

CIRCULAR DATED 5 February 2021

THIS CIRCULAR TO SHAREHOLDERS (“CIRCULAR”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Circular is issued by Cortina Holdings Limited (the “Company”). If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.

If you have sold or transferred all your ordinary shares in the capital of the Company (the “Shares”), you should immediately forward this Circular together with the Notice of Extraordinary General Meeting and the enclosed Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or the transferee.

Capitalised terms appearing on the cover of this Circular have the same meanings as defined herein.

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Circular.



Cortina Holdings Limited

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF SINCERE WATCH LIMITED. AS A MAJOR TRANSACTION

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 22 February 2021 at 3:00pm

Date and time of Extraordinary General Meeting : 24 February 2021 at 3:00pm

To be held by Electronic Means

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DEFINITIONS

For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

- “Announcement”** : The announcement made by the Company dated 17 November 2020 in respect of the SPA entered into by the Company and the Vendor for the Proposed Acquisition
- “Agreed Net Asset Value”** : The amount of net asset value of the Target Group as set out in and calculated in accordance with the relevant schedule of the SPA, and which was determined based on the unaudited *pro forma* consolidated statement of financial position of the Target Companies as at 30 June 2020
- “Balance Retained Sum”** : The amount of S\$1,475,600 or a lower amount determined in accordance with the SPA, which was derived after considering the potential deductions to the Consideration in respect of any discrepancy between the value of consigned inventory held by the Target Group from the Regional Sub-Distributor and the value of consigned inventory held by the Target Group as at the same date as reflected in the records maintained by the Target Group, as determined based on the financial due diligence conducted on the Target Group
- “Board” or “Directors”** : The directors of the Company as at the Latest Practicable Date, being:
- (a) Lim Keen Ban, Anthony;
 - (b) Lim Jit Ming, Raymond;
 - (c) Yu Chuen Tek, Victor;
 - (d) Lim Jit Yaw Jeremy;
 - (e) Chin Sek Peng, Michael;
 - (f) Lau Ping Sum, Pearce;
 - (g) Foo See Jin, Michael;
 - (h) Long Foo Pieng, Benny; and
 - (i) Chuang Keng Chiew,
- and “Director” shall be construed accordingly
- “Brand Owners”** : The brand owners and suppliers which the Target Companies have entered into agreements or conducted or conduct business with
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This Circular to Shareholders dated 5 February 2021
- “Company” or “Purchaser”** : Cortina Holdings Limited
- “Companies Act”** : The Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
- “Completion”** : Completion of the Proposed Acquisition under the SPA

“Completion Accounts”	:	The form of completion accounts to be prepared as at 31 October 2020 to form the basis upon which the Final Net Asset Value is to be determined and which accounts shall be prepared in accordance with the relevant schedule of the SPA and on the basis of the accounting standards set out in the SPA
“Completion Adjustments”	:	The deductions for the Total Shortfall, but provided that these deductions shall be not more than S\$2,000,000
“Completion Sum”	:	The amount of S\$71,825,000
“Consideration”	:	The aggregate consideration payable for the Sale Shares, being the cash sum of S\$84,500,000
“CPF”	:	The Central Provident Fund
“EGM”	:	The extraordinary general meeting of Shareholders to be held on 24 February 2021, notice of which is set out on page 26 of this Circular
“EPS”	:	Earnings per Share
“Final Net Asset Value”	:	The amount of net asset value of the Target Group as at 31 October 2020 determined with reference to and by the Completion Accounts
“FY2020”	:	The financial year ended 31 March 2020
“Group”	:	The Company and its subsidiaries
“Inventory Shortfall”	:	Means collectively, as determined during the Joint Stock-Taking and Reconciliation Exercise: <ul style="list-style-type: none"> (1) in respect of the physical stock-taking exercise, the absolute numerical value attributed to the inventory which is determined by the parties to be irreparable or fake or missing, and (2) in respect of the reconciliation of inventory and goods which are not in the possession of the Target Companies, the absolute numerical value of such inventory and goods for which there is no written confirmation(s) received by the Target Companies from the relevant third party(ies) that the inventory or goods are in their possession, <p style="margin-left: 40px;">which shall be deducted from either the Completion Sum or the Retained Sum in accordance with the SPA</p>
“Joint Stock-Taking Reconciliation Exercise”	and :	A stock-taking and reconciliation exercise to be conducted by the Purchaser and its respective professional advisors and consultants and the Vendor in respect of the inventory, comprising:

- (a) a physical stock-taking exercise to be conducted in respect of the inventory located at all retail outlets and/or other premises used or occupied by the Target Companies where inventory is stored; and
- (b) a reconciliation of inventory and goods, which are located or stored at locations other than those referred to in sub-paragraph (a), based on records and documentation maintained by the Target Companies, against written confirmation(s) obtained from the relevant third party(ies) in whose possession the inventory or goods are in, confirming that such inventory or goods are in the possession of the relevant third party(ies)

“Latest Practicable Date”	:	29 January 2021, being the latest practicable date prior to the printing of this Circular
“Lim Family Members”	:	Mr Lim Keen Ban, Mdm Chia Nyok Song @ Cheah Yoke Heng, Mr Lim Jit Ming, Mr Lim Jit Yaw and Ms Lim Yin Chian
“Listing Manual”	:	The Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time
“Live Audio Stream”	:	The “live” audio-only stream by which Shareholders may participate at the EGM
“Live Webcast”	:	The “live” audio-and-visual webcast by which Shareholders may participate at the EGM
“LKBH”	:	Lim Keen Ban Holdings Pte Ltd.
“Long Stop Date”	:	The date falling immediately after the expiry of the period of three (3) months commencing on the date of the SPA, or such other date as determined in accordance with the SPA
“NTA”	:	Net tangible assets
“Notice of EGM”	:	The notice of the EGM as set out on page 26 of this Circular
“Ordinary Resolution”	:	The ordinary resolution set out in the Notice of EGM
“Proposed Acquisition”	:	The proposed acquisition of the total number of shares in the issued share capital of Sincere Watch Limited.
“Proxy Form”	:	The proxy form accompanying this Circular
“Property”	:	A property in Singapore which is owned by the Target and used as part of the office of those of the Target Companies which are incorporated in Singapore, and which is located at 8 Temasek Boulevard #23-03, Suntec Tower 3
“Property Receivable”	:	The amount equivalent to the net book value of the Property

“Purchaser’s Warranties”	Claims	–	: Claims against the Vendor for breaches of warranties and representations given by the Vendor as set out in the SPA
“Receivables”			: The Property Receivable and the STWSB Receivable
“Regional Sub-Distributor”			: The regional sub-distributor for the Asian continent, being a third party appointed by GFM Watchland SA in Genthod which was granted a sole mandate for the world-wide distribution rights for “Franck Muller” watches by Franck Muller Trade Mark Distribution Ltd (the sole owner of the “Franck Muller” and “Franck Muller Geneve” trademarks in Switzerland and several other countries over the world), which may select and enter into distribution agreements with national distributors
“Registration Deadline”			: 3:00pm on 21 February 2021
“Registration Link”			: https://complete-corp.com/cortina-egm/
“Retained Sum”			: The amount of S\$4,225,000, calculated based on 5% of the Consideration, which was derived after considering the potential deductions or set off to the Consideration pursuant to the SPA, as determined based on the financial due diligence conducted on the Target Group
“S\$”			: Singapore dollar
“Sale Shares”			: The total number of shares in the issued share capital of Sincere Watch Limited.
“Securities Account”			: Securities account maintained by a Depositor with CDP (but does not include a sub-securities account maintained with a Depository Agent)
“SFA”			: Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
“SGX-ST”			: Singapore Exchange Securities Trading Limited
“Shareholders”			: Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
“Shares”			: Ordinary shares in the share capital of the Company
“SPA”			: The sale and purchase agreement dated 16 November 2020 to acquire the Sale Shares entered into between the Company and the Vendor
“SRS”			: Supplementary Retirement Scheme

“ STWPL ”	:	Suntime Watch Pte. Ltd., which is a wholly-owned subsidiary of the Target, and which is engaged in the trading and distribution of watches of the Target Group
“ STWSB ”	:	Suntime Watch Sdn Bhd, being a dormant entity, which is a wholly-owned subsidiary of STWPL, and which owns the premises located at Lot 15-3, Level 15, Wisma UOA II, 21, Jalan Pinang, Kuala Lumpur, 50450 Kuala Lumpur
“ STWSB Receivable ”	:	The amount equivalent to the net asset value of STWSB
“ Substantial Shareholder ”	:	A person who holds directly and/or indirectly five per cent. (5.0%) or more of the total issued share capital of the Company
“ SWHK ”	:	Sincere Watch (Hong Kong) Limited
“ Target ”	:	Sincere Watch Limited.
“ Target Group ” or “ Target Companies ”	:	The Target, together with its subsidiaries (excluding STWSB and SWHK) and an associated company
“ Total Shortfall ”	:	The aggregate of (i) the Inventory Shortfall and (ii) the difference between the Agreed Net Asset Value and the Final Net Asset Value (but where the Final Net Asset Value is equal to or greater than the Agreed Net Asset Value, the difference shall be deemed to be zero)
“ Vendor ”	:	Be Bright Limited
“ W&I Insurance Policy ”	:	Warranty and indemnity insurance policy providing insurance coverage to the Purchaser in respect of the Purchaser’s Claims – Warranties
“ % ” or “ per cent. ”	:	Percentage or per centum

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall, where applicable, include corporations.

The words “**written**” and “**in writing**” include any means of visible reproduction.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the Listing Manual, the SFA or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

The Company has appointed Lee & Lee as the legal adviser to the Company in respect of the Proposed Acquisition and in relation to Singapore law.

CORTINA HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 197201771W)

LETTER TO SHAREHOLDERS

Directors:

Lim Keen Ban, Anthony (*Chairman and Chief Executive Officer*)
Lim Jit Ming, Raymond (*Deputy Chairman and Deputy Chief Executive Officer*)
Yu Chuen Tek, Victor (*Senior Executive Director*)
Lim Jit Yaw Jeremy (*Executive Director and Chief Operating Officer*)
Chin Sek Peng, Michael (*Lead Independent Director*)
Lau Ping Sum, Pearce (*Independent Director*)
Foo See Jin, Michael (*Independent Director*)
Long Foo Pieng, Benny (*Independent Director*)
Chuang Keng Chiew (*Independent Director*)

Registered Office:

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

5 February 2021

To: The Shareholders of Cortina Holdings Limited

Dear Sir/Madam

THE PROPOSED ACQUISITION

1. INTRODUCTION

- 1.1. On 17 November 2020, the Company issued the Announcement in which it announced that it had, on 16 November 2020, entered into the SPA, being a sale and purchase agreement with the Vendor, being Be Bright Limited, for the proposed acquisition by the Company of the total number of shares in the Sale Shares, being the issued share capital of Sincere Watch Limited..
- 1.2. The Proposed Acquisition constitutes a major transaction under Rule 1014 of the Listing Manual which requires approval of the Shareholders. The Proposed Acquisition is not an interested person transaction under Chapter 9 of the Listing Manual.
- 1.3. The Directors are convening an EGM to be held by electronic means on 24 February 2021 at 3:00pm, as set out in the Notice of EGM, to seek Shareholders' approval for the Proposed Acquisition. The purpose of this Circular is to explain the rationale for, and to provide Shareholders with information relating to, the resolution to be proposed at the EGM.

Shareholders should note and carefully review the risks relating to the Proposed Acquisition and all of the other information set out in this Circular in relation to the Proposed Acquisition.

- 1.4. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Circular.

2. INFORMATION ON THE PROPOSED ACQUISITION

2.1. Background information on the Vendor and the Target Group

(a) The Vendor

The Vendor is a company limited by shares incorporated in the British Virgin Islands in 2005. The principal activity of the Vendor is that of investment holding. The Vendor has an issued and paid-up share capital of US\$1.00 comprising one (1) ordinary share as at the date of the SPA. The Vendor is wholly-owned by Mrs Chu Yuet Wah, who is a director of the Target.

(b) Target Group

The Target is a company incorporated in Singapore in 1977 with an issued and paid-up share capital of S\$33,408,240.64 comprising 208,081,104 ordinary shares as at the date of the SPA. The Vendor is the legal and beneficial owner of the entire issued and paid-up share capital of the Target. The directors of the Target are Mrs Chu Yuet Wah, Mr Kingston Chu Chun Ho, Mr Nicholas Chu Yuk-Yui and Mr Ong Ban. Each of Mrs Chu Yuet Wah, Mr Kingston Chu Chun Ho, Mr Nicholas Chu Yuk-Yui and Mr Ong Ban is not related or connected to the Company.

The Target Group comprises several subsidiaries which are directly and/or indirectly wholly-owned by the Target, and an associated company in which the Target has an indirect shareholding interest of approximately 48.996%. The remaining shareholders of the associated company are third parties. The Target Group's principal activity is that of retailing and distributing luxury timepieces. The countries in which the Target Group operates are Singapore, Malaysia, Thailand and Australia. At the date of the SPA, the Target Group operates 18 boutiques. The Target Group's portfolio of distributed brands includes A. Lange & Söhne, Audemars Piguet, Franck Muller, IWC, Jaeger-LeCoultre, Panerai, Omega, Vacheron Constantin and Tudor. The Target runs multi-brand retail under the Sincere brand in Singapore and Malaysia and under the Pendulum brand in Thailand. In addition, the Target also operates mono-brand boutiques for Franck Muller in Singapore and Australia; A. Lange & Söhne in Malaysia; and A. Lange & Söhne, Breitling and IWC in Thailand.

The NTA value of the Target Group as at 31 March 2020 was S\$85,937,038, which NTA was calculated based on the unaudited pro forma consolidated statement of financial position of the Target Companies prepared by the Vendor for the period ended 31 March 2020. The equity book value of the Target Group as at 31 March 2020 was S\$86,616,364.

2.2. Rationale for the Proposed Acquisition

The Board believes that the Proposed Acquisition would provide the Company exclusive distributorship rights to the Franck Muller brand in 13 countries within Asia Pacific pursuant to the exclusive distributor agreement entered into by Franck Muller Pte Ltd (one of the Target Companies) and the Regional Sub-Distributor for the Franck Muller brand. These 13 countries are Singapore, Malaysia, Indonesia, Brunei Darussalam, Philippines, Republic of Korea, Socialist Republic of Vietnam, Thailand, Australia, New Zealand, Cambodia, Laos, and Sri Lanka. The Target Group currently distributes the Franck Muller brand in Singapore, Malaysia, Thailand and Australia. The Proposed Acquisition will also give the Company access to the Target Group's arsenal of brands

that can be distributed across 40 combined outlets and create operational synergies that will increase the Group's value to both consumers and business partners.

Currently, the Group operates 22 outlets in Singapore, Malaysia, Thailand, Taiwan, Hong Kong and Indonesia, and the Target Group operates 18 outlets in Singapore, Malaysia, Thailand and Australia, a list of which is set out in Appendix I to this Circular. The following outlets (as listed in Appendix I) operated by the Group and the Target Group are located within the same shopping complex: (i) outlets 7 (operated by the Group), 11 and 14 (each operated by the Target Group), which are located in The Shoppes at Marina Bay Sands in Singapore; and (ii) outlets 17, 21, 22 (each operated by the Group), 24 and 25 (each operated by the Target Group) located in Suria KLCC in Kuala Lumpur, Malaysia. The Group intends to continue the operation of all of the aforementioned outlets after the Proposed Acquisition.

Though the Target Group is currently loss-making, the Company believes that the Target Group could return to profitability by around the financial year ending 31 March 2022, through targeted marketing of the Franck Muller brand, increased cross-selling opportunities across the arsenal of brands across the 40 combined outlets, coupled with its strong management team and operational know-how. Furthermore, the Company has plans to leverage on exclusive rights to the Franck Muller brand in the 13 countries to expand its operations in Southeast Asia. The current term of the exclusive distributor agreement entered into by Franck Muller Pte Ltd and the Regional Sub-Distributor will expire in 2026.

2.3. Salient Terms of the SPA

Financial and legal due diligence was conducted on the Target Group before the Company entered into the SPA.

The terms of the Proposed Acquisition are set out in the SPA. A summary of the principal terms of the Proposed Acquisition is set out in this section.

(a) Consideration

The Consideration, being the aggregate consideration payable for the Sale Shares shall be the cash sum of S\$84,500,000, subject to the Completion Adjustments, shall be payable by the Purchaser to the Vendor, in the following manner:

- (i) a deposit of S\$8,450,000 was paid upon signing of the SPA in accordance with the terms thereof, and shall be refundable in accordance with the SPA;
- (ii) the Completion Sum, being the amount of S\$71,825,000, subject to the Completion Adjustments, less the Receivables, and less any amount permitted to be deducted or set off pursuant to the SPA, plus any amount payable to the Vendor pursuant to the SPA, shall be paid upon Completion;
- (iii) the Retained Sum, being the amount of S\$4,225,000, less the Balance Retained Sum, being the amount of S\$1,475,600 or a lower amount determined in accordance with the SPA, less any amount permitted to be deducted or set off or withheld pursuant to the SPA, and plus any amount payable to the Vendor pursuant to the SPA, shall be paid to the Vendor on or before the expiry of the period of six (6) months commencing on the date immediately after the Completion date; and

- (iv) the Balance Retained Sum, being the amount of S\$1,475,000 or a lower amount determined in accordance with the SPA, shall be paid to the Vendor on or before the expiry of the period of twelve (12) months commencing on the date immediately after the Completion date in accordance with the terms of the SPA.

The deposit of S\$8,450,000 shall be refundable to the Purchaser in accordance with the SPA, if the conditions precedent under the SPA (save for the conditions precedent set out under paragraph 2.3(e)(i) (other than due to the failure by the Vendor to (i) provide the Purchaser with an inventory list for the Purchaser to jointly conduct the Joint Stock-Taking and Reconciliation Exercise or (ii) allow reasonable access for the Purchaser to jointly conduct the Joint Stock-Taking and Reconciliation Exercise or (iii) provide reasonable assistance for the Joint Stock-Taking and Reconciliation Exercise), paragraph 2.3(e)(ii), paragraph 2.3(e)(iv) (other than due to the failure by the Vendor to satisfy this condition precedent) and paragraph 2.3(e)(vi) (other than due to the failure by the Vendor to satisfy this condition precedent)), which require actions on the part of the Vendor, are not fulfilled by the Long Stop Date due to the Vendor's failure to satisfy these conditions precedent and such conditions precedent are not waived by the Purchaser in accordance with the SPA.

The Consideration of S\$84,500,000 was based on the Target Group's NTA as at 30 June 2020, which NTA was calculated based on the unaudited *pro forma* consolidated statement of financial position of the Target Companies prepared by the Vendor for the period ending 30 June 2020. The Consideration represents a discount of approximately 0.2% from the Target Group's NTA as at 30 June 2020, which takes into account all of the Target Group's existing debts and liabilities.

At Completion, the Purchaser shall make payment to the Vendor of the difference between the Completion Sum and the Receivables. The Receivables are in the amount of S\$3,862,702. Based on the amount of the Completion Sum of S\$71,825,000, and less the Receivables, the resultant amount would be S\$67,962,298, and as at Completion, the Purchaser shall pay or has paid an aggregate of S\$76,412,298, being S\$67,962,298 plus the deposit of S\$8,450,000. The Consideration less the amount of the Receivables is S\$80,637,298.

The Receivables which are in the amount of S\$3,862,702, comprises the Property Receivable, being the amount of S\$3,626,246 (derived from the net book value of the Property), and the STWSB Receivable, being the amount of S\$236,456 (derived pursuant to the net asset value of STWSB as at 30 June 2020, which net asset value was calculated based on the unaudited *pro forma* consolidated statement of financial position of STWSB prepared by the Vendor for the period ending 30 June 2020, adjusted to exclude amounts owing by an affiliate of the Vendor). As the Property and STWSB were included in the computation of the Target Group's NTA upon which the Consideration was based, the Receivables will be deducted from the Completion Sum at Completion, upon the simultaneous completion of the disposals of the Property and STWPL.

In respect of the Property Receivable, the Property is a property in Singapore which is owned by the Target and used as part of the office of those of the Target Companies which are incorporated in Singapore, and which is located at 8 Temasek Boulevard #23-03,

Suntec Tower 3. It was the commercial intention of the parties that the Property be excluded from the Proposed Acquisition, as the parties did not intend for real property owned by the Target Group to be included in the Proposed Acquisition. As a condition precedent, the Target shall execute a binding agreement for the disposal of the Property to the Vendor or an affiliate of the Vendor, at a purchase price equivalent to the Property Receivable, with completion of such disposal taking place simultaneously with Completion and on such other terms to be satisfactory to the parties.

In respect of the STWSB Receivable, STWSB owns the premises in Kuala Lumpur which is used as the office of Sincere Watch Sdn Bhd, and which is located at Lot 15-3, Level 15, Wisma UOA II, 21, Jalan Pinang, Kuala Lumpur, 50450 Kuala Lumpur. It was the commercial intention of the parties that STWSB and the above premises in Kuala Lumpur be excluded from the Proposed Acquisition, as the parties did not intend for real property owned by the Target Group to be included in the Proposed Acquisition, and apart from the ownership of the premises in Kuala Lumpur, STWSB is otherwise dormant. As a condition precedent, STWPL shall execute a binding agreement for the disposal of its entire legal and beneficial interests in STWSB to the Vendor or an affiliate of the Vendor, at a purchase price equivalent to the STWSB Receivable, with completion of such disposal taking place simultaneously with Completion and on such other terms to be satisfactory to the parties. STWSB owns the above premises in Kuala Lumpur, and is otherwise dormant. STWSB is a wholly-owned subsidiary of STWPL. STWPL is a wholly-owned subsidiary of the Target and is engaged in the trading and distribution of watches of the Target Group.

The Target Group's existing debts and liabilities include bank borrowings of approximately S\$24,583,000 as at 30 June 2020, and the Company intends to refinance these bank borrowings after Completion, upon expiration of these bank loans.

The Company intends to satisfy the Consideration through internal resources and unsecured bank borrowings, in the proportion of approximately 60% through bank borrowings and the remainder through internal resources. The Company has not obtained the aforementioned unsecured bank borrowings to satisfy approximately 60% of the Consideration, and is in the process of finalizing and entering into the necessary agreement(s) for such bank borrowings.

(b) Completion Adjustments

The Consideration shall be subject to Completion Adjustments, being deductions for the Total Shortfall, but provided that these deductions shall be not more than S\$2,000,000. As such, the amount of the Consideration after the Completion Adjustments shall not be lower than S\$82,500,000. For the avoidance of doubt, the Consideration after the Completion Adjustments shall not be higher than S\$84,500,000.

The Total Shortfall means the aggregate of (i) the Inventory Shortfall and (ii) the difference between the Agreed Net Asset Value and the Final Net Asset Value (but where the Final Net Asset Value is equal to or greater than the Agreed Net Asset Value, the difference shall be deemed to be zero).

The Inventory Shortfall means collectively, as determined during the Joint Stock-Taking and Reconciliation Exercise: (1) in respect of the physical stock-taking exercise, the

absolute numerical value attributed to the inventory which is determined by the parties to be irreparable or fake or missing, and (2) in respect of the reconciliation of inventory and goods which are not in the possession of the Target Companies, the absolute numerical value of such inventory and goods for which there is no written confirmation(s) received by the Target Companies from the relevant third party(ies) that the inventory or goods are in their possession, which shall be deducted from either the Completion Sum or the Retained Sum in accordance with the SPA.

The Agreed Net Asset Value means the amount of net asset value of the Target Group as set out in and calculated in accordance with the relevant schedule of the SPA, and which was determined based on the unaudited *pro forma* consolidated statement of financial position of the Target Companies as at 30 June 2020.

The Final Net Asset Value means amount of net asset value of the Target Group as at 31 October 2020 determined with reference to and by the Completion Accounts.

The Joint Stock-Taking and Reconciliation Exercise means a stock-taking and reconciliation exercise to be conducted by the Purchaser and its respective professional advisors and consultants and the Vendor in respect of the inventory, comprising: (a) a physical stock-taking exercise to be conducted in respect of the inventory located at all retail outlets and/or other premises used or occupied by the Target Companies where inventory is stored; and (b) a reconciliation of inventory and goods, which are located or stored at locations other than those referred to in sub-paragraph (a), based on records and documentation maintained by the Target Companies, against written confirmation(s) obtained from the relevant third party(ies) in whose possession the inventory or goods are in, confirming that such inventory or goods are in the possession of the relevant third party(ies).

(c) Preparation of Completion Accounts

The Vendor shall provide, for the purposes of the preparation of the Completion Accounts, the unaudited *pro forma* consolidated statement of financial position of the Target Group as at 31 October 2020 prepared by the Vendor and the working papers supporting this. The Completion Accounts shall be prepared in the format set out in the SPA.

The Completion Accounts shall be prepared on the basis of the accounting standards set out in the SPA, which are the respective reporting standards applicable for the jurisdiction of incorporation of each subsidiary or associated company.

The Completion Accounts shall form the basis upon which the Final Net Asset Value is to be determined. As at the Latest Practicable Date, the Final Net Asset Value has been determined to be S\$84,567,522.

(d) Joint Stock-Taking and Reconciliation Exercise

The parties agree to carry out a Joint Stock-Taking and Reconciliation Exercise. During the Joint Stock-Taking and Reconciliation Exercise, the parties shall seek to determine the Inventory Shortfall. For the purposes of determining the Inventory Shortfall, the value attributed to such Inventory or goods should be determined as follows: (a) for owned

inventory, the net asset value for such inventory as reflected in the books of the Target Companies, (b) for consigned inventory, the absolute numerical value of the cost of such inventory payable by the relevant Target Company to the supplier pursuant to consignment agreements between the Target Company and the supplier, and (c) for goods received from or held on behalf of customers for repairs or some other purpose, the absolute numerical value of the replacement costs of such goods.

The parties agree that the aggregate amount of the Inventory Shortfall shall be adjusted from the Consideration in the event that the relevant company(ies) of the Target Group receive (a) any proceeds from the insurance claims for the Inventory Shortfall or (b) a confirmation from a supplier of the amount repayable by the relevant Target Company for the relevant shortfall.

(e) Conditions Precedent under the SPA

Pursuant to the terms of the SPA, Completion is conditional on, *inter alia*, the following matters being satisfied or waived in accordance with the SPA:

- (i) the completion of the Joint Stock-Taking and Reconciliation Exercise;
- (ii) the approval of the shareholders of the Purchaser for the sale and purchase of the Sale Shares;
- (iii) the receipt of written consents and approvals from certain brand owners, including the Regional Sub-Distributor in respect of the exclusive distributor agreement entered into by Franck Muller Pte Ltd, and landlords for the Vendor to undertake the acquisition of the Sale Shares;
- (iv) the following having taken place:-
 - (A) the Target having completed the disposal of its entire legal and beneficial interests in SWHK to the Vendor, at a purchase price equivalent to the net book value of SWHK and on such other terms to be satisfactory to the parties;
 - (B) the Target having executed a binding agreement for the disposal of the Property to the Vendor or an affiliate of the Vendor, at a purchase price equivalent to the Property Receivable, being the amount equivalent to the net book value of the Property, with completion of such disposal taking place simultaneously with Completion and on such other terms to be satisfactory to the parties; and
 - (C) STWPL having executed a binding agreement for the disposal of its entire legal and beneficial interest in STWSB to the Vendor or an affiliate of the Vendor, at a purchase price equivalent to the STWSB Receivable, being the amount equivalent to the net asset value of STWSB, with completion of such disposal taking place simultaneously with Completion and on such other terms to be satisfactory to the parties;

- (v) the difference between the Total Shortfall and the amount of S\$2,000,000, is not more than S\$2,000,000;
- (vi) the entry of the following lease agreements on the following terms, and in a form and on such other terms to be reasonably agreed between the Vendor and the Purchaser:-
 - (A) a lease agreement between the Vendor or an affiliate of the Vendor and the Target effective on the Completion date in relation to the lease of the Property at an agreed monthly rent of S\$4.40 per square foot for a term of six (6) months commencing on the day immediately after the Completion date with an option for the Target to extend the term for a further six (6) months at an agreed monthly rent of S\$8.80 per square foot, provided that the option to extend is notified to the Vendor in writing no later than the date falling four (4) months after the Completion date; and
 - (B) a lease agreement between STWSB and Sincere Watch Sdn Bhd effective on the Completion date in relation to the lease of the premises located at a property in Kuala Lumpur at an agreed monthly rent of RM2.50 per square foot for a term of six (6) months commencing on the day immediately after the Completion date with an option for Sincere Watch Sdn Bhd to extend the term for a further six (6) months at an agreed monthly rent of RM5.00 per square foot, provided that the option to extend is notified to the Vendor in writing no later than the date falling four (4) months after the Completion date.

With respect to the condition set out at sub-paragraph 2.3(e)(vi)(A) above, the agreed monthly rent of S\$8.80 per square foot was intended to reflect the market rate for the Property. This rate was based on SWL's lease of a similar unit from a third party, which is located adjacent to the Property, at a monthly rent of S\$8.80 per square foot.

With respect to the condition set out at sub-paragraph 2.3(e)(vi)(B) above, the agreed monthly rent of RM5.00 per square foot was intended to reflect the market rate for the premises. This rate was based on desktop research carried out by the Vendor on similar properties within the vicinity of the premises.

As at the Latest Practicable Date, the conditions set out at sub-paragraphs 2(e)(i) and 2(e)(v) above have been fulfilled, and the other conditions, including the receipt of written consents and approvals from the Regional Sub-Distributor in respect of the exclusive distributor agreement entered into by Franck Muller Pte Ltd, have not been fulfilled.

In the event any of the conditions precedent are not fulfilled by the Long Stop Date, and such conditions precedent are not waived by the Purchaser in accordance with the SPA, the SPA (save for certain surviving clauses) shall *ipso facto* cease and determine.

- (f) Third Party Acknowledgements / Consents

The Vendor agreed to (i) give notice to and use its reasonable efforts to seek the written consents and approvals from certain Brand Owners and landlords for the Vendor to undertake the Proposed Acquisition (where the agreements with such parties contain change of control provisions), and the Vendor shall use its reasonable efforts to obtain from the Brand Owners and landlords a consent and (ii) further agreed to give notice to certain landlords (where the agreements with such parties do not contain change of control provisions) that the Vendor will be undertaking the Proposed Acquisition and that there will be a change in the ultimate shareholder or shareholder (as the case may be) of the relevant Target Companies and the Vendor shall use its reasonable efforts to obtain from the landlords an acknowledgement of the same.

(g) Non-competition Restrictions

Pursuant to the terms of the SPA, there are non-competition restrictions on the part of the Vendor, including that the Vendor will not and will procure that none of the Vendor's affiliates will, for a period for 24 months commencing on the Completion date, directly or indirectly carry on, be engaged in or be economically interested in or manage or assist any business which is of the same or similar type to the business of the Target Group within Singapore, Malaysia, Indonesia, Brunei Darussalam, Philippines, Republic of Korea, Socialist Republic of Vietnam, Thailand, Australia, New Zealand, Cambodia, Laos, Sri Lanka, Republic of The Union of Myanmar and Republic of China (Taiwan), and which is or is likely to be in competition with the business of the Target Group.

(h) Warranty and Indemnity Insurance Policy

The Purchaser shall obtain a W&I Insurance Policy, being a warranty and indemnity insurance policy providing insurance coverage to the Purchaser in respect of the Purchaser's Claims – Warranties, being claims against the Vendor for breaches of the warranties and representations given by the Vendor as set out in the SPA. The sole and exclusive remedy and recourse of the Purchaser in respect of any Purchaser's Claims – Warranties shall be under the W&I Insurance Policy and the Purchaser acknowledged and agreed that the Vendor shall have no liability for breaches of the warranties and representations given by the Vendor set out in the SPA, save in relation to fraud by the Vendor.

3. RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

3.1. General

Under Chapter 10 of the Listing Manual, a transaction will be classified as a "major transaction" if any of the relative figures calculated on the bases set out in Rule 1006 of the Listing Manual exceeds 20% and if so, must be made conditional upon approval by Shareholders in general meeting.

3.2. Relative Figures under Rule 1006 of the Listing Manual

The relative figures computed on the applicable bases set out in Rule 1006 of the Listing Manual in relation to the Proposed Acquisition and based on the announced unaudited consolidated

financial statements of the Group for the six (6) months ended 30 September 2020 are set out below.

Rule 1006(a) – the net asset value of the assets to be disposed of, compared with the Group’s net asset value	Not applicable as this transaction does not comprise a disposal.
Rule 1006(b) – the net profits attributable to the assets to be acquired compared with Group’s net profits	-9.2 ⁽¹⁾ %
Rule 1006(c) – the aggregate value of the consideration given, compared with the Company’s market capitalisation based on the total number of issued shares excluding treasury shares	25.1 ⁽²⁾ %
Rule 1006(d) – the number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable as no equity securities will be issued as consideration for the Proposed Acquisition.
Rule 1006(e) – the aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group’s proved and probable reserves	Not applicable as the Company is not a mineral, oil and gas company.

Notes:

- (1) Computed based on the Target Company’s net loss for the six (6) months ended 30 September 2020 of S\$1,339,000 and the Group’s net profit attributable to the owners of the parent, net of tax for the six (6) months ended 30 September 2020, of S\$14,569,000.
- (2) Computed based on the aggregate value of the consideration given, being S\$84,832,659, which is the sum of the Consideration of S\$84,500,000 and rental payments in the amount of S\$343,659 payable by the Purchaser to the Vendor in respect of the lease agreements referred to in paragraph 2.3(e)(vi) for the twelve (12) months post Completion, and the market capitalization of the Company determined based on the total number of issued Shares of the Company of 165,578,415 Shares and the weighted average price of such Shares transacted on 11 November 2020 of S\$2.04 per Share. As there was no trading activity on 13 November 2020 and 12 November 2020, the latest market day preceding the date of the SPA would be 11 November 2020. If computed based on the Consideration less the Receivables, the relative figure is 23.8%.

3.3. Major Transaction

As the relative figure computed on the basis set out in Rule 1006(c) above exceeds 20%, the Proposed Acquisition constitutes a “major transaction” as defined in Chapter 10 of the Listing Manual and is accordingly subject to approval by Shareholders at the EGM.

4. FINANCIAL EFFECTS

4.1. The financial effects of the Proposed Acquisition on the Group set out below are purely for illustrative purposes only and do not reflect the actual future financial performance of the Group after the completion of the Proposed Acquisition.

4.2. The *proforma* financial effects have been prepared based on the audited consolidated financial statements of the Group for FY2020, being the end of the most recently completed financial year, and on the following key assumptions:

- (i) The effect on the NTA per share of the Group is based on the assumption that the Proposed Acquisition had been effected at the end of FY2020; and
- (ii) The effect on the EPS of the Group is based on the assumption that the Proposed Acquisition had been effected at the beginning of FY2020.

(a) NTA per Share – FY2020

The effects of the Proposed Acquisition on the audited consolidated NTA per share of the Group as at 31 March 2020, assuming that the Proposed Acquisition had been effected on 31 March 2020, are summarised below:

For FY2020	Before the Proposed Acquisition	After the Proposed Acquisition
Consolidated NTA (SGD'000)	231,770	233,207
Number of Shares ('000)	165,578	165,578
Consolidated NTA per Share (SGD)	1.3998	1.4084

(b) EPS – FY2020

The effects of the Proposed Acquisition on the audited consolidated EPS of the Group for FY2020, assuming that the Proposed Acquisition had been effected at the beginning of the financial year, are summarised below:

For FY2020	Before Proposed Acquisition	After Proposed Acquisition
Group profit after tax (SGD'000)	39,297	32,914
Weighted average number of Shares ('000)	165,578	165,578

EPS (SGD cents)	23.73	19.88
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5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 5.1. The interests of the Directors and Substantial Shareholders, based on information recorded in the Register of Directors' and Substantial Shareholders' Shareholdings, respectively, maintained by the Company pursuant to Section 164 of the Companies Act and Section 137C of the SFA, respectively, as at the Latest Practicable Date, are as follows:

	Direct Interest		Deemed Interest	
	No. of shares	%	No. of shares	%
Directors				
Lim Keen Ban ⁽¹⁾⁽²⁾	-	-	70,070,425	42.32
Lim Jit Yaw ⁽¹⁾⁽²⁾	-	-	70,070,425	42.32
Lim Jit Ming ⁽¹⁾	-	-	52,657,490	31.80
Yu Chuen Tek ⁽³⁾	8,835,015	5.34	7,428,000	4.49
Long Foo Pieng, Benny	8,270,000	4.99	-	-
Foo See Jin, Michael	7,107,320	4.29	-	-
Lau Ping Sum, Pearce	30,000	0.02	-	-
Chuang Keng Chiew	7,000	0.004	-	-
Chin Sek Peng, Michael	-	-	-	-
Substantial Shareholders (other than Directors)				
Lim Keen Ban Holdings Pte Ltd	52,657,490	31.80	-	-
LKB Private Trust Company Limited ⁽¹⁾	-	-	52,657,490	31.80
Chia Nyok Song @ Cheah Yoke Heng ⁽¹⁾⁽²⁾	-	-	70,070,425	42.32
Lim Yin Chian ⁽¹⁾⁽²⁾	-	-	70,070,425	42.32
Henry Tay Yun Chwan	21,038,700	12.71	-	-
Ming Yaw Pte Ltd	17,412,935	10.52	-	-
Maria Norma D Yu ⁽³⁾	118,000	0.07	16,145,015	9.75

Notes:

1. The Lim Family Members, being 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 LKBH, being Lim Keen Ban Holdings Pte Ltd., through LKB Private Trust Company Limited which holds the shares of LKBH as trustee of a trust constituted by the Lim Family Members.
2. Mr Lim Keen Ban, Mdm Chia Nyok Song @ Cheah Yoke Heng, Mr Lim Jit Yaw and Ms Lim Yin Chian are deemed interested in the 17,412,935 Shares held by Ming Yaw Pte Ltd.
3. 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 8,835,015 Shares held by Mr Yu and 7,310,000 Shares held by Rennick Pte Ltd.

To the reasonable knowledge of the Directors, save for their shareholding interests in the Company, none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Proposed Acquisition.

6. DIRECTORS' RECOMMENDATIONS

After having considered, *inter alia*, the terms, rationale for, and benefits of the Proposed Acquisition, the Directors are of the opinion that the Proposed Acquisition is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the Ordinary Resolution thereto to be proposed at the EGM as set out in the Notice of EGM.

7. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 27 of this Circular, will be held by electronic means on 24 February 2021 at 3:00pm, for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution(s) as set out in the Notice of EGM.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

The EGM will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts and Debenture Holders) Order 2020. Any Shareholder seeking to attend the EGM physically in person will be turned away.

Shareholders (including investors holding Shares through CPF, being the Central Provident Fund, and SRS, being the Supplementary Retirement Scheme, may participate at the EGM by observing and/or listening to the EGM proceedings through (i) the Live Webcast, being a "live" audio-and-visual webcast, via their mobile phones, tablets or computers or (ii) the Live Audio Stream, being a "live" audio-only stream, via telephone, by registering at the Registration Link, being <https://complete-corp.com/cortina-egm/>, by the Registration Deadline, being 21 February 2021 on 3:00pm, to enable the Company to verify their status. Following verification, authenticated Shareholders will receive an email by 3:00 pm on 23 February 2021 containing a link to access the Live Webcast of the EGM proceedings as well as a toll-free telephone number to access the Live Audio Stream of the EGM proceedings. Shareholders must not forward the aforementioned link or telephone number to other persons who are not Shareholders of the Company and who are not entitled to attend the EGM. This is also to avoid any technical disruptions or overload to the Live Webcast and Live Audio Stream.

Shareholders who register by the Registration Deadline but do not receive an email response by 3:00pm on 23 February 2021 may contact the Company by email to cortina-egm@complete-corp.com

Shareholders may submit questions relating to the items on the agenda of the EGM (a) by email to cortina-egm@complete-corp.com; or (b) by post to 10 Anson Road, #29-07 International Plaza, Singapore 079903; stating their names and identification number for verification. All questions must be submitted by 3:00pm on 17 February 2021.

The Company will endeavour to address the substantial and relevant questions at or before the EGM. The responses to such questions from Shareholders, together with the minutes of the EGM, will be posted on the SGXNet and the Company's website within one month after the date of the EGM.

Shareholders who wish to vote at the EGM must submit a Proxy Form to appoint the Chairman of the EGM to cast votes on their behalf. The Proxy Form, duly signed and completed, must be submitted by (a) mail to 10 Anson Road, #29-07 International Plaza, Singapore 079903; or (b) email to cortina-egm@complete-corp.com by no later than 3:00pm on 22 February 2021, being 48 hours before the time fixed for the EGM. In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically by email.

CPF or SRS investors who wish to vote should approach their respective CPF agent bank or SRS operators to submit their votes at least seven (7) working days before the EGM (i.e. by 12 noon on 11 February 2021) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by the cut-off date.

9. VOTING UNDERTAKINGS

The Company has received irrevocable undertaking(s) from the following Shareholders representing more than 50% of the voting rights of the Company, to vote in favour of the Proposed Acquisition at an extraordinary general meeting of the Company to be convened to approve the Proposed Acquisition, being the EGM:

	No. of shares	% shareholding
Shareholders		
Lim Keen Ban Holdings Pte Ltd	52,657,490	31.80
Ming Yaw Pte Ltd	17,412,935	10.52
Yu Chuen Tek	8,835,015	5.34
Rennick Pte Ltd	7,310,000	4.41
	86,215,440	52.07

10. SERVICE CONTRACTS

No new directors are proposed to be appointed to the Board in connection with the Proposed Acquisition. As such, no service contracts are proposed to be entered into by the Company with any new director in connection with the transaction.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

12. DOCUMENTS FOR INSPECTION

A copy of the SPA is available for inspection during normal business hours at the registered office of the Company at 391B Orchard Road, #18-01, Ngee Ann City, Singapore 238874 for a period of three (3) months from the date of the Announcement or up to and including the date of the EGM, whichever is the later.

Yours faithfully

For and on behalf of the Board of Directors of
CORTINA HOLDINGS LIMITED

Lim Jit Ming, Raymond
Deputy Chairman and Deputy CEO
5 February 2021

APPENDIX I - SUMMARY OF OUTLET LOCATIONS

No.	Company	Group	Outlet	Address
Singapore				
1	Cortina	Cortina	Capitol Singapore	15 Stamford Road #01-77/78/79/80, Capitol Singapore, Singapore 178906
2	Cortina	Cortina	Mandarin Gallery	333A Orchard Road #01-07, Mandarin Gallery, Singapore 238897
3	Cortina	Cortina	Paragon	290 Orchard Road, #01-13, Paragon, Singapore 238859
4	Cortina	Cortina	Patek Phillippe ION	2 Orchard Turn, #02-01/02/03, ION Orchard, Singapore 238801
5	Cortina	Cortina	Patek Phillippe MBS	2 Bayfront Avenue, #B2-239, The Shoppes At Marina Bay Sands, Singapore 018972
6	Cortina	Cortina	Raffles City	252 North Bridge Road, #01-36, Raffles City Shopping Centre Singapore 179103
7	Cortina	Cortina	Rolex Marina Square	6 Raffles Boulevard, #02-38, Marina Square, Singapore 039594
8	Sincere	Sincere Fine Watches	Jewel Changi Airport	78 Airport Boulevard #01-202/203 Singapore 819666
9	Sincere	Sincere Fine Watches	Suntec City Mall	3 Temasek Boulevard #01-352 /356/358/360 Singapore 038983
10	Sincere	Sincere Fine Watches	Takashimaya S.C.	391 Orchard Road #01-12 Singapore 238872
11	Sincere	Sincere Fine Watches	The Shoppes At Marina Bay Sands	2 Bayfront Avenue #B2M-202/203 Singapore 018972
12	Sincere	Sincerewatch.com	Takashimaya S.C.	391 Orchard Road #B1-03 Singapore 238872
13	Sincere	Franck Muller Boutiques	Isetan Wisma Atria	435 Orchard Road #02-01 Singapore 238877
14	Sincere	Franck Muller Boutiques	The Shoppes At Marina Bay Sands	2 Bayfront Avenue #01-55/55A Singapore 018972
Malaysia				
15	Cortina	Cortina	Fahrenheit 88	G03, Ground Floor, Fahrenheit 88, No. 179 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia
16	Cortina	Cortina	Imago Shopping Mall	Lot G-09 & G-10A, Imago Shopping Mall, KK Times Square Phase 2, Off Coastal Highway, 88100 Kota Kinabalu, Sabah, Malaysia
17	Cortina	Cortina	Patek Philippe KLCC	G43 & G43B-C, Ground Floor, Suria KLCC, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia
18	Cortina	Cortina	Rolex Gurney Plaza Penang	170-G-33/33A, Ground Floor, Plaza Gurney, Persiaran Gurney, 10250 Penang, Malaysia
19	Cortina	Cortina	Rolex Starhill Gallery	LL1, Main Lobby, JW Marriott Hotel Kuala Lumpur, 183, Jalan Bukit Bintang, 55100 Kuala Lumpur Malaysia

20	Cortina	Cortina	Starhill Gallery	Lot G15A & G16, Indulge Floor, Starhill Gallery, No. 181 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia
21	Cortina	Cortina	Suria KLCC	Lot 110, First Floor, Suria KLCC, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia
22	Cortina	Cortina	Tag Heuer KLCC	Lot 105B, First Floor, Suria KLCC, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia
23	Sincere	Sincere Fine Watches	Pavilion Kuala Lumpur	Pavilion Shopping Mall KL Lot 2.01.07, Level 2, 168 Jalan Bukit Bintang 55100 Kuala Lumpur, Malaysia
24	Sincere	Sincere Fine Watches	Suria Klcc Shopping Centre	Suria KLCC Shopping Centre Lot G03M-P, Ground Floor Suria KLCC Shopping Centre, 50088 Kuala Lumpur, Malaysia
25	Sincere	A. Lange & Söhne Boutique	Suria Klcc Shopping Centre	Lot G03L, Ground Floor 241, Suria KLCC Shopping Centre, 50088 Kuala Lumpur, Malaysia
Thailand				
26	Cortina	Cortina	Central Embassy	Room no. G-02, Central Embassy 1031 Ploenchit Road Lumpini, Pathumwan, Bangkok, 10330 Thailand
27	Cortina	Cortina	Central Plaza Ladprao	Room 103, 1st Floor, Central Plaza Ladprao, 1697 Phahonyothin Road, Chatuchak, Bangkok 10900, Thailand
28	Cortina	Cortina	Erawan Bangkok	Room 01-15A, 109, 110, 112 and 116, 1st Floor, Erawan Bangkok, 494 Ploenchit Road, Lumpini, Pathumwan, Bangkok, 10330 Thailand (Comprises multiple booths within a departmental store - Counted as 1 location)
29	Sincere	Pendulum Boutiques	Chiang Mai	Central Festival Unit 135, 1/F 99-99/ 1-2 Moo 4 Faham Muang Chiangmai Chiangmai 50000, Thailand
30	Sincere	Pendulum Boutiques	Central World	Unit A105, 1/F, 4,4/1-4/2,4/4 Rajdamri Road, Patumwan Bangkok 10330, Thailand
31	Sincere	Pendulum Boutiques	Siam Paragon	Unit M 24-25, M/F, 991 Rama 1 Road, Patumwan Bangkok 10330, Thailand
32	Sincere	A. Lange & Söhne Boutique	Siam Paragon	Unit M51 M/F 991 Rama 1 Road, Patumwan Bangkok 10330, Thailand
33	Sincere	IWC Boutique	Siam Paragon	Unit M 39B, M/F 991 Rama 1 Road, Patumwan Bangkok 10330, Thailand
34	Sincere	Breitling Boutiques	Siam Paragon	Unit 252 2/F 991 Rama 1 Rd., Patumwan, Bangkok 10330
35	Sincere	Breitling Boutiques	Siam Premium Outlets	Unit G12B G/F 989 Moo 14, Bang Sao Thong, Bang Sao Thong, Samutprakarn 10570
Republic of China (Taiwan)				
36	Cortina	Cortina	Hotel Royal Nikko Taipei	No.37-1, Sec.2, Zhongshan N. Rd., Taipei City 104, Taiwan, Republic of China
37	Cortina	Cortina	Patek Philippe Taipei 101 Mall	2F, No. 45, Shifu Road., Taipei, Taiwan, Republic of China

Hong Kong				
38	Cortina	Cortina	Patek Philippe Queen's Road Central	53 Queen's Road Central, Ground Floor, Hong Kong
Indonesia				
39	Cortina	Cortina	Patek Philippe Plaza Indonesia	Plaza Indonesia, Level 1, #35-38, Jalan M.H. Thamrin Kav 28-30, Jakarta 10350, Indonesia
Australia				
40	Sincere	Franck Muller Boutique	119 Collins Street	Melbourne, Victoria 3000 Australia

CORTINA HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number 197201771W)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of **CORTINA HOLDINGS LIMITED** (the “**Company**”) will be held by electronic means on 24 February 2021 at 3:00pm, for the purpose of considering, and if thought fit, passing, with or without modifications, the resolution set out below.

All capitalised terms in this Notice which are not defined herein shall have the same meanings ascribed to them in the circular to shareholders of the Company dated 5 February 2021.

ORDINARY RESOLUTION: THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF SINCERE WATCH LIMITED AS A MAJOR TRANSACTION

THAT:

- (a) approval be and is hereby given, including for the purpose of Chapter 10 of the Listing Manual, for the proposed acquisition by the Company of the total number of shares in the issued share capital of Sincere Watch Limited. (“**Proposed Acquisition**”), pursuant to the terms and conditions of the sale and purchase agreement dated 16 November 2020 and entered into between the Company and Be Bright Limited;
- (b) the Directors and each of them be and are hereby authorised to take such steps, complete and do all such things (including without limitation to execute all such agreements and documents as may be required and to approve any amendments, alterations or modifications to any documents) as they or he may consider necessary, desirable, expedient or in the interests of the Company to give effect to the Proposed Acquisition as they or he may deem fit to give effect to this resolution.

BY ORDER OF THE BOARD

Lim Jit Ming, Raymond
Deputy Chairman and Deputy CEO

5 February 2021

NOTES:

- 1. The Extraordinary General Meeting (“**EGM**”) will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **Any shareholder seeking to attend the EGM physically in person will be turned away.**

Live Webcast:

- 2. Shareholders (including investors holding shares through Central Provident Fund (“**CPF**”) and Supplementary Retirement Scheme (“**SRS**”) may participate at the EGM by observing and/or listening to the EGM proceedings through the “live” audio-and-visual webcast (“**Live Webcast**”) via their mobile phones, tablets or computers or “live” audio-only stream (“**Live Audio Stream**”) via telephone by registering at <https://complete-corp.com/cortina-egm/> (the “**Registration Link**”) by 3:00pm on 21 February 2021 (the “**Registration Deadline**”) to enable the Company to verify their status.

Following verification, authenticated shareholders will receive an email by 3:00pm on 23 February 2021 containing a link to access the Live Webcast of the EGM proceedings as well as a toll-free telephone number to access the Live Audio Stream of the EGM proceedings.

3. Shareholders must not forward the abovementioned link or telephone number to other persons who are not shareholders of the Company and who are not entitled to attend the EGM. This is also to avoid any technical disruptions or overload to the Live Webcast and Live Audio Stream.

Shareholders who register by the Registration Deadline but do not receive an email response by 3:00pm on 23 February 2021 may contact the Company by email to cortina-egm@complete-corp.com

Submission of Proxy Forms to Vote:

4. Shareholders who wish to vote at the EGM must submit a proxy form to appoint the Chairman of the EGM to cast votes on their behalf.
5. The proxy form (a copy of which is also attached hereto), duly completed and signed, must be submitted by:

(a) mail to 10 Anson Road, #29-07 International Plaza, Singapore 079903; or

(b) email to cortina-egm@complete-corp.com,

by no later than 3:00pm on 22 February 2021, being 48 hours before the time fixed for the EGM.

6. CPF or SRS investors who wish to vote should approach their respective CPF agent bank or SRS operators to submit their votes at least seven (7) working days before the EGM (i.e. by 12 noon on 11 February 2021) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by the cut-off date.
7. **Please note that shareholders will not be able to vote through the Live Webcast or Live Audio Stream and can only vote with their proxy forms which are required to be submitted in accordance with the foregoing paragraphs.**

Submission of Questions:

8. Shareholders may submit questions relating to the items on the agenda of the EGM (a) by email to cortina-egm@complete-corp.com; or (b) by post to 10 Anson Road, #29-07 International Plaza, Singapore 079903, stating their names and identification number for verification. All questions must be submitted by 3:00pm on 17 February 2021.
9. The Company will endeavour to address the substantial and relevant questions at or before the EGM. The responses to such questions from shareholders, together with the minutes of the EGM, will be posted on the SGXNet and the Company's website within one month after the date of the EGM.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the EGM to attend, speak and vote at the EGM and / or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the Meeting as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and / or guidelines.

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

PROXY FORM

EXTRAORDINARY 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 (Chapter 50 of Singapore), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF and SRS investors who wish to appoint the Chairman of the EGM as proxy to vote on their behalf should approach their respective CPF agent banks and SRS operators to submit their voting instructions at least seven (7) working days before the EGM (i.e. by 12 noon on 11 February 2021.) Other investors holding shares in the Company through relevant intermediaries who wish to vote should approach their relevant intermediaries as soon as possible to specify voting instructions.

PERSONAL DATA PRIVACY

2. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 5 February 2021.

I/We,

of

being *a member/members of Cortina Holdings Limited (the “**Company**”), hereby appoint the Chairman of the Extraordinary General Meeting (“**EGM**”) of the Company as my/our proxy/proxies, to vote for me/us on my/our behalf at the EGM of the Company to be held by electronic means on 24 February 2021 at 3:00pm 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 EGM in the spaces provided hereunder.

In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as your proxy for that resolution will be treated as invalid.

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

No.	Ordinary Resolution	No. of Votes or to indicate with a tick [✓] or cross (x) ¹		
		For	Against	Abstain
1.	To approve the proposed acquisition by the Company of the total number of shares in the issued share capital of Sincere Watch Limited.			

¹All 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 _____ 2021

Total Number of Shares Held

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

IMPORTANT: PLEASE READ NOTES BEFORE COMPLETING THIS PROXY FORM

NOTES:

1. This instrument appointing the Chairman of the EGM as proxy must be under the hand of the appointor or his

attorney duly authorised in writing. Where the instrument is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

2. The instrument appointing the Chairman of the EGM as proxy, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be (a) submitted by mail to 10 Anson Road, #29-07 International Plaza, Singapore 079903 or (b) submitted by email to cortina-egm@complete-corp.com, not later than 3:00pm on 22 February 2021, being 48 hours before the time set for the meeting.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

3. 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 should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert the number of shares. If the member has shares entered against his 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 of shares is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
4. The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument of proxy lodged if such members are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.
5. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM unless his name appears on the Depository Register 72 hours before the time set for the EGM.
6. 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 EGM dated 5 February 2021.