-01/02/03
Singapore 238801
Tel: (65) 6509 9238
Fax: (65) 6509 9239

**Bell & Ross
by Sincere Watch
The Shoppes At Marina Bay Sands**

2 Bayfront Avenue
#B2M-203
Singapore 018972
Tel: (65) 6688 7175
Fax: (65) 6688 7563

**Tag Heuer Boutique
by Sincere Watch
The Shoppes At Marina Bay Sands**

2 Bayfront Avenue
#B2M-244
Singapore 018972
Tel: (65) 6688 7138
Fax: (65) 6688 7139

**Patek Philippe
by Cortina Watch
The Shoppes At Marina Bay Sands**

2 Bayfront Avenue
#B2-239
Singapore 018972
Tel: (65) 6688 7008
Fax: (65) 6688 7800

**Franck Muller
by Sincere Watch
The Shoppes At Marina Bay Sands**

2 Bayfront Avenue
#01-55/55A
Singapore 018972
Tel: (65) 6634 8825
Fax: (65) 6634 8845

**Tudor Boutique
by Sincere Watch
The Shoppes At Marina Bay Sands**

2 Bayfront Avenue
#B2M-201
Singapore 018972
Tel: (65) 6688 7170
Fax: (65) 6688 7164

**Tudor Boutique
by Cortina Watch
Raffles City**

252 North Bridge Road
#01-37C
Singapore 179103
Tel: (65) 6339 9185
Fax: (65) 6339 1566

**Franck Muller
by Sincere Watch
ION Orchard**

2 Orchard Turn
#02-07A
Singapore 238801
Tel: (65) 6970 2655
Fax: (65) 6970 0965

Corporate Listings

MALAYSIA

Office

Cortina Watch Sdn Bhd

Suite 2206, 22nd Floor
MailBox: CP31, Wisma Chuang
34 Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia
Tel: (603) 2148 8354 / 2148 2814
Fax: (603) 2145 1866

Sincere Watch Sdn Bhd

22.03 & 22.04, 22nd Floor
MailBox: CP18, Wisma Chuang
34 Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia
Tel: (603) 2168 2700
Fax: (603) 2168 2701

Multi-Brands

Cortina Watch Imago Shopping Mall

Lot G-09 & G-10A
Imago Shopping Mall
KK Times Square Phase 2
Off Coastal Highway
88100 Kota Kinabalu, Sabah
Malaysia
Tel: (608) 8277 818 / 8277 218
Fax: (608) 8277 318

Cortina Watch The Starhill

UG29, Upper Ground
181 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia
Tel: (603) 2144 1188 / 2144 2188
Fax: (603) 2144 3188

Cortina Watch Suria KLCC

Lot 110, First Floor
Kuala Lumpur City Centre
50088 Kuala Lumpur
Malaysia
Tel: (603) 2164 5175 / 2166 6355
Fax: (603) 2166 5575

Cortina Watch Gurney Plaza

170-G-02, Ground Floor
Gurney Plaza, Persiaran Gurney
10250 Penang
Malaysia
Tel: (604) 227 1026 / 227 1239
Fax: (604) 227 0871

Sincere Fine Watches Fahrenheit 88

G03, Ground Floor
179 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia
Tel: (603) 4811 8198

Sincere Fine Watches Pavilion Kuala Lumpur

Lot 2.09.01A, Level 2
168 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia
Tel: (603) 2141 8418
Fax: (603) 2141 8419

Sincere Fine Watches Suria KLCC

Lot G03L, Ground Floor
Kuala Lumpur City Centre
50088 Kuala Lumpur
Malaysia
Tel: (603) 2166 2181
Fax: (603) 2166 2182

Corporate Listings

MALAYSIA

Specialist

**Patek Philippe
by Cortina Watch
Suria KLCC**
G43 & G43B-C, Ground Floor
Kuala Lumpur City Centre
50088 Kuala Lumpur
Malaysia
Tel: (603) 2161 3611
Fax: (603) 2161 3911

**Rolex
by Cortina Watch
The Starhill**
UG30, Upper Ground
181 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia
Tel: (603) 2144 1811 / 2144 3811
Fax: (603) 2144 1899

**Patek Philippe
by Cortina Watch
JW Marriott**
LL1, Main Lobby
JW Marriott Hotel Kuala Lumpur
183 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia
Tel: (603) 2144 7833
Fax: (603) 2144 7877

**TAG Heuer
by Cortina Watch
Suria KLCC**
Lot 105B, First Floor
Kuala Lumpur City Centre
50088 Kuala Lumpur
Malaysia
Tel: (603) 2164 2118
Fax: (603) 2164 4118

**Franck Muller
by Sincere Watch
Pavilion Kuala Lumpur**
Lot 2.09.01, Level 2
168 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia
Tel: (603) 2141 5410
Fax: (603) 2141 5413

THAILAND

Office

Cortina Watch (Thailand) Co., Ltd
26/50, 14th Floor, Orakarn Building
Soi Chidlom, Ploenchit Road, Lumpini
Pathumwan, Bangkok 10330
Thailand
Tel: (66) 2254 1031
Fax: (66) 2254 1030

Pendulum Ltd.
518/5 Maneeya Center, 9/F
Ploenchit Road, Lumpini
Patumwan, Bangkok 10330
Thailand
Tel: (66) 2254 8371
Fax: (66) 2254 8370

Multi-Brands

**Cortina Watch
Central Plaza Ladprao**
Room 103, First Floor
1697 Phahonyothin Road
Chatuchak, Bangkok 10900
Thailand
Tel: (66) 2937 0890

**Cortina Watch
Mandarin Oriental Bangkok**
Unit D, F, G, Ground Floor
Author's Wing Building
48 Soi Burapa, Charoenkrung Road
Bangrak, Bangkok 10500
Thailand
Tel: (66) 2266 8915

**Pendulum
Central Festival Chiangmai**
Unit 135/1-2, 1/F, 99-99/1-2
Moo 4 Faham Muang Chiangmai
Chiangmai 50000
Thailand
Tel: (66) 5200 1295
Fax: (66) 5200 1298

**Pendulum
Central World**
Unit A105, 1/F, 4,4/1-4/2,4/4
Rajdamri Road, Patumwan
Bangkok 10330
Thailand
Tel: (66) 2252 4494
Fax: (66) 2252 4492

Corporate Listings

THAILAND

Multi-Brands

**Pendulum
Siam Paragon**
Unit 106, 1/F
991 Rama 1 Road
Patumwan, Bangkok 10330
Thailand
Tel: (66) 2610 9423
Fax: (66) 2610 9424

Specialist

**Cartier
by Cortina Watch
Central Embassy**
G01-13, Ground Floor
1031 Ploenchit Road, Lumpini
Pathumwan, Bangkok 10330
Thailand
Tel: (66) 2160 5636

**Patek Philippe
by Cortina Watch
Central Embassy**
L1-04-05, Level 1
1031 Ploenchit Road, Lumpini
Pathumwan, Bangkok 10330
Thailand
Tel: (66) 2160 5724

**Breitling
by Pendulum
Siam Paragon**
Unit 252, 2/F
991 Rama 1 Road
Patumwan, Bangkok 10330
Thailand
Tel: (66) 2481 9260

**Franck Muller Boutique
by Pendulum
Siam Paragon**
Unit M 45A, M/F, 991 Rama 1 Road
Patumwan, Bangkok 10330
Thailand
Tel: (66) 2127 0229
Fax: (66) 2610 9424

TAIWAN

Office

Cortina Watch TW Pte Ltd
9F, No. 97, Songren Road,
Xinyi District, Taipei City 110
Taiwan, Republic of China
Tel: (886) 2 8780 5088
Fax: (886) 2 8780 2090

Multi-Brands

**Cortina Watch
Hotel Royal Nikko Taipei**
No. 37-1, Section 2
Zhongshan North Road, Taipei City 104
Taiwan, Republic of China
Tel: (886) 2 2563 3538
Fax: (886) 2 2563 7698

**Cortina Watch
E Sky Mall**
1F, No. 115 Dashun 1st Road
Kaohsiung City 804
Taiwan, Republic of China
Tel: (886) 7 556 6738
Fax: (886) 7 556 6737

Specialist

**Patek Philippe
by Cortina Watch
Taipei 101 Mall**
2F, No. 45 City Hall Road, Taipei City 110
Taiwan, Republic of China
Tel: (886) 2 8101 8201
Fax: (886) 2 8101 8222

**IWC
by Cortina Watch
E Sky Mall**
1F, No. 115 Dashun 1st Road
Kaohsiung City 804
Taiwan, Republic of China
Tel: (886) 7 556 1378
Fax: (886) 7 556 1365

**Panerai
by Cortina Watch
E Sky Mall**
1F, No. 115, Dashun 1st Road
Kaohsiung City 804
Taiwan, Republic of China
Tel: (886) 7 556 1538
Fax: (886) 7 556 153

Corporate Listings

HONG KONG

Office

Cortina Watch HK Limited

3/F Wing Cheong House
53 Queen's Road Central
Central, Hong Kong
Tel: (852) 2537 6236
Fax: (852) 2537 9612

Franck Muller (HK) Limited

Unit A1, 22/F, NCB Innovation Centre
888 Lai Chi Kok Road
Kowloon, Hong Kong
Tel: (852) 2158 4300

Specialist

**Patek Philippe
by Cortina Watch**

International Finance Centre
Level 2, Shop 2058
8 Finance Street
Central, Hong Kong
Tel: (852) 2522 0645
Fax: (852) 2522 8898

Franck Muller

Ocean Terminal
Level 2 OT 285
Harbour City, Kowloon
Hong Kong
Tel: (852) 3108 4990
Fax: (852) 3108 4990

INDONESIA

Specialist

**Patek Philippe
by Cortina Watch
Plaza Indonesia**

Level 1, #34-38
Jalan M.H. Thamrin Kav 28 - 30
Jakarta 10350
Indonesia
Tel: (6221) 2992 4555
Fax: (6221) 2992 4333

AUSTRALIA

Specialist

**Franck Muller
by Cortina Watch**

119 Collins Street
Melbourne, Victoria 3000
Australia
Tel: (613) 9650 0288
Fax: (613) 9650 2788

Corporate Information

Board of Directors

Mr Lim Keen Ban, Anthony
Executive Chairman

Mr Lim Jit Ming, Raymond
Executive Director & Group CEO

Mr Yu Chuen Tek, Victor
Executive Director &
Chief Corporate Affair Officer

Mr Lim Jit Yaw, Jeremy
Executive Director
COO of Cortina Holdings Limited
CEO of Cortina Watch Pte Ltd

Mr Chin Sek Peng, Michael
Lead Independent Director

Mr Lau Ping Sum, Pearce
Independent Director

Mr Foo See Jin, Michael
Independent Director

Mr Chuang Keng Chiew
Independent Director

Ms Tan Siew San
Independent Director

Company Secretaries

Ms Foo Soon Soo
FCIS, FCPA (Singapore),
FCPA (Australia), LLB
(HONS) (London)

Ms Sapphira Low Bing Yoke
ACIS

Audit Committee

Mr Chin Sek Peng, Michael
Chairman

Mr Lau Ping Sum, Pearce

Mr Chuang Keng Chiew

Ms Tan Siew San

Remuneration Committee

Mr Lau Ping Sum, Pearce
Chairman

Mr Foo See Jin, Michael

Mr Chuang Keng Chiew

Nominating Committee

Mr Chuang Keng Chiew
Chairman

Mr Lau Ping Sum, Pearce

Mr Chin Sek Peng, Michael

Ms Tan Siew San

Registered Office

391B Orchard Road #18-01
Ngee Ann City Tower B
Singapore 238874

Tel: (65) 6339 9447

Fax: (65) 6336 7913

www.cortina.com.sg

Co. Registration No.: 197201771W

Registrar and Share Transfer Office

KCK CorpServe Pte Ltd
1 Raffles Place #04-63
One Raffles Place (Tower 2)
Singapore 048616

Person-in-charge:

Ms Foo Soon Soo

Auditors

RSM Chio Lim LLP
8 Wilkie Road #03-08
Wilkie Edge
Singapore 228095

Partner-in-charge:

Mr David Eu

(a member of the Institute
of Singapore Chartered
Accountants)

Year of Appointment:
Reporting year ended
31 Mar 2022

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Cortina Holdings Limited

391B Orchard Road #18-01 Ngee Ann City Tower B Singapore 238874

Tel: (65) 6339 9447 Fax: (65) 6336 4939

Co. Reg. No. 197201771W