

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

MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY HELD AT YORK HOTEL, 21 MOUNT ELIZABETH, SINGAPORE 228516 ON FRIDAY, 26 JULY 2024 AT 9.00 A.M.

PRESENT:

Directors:

Mr Lim Jit Yaw, Jeremy (Chairman of the meeting)
Mr Lim Keen Ban, Anthony (Chairman of the Board)
Mr Lim Jit Ming, Raymond
Mr Yu Chuen Tek, Victor
Mr Chin Sek Peng, Michael
Mr Lau Ping Sum, Pearce
Mr Foo See Jin, Michael
Mr Chuang Keng Chiew
Ms Tan Siew San

IN ATTENDANCE:

Ms Foo Soon Soo (Company Secretary)

**SHAREHOLDERS/
CORPORATE REPRESENTATIVES/
PROXIES/INVITEES:**

As per attendance list of the meeting

Due to the restriction on the use of personal data pursuant to the provisions of the Personal Data Protection Act 2012, the names of the shareholders and proxies present at the meeting will not be published in these minutes.

1. WELCOME NOTE

On behalf of the Board of Directors, Mr Lim Keen Ban, Chairman of the Board, welcomed all present to the Annual General Meeting of the Company (“**AGM**”). Mr Lim Keen Ban informed the shareholders that Mr Jeremy Lim Jit Yaw would assist him to preside over the meeting.

Mr Jeremy Lim as Chairman of the meeting (“**Chairman**”) introduced the Directors. With him were fellow Directors, Mr Raymond Lim, Mr Victor Yu, Mr Michael Chin, Mr Pearce Lau, Mr Foo See Jin, Mr Chuang Keng Chiew and Ms Tan Siew San. The Company Secretary, Ms Foo Soon Soo and the Company’s Auditor, RSM SG Assurance LLP represented by Mr David Eu, were also present at the meeting.

2. QUORUM

A quorum was present and the meeting was called to order.

3. VOTING

Before the Chairman proceeded with the business of the meeting, he informed the meeting that the resolutions would be put to vote by way of manual poll in accordance with the Listing Rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”), and Complete Corporate Services Pte Ltd had been appointed as Scrutineer for the meeting.

He informed the meeting that he had received proxy forms from shareholders appointing Chairman of the AGM as their proxy, and he would vote in accordance with the instructions of the appointing shareholders.

4. QUESTIONS RELATING TO THE ITEMS ON THE AGENDA OF THE AGM

The Chairman informed the meeting that the Company had not received any questions from shareholders relating to the resolutions set out in the Notice of the AGM by the submission deadline, on 18 July 2024 by 9.00 a.m.

5. BRIEFING ON THE PROCEEDINGS OF POLL FOR THE MEETING

Shareholders were provided with printed poll voting slips to exercise their votes. The Company Secretary explained the rules for the poll voting process.

6. NOTICE OF MEETING

With the concurrence of the shareholders present, the notice convening the meeting was taken as read.

7. AUDITED FINANCIAL STATEMENTS AND DIRECTORS’ STATEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (RESOLUTION 1)

The Chairman addressed the first item on the agenda.

The following Ordinary Resolution No. 1 was proposed:

“That the Audited Financial Statements and the Directors’ Statement for the financial year ended 31 March 2024 together with the Auditors’ Report be and are hereby received and adopted.”

Before the resolution was put to the vote, the Chairman invited questions from the shareholders. The questions and answers are set out in Appendix to these minutes.

After the question and answer session, the resolution was put to a vote by a poll.

8. FINAL AND SPECIAL DIVIDENDS (RESOLUTION 2)

The next item on the agenda was to seek shareholders’ approval 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 2024.

The Chairman informed the meeting that the proposed final dividend and special dividend, if approved by the shareholders, would be paid on 16 August 2024 to the shareholders who were registered in the Register of Members on 7 August 2024 up to 5.00 p.m.

The following Ordinary Resolution No. 2 was proposed:

“That the payment of 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 2024 be and is hereby approved.”

The resolution was put to a vote by poll.

9. DIRECTORS’ FEE (RESOLUTION 3)

The third item on the agenda was to approve Directors’ Fee of S\$737,868 for the financial year ending 31 March 2025.

The following Ordinary Resolution No. 3 was proposed:

“That the Directors’ Fee of S\$737,868 for the financial year ending 31 March 2025 be and is hereby approved.”

The resolution was put to a vote by poll.

10. RE-ELECTION OF DIRECTOR – MR LIM JIT YAW, JEREMY (RESOLUTION 4)

As the next resolution concerned his re-election, the Chairman requested Mr Chuang Keng Chiew to chair this segment of the meeting.

Mr Chuang Keng Chiew informed the meeting that Mr Lim Jit Yaw, Jeremy, a Director retiring under Article 91 of the Company’s Constitution had consented to continue in office.

Mr Lim would, upon being re-elected as Director of the Company, remain as Executive Director and Group Chief Operating Officer of the Company.

The following Ordinary Resolution No. 4 was proposed:

“That Mr Lim Jit Yaw, Jeremy be and is hereby re-elected as a Director of the Company.”

The resolution was put to a vote by poll.

11. RE-ELECTION OF DIRECTOR – MR YU CHUEN TEK, VICTOR (RESOLUTION 5)

The Chairman informed the meeting that Mr Yu Chuen Tek, Victor, a Director retiring under Article 91 of the Company’s Constitution had consented to continue in office.

Mr Yu would, upon being re-elected as Director of the Company, remain as Executive Director of the Company and Group Chief Corporate Affairs Officer.

The following Ordinary Resolution No. 5 was proposed:

“That Mr Yu Chuen Tek, Victor be and is hereby re-elected as a Director of the Company.”

The resolution was put to a vote by poll.

12. RETIREMENT OF DIRECTORS

Before the Chairman proceeded with the next item on the agenda, he thanked the retiring Directors, Mr Michael Chin, Mr Pearce Lau and Mr Foo See Jin for their service to the Company.

13. RE-APPOINTMENT OF AUDITORS (RESOLUTION 6)

The Chairman informed the meeting that the Audit Committee had recommended the re-appointment of RSM SG Assurance LLP as the Auditors of the Company and that RSM SG Assurance LLP had expressed their willingness to accept re-appointment as Auditors.

The following Ordinary Resolution No. 6 was proposed:

“That RSM SG Assurance LLP be and are hereby re-appointed as Auditors of the Company until the conclusion of the next Annual General Meeting at a fee to be agreed between the Directors and the Auditors.”

The resolution was put to a vote by poll.

14. SPECIAL BUSINESS - AUTHORITY TO ALLOT AND ISSUE SHARES (RESOLUTION 7)

The next item on the agenda was to authorise the Directors to allot and issue shares pursuant to Section 161 of the Companies Act and the listing rules of the SGX-ST.

The text of Resolution 7 was set out under item 7 of the Notice of the AGM. The Ordinary Resolution No. 7 was proposed.

The resolution was put to a vote by poll.

15. ADJOURNMENT OF MEETING FOR COUNTING OF THE VOTES

The meeting adjourned for the counting of votes and verification by the appointed scrutineer, Complete Corporate Services Pte Ltd.

16. RESULTS

The meeting resumed after the counting of the votes was completed. The Company Secretary delivered the results as follows:

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Reso No.	Total number of shares represented by votes for and against the relevant resolution	For	% of total votes	Against	% of total votes
1	113,482,530	113,482,530	100.00	0	0.00
2	113,482,530	113,482,530	100.00	0	0.00
3	113,482,530	113,482,530	100.00	0	0.00
4	113,482,530	113,482,530	100.00	0	0.00
5	113,482,530	113,482,530	100.00	0	0.00
6	113,482,530	113,482,530	100.00	0	0.00
7	113,482,530	113,475,730	99.99	6,800	0.01

Based on the results of the poll, the Chairman declared all resolutions were carried.

17. CONCLUSION

There being no other business, the Chairman thanked the members and declared the meeting closed at 10.00 a.m.

Confirmed by

**Lim Jit Yaw, Jeremy
Chairman of meeting**

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APPENDIX

TO MINUTES OF THE ANNUAL GENERAL MEETING OF THE COMPANY HELD AT YORK HOTEL, 21 MOUNT ELIZABETH, SINGAPORE 228516 ON FRIDAY, 26 JULY 2024 AT 9.00 A.M.

QUESTIONS AND ANSWERS SESSION BETWEEN THE DIRECTORS AND THE SHAREHOLDERS AND PROXIES

A summary of the questions raised by shareholders and proxies and the answers given by the Chairman, which are paraphrased as appropriate in the context of the matters being discussed is given below.

Question:

Tourists no longer focus on buying, but rather customer experience. They are likely to patronise the Company’s flagship store which would carry a variety of brands to provide the expected customer experience.

- (a) Has this been reflected in the revenue in the flagship store?
- (b) Is the Company increasing the size of the flagship store and reducing the size of other stores to meet the change in tourist spending trend?

Answer:

While the market conditions are softer, there is sustained interest in the luxury watch market particularly for watches under prestigious brands. All our stores provide the facilities and service to provide good customer experience and are located in prime locations with easy access by customers including tourists.

Question:

Noted Cortina does not have any store in Japan. Will the Company look into setting shop in Japan?

Answer:

It takes time to move into a new market. We have expanded into regional markets where we are already operating in. We are not currently in Japan but may consider when opportunity arises.

Question:

Certain Chinese luxury watch influencers’ social media accounts got frozen by the Chinese authority. How does it impact the Company?

Answer:

Our business is stable and we operate with transparency in compliance with regulations. We have expanded our presence in the regional markets we operate in, such as in Hong Kong with 5 stores to expand our footprint. We adapt our strategies to changing customer trends to sustain interest in our watch brands.

Question:

How is the integration between Cortina Group and Sincere Group? What about the overlapping customer base?

Answer:

We acquire Sincere as a like for like business. Regardless of the overlapping customer base, Cortina and Sincere operate separately. We have streamlined the retail networks and the watch brands carried by Cortina and Sincere so that customers will have different brand experiences under Cortina and Sincere. Our current portfolio of diverse brands is sufficiently sizeable to meet changing customer trends.

Question:

The Group inventory as reflected in the financial statements is fairly high at about S\$300m. Reason? Is it due to higher production by the watch principals?

Answer:

The Group has expanded into the regional markets opening 15 new stores in Singapore, Malaysia, Thailand and Hong Kong. Therefore, there is a corresponding increase in inventories.

Question:

It is reported that exports of Swiss watches had declined in May 2024. How are we addressing the declining trend?

Answer:

The report refers to Swiss watches in all sectors. We are in the luxury watch sector. While there has been a drop in sales to the Chinese tourists, the Group remains competitive and continues to be resilient. Based on pre-orders and the waiting list of customers for watches not in stock, our business is generally stable. Moreover, the data in the report includes watch sales in the secondary used market. We are not in the secondary market business.

Question:

There is a decrease in net cash flow generated from operational activities from S\$107m to S\$39.6m. How would this affect the operations and the payment of future dividends?

Answer:

We have expanded in the regional markets with 15 shops. The lower cash is due to investment in inventories for the new shops and the cost of renovations. The stores will take time to build up momentum to generate sales. We also invested in properties in the last 2 years. While we do not have a dividend policy, the Company will strive to ensure that shareholders see value in their investment in the Company through the Company's share price and dividend payouts.

We are in the watch business where transactions are in cash or via credit cards. We also strategise to adapt to market trends and not to over-invest. We expect to be able to generate profits and cash to continue to pay dividends in the future.