Cortina Holdings Limited

ANNUAL REPORT 2009

Corporate Profile

At A Glance

For 36 years and counting, Cortina has been an organisation that remains true to the mission of establishing ourselves as a leading retailer and distributor of luxury timepieces and accessories across the Asia Pacific region.

A Timeless Recollection

Renowned for our delivery of exquisite selections of luxury timepieces through a customer-centric approach, "Cortina Watch" has become a brand that customers and partners have come to associate quality with. We stand successful today with the operation of a growing fleet of retail outlets in locations of high potential for market growth – Singapore, Malaysia, Indonesia, Thailand, Hong Kong and Taiwan. This is our story of a legacy – timeless identity.

An Enduring Masterpiece

Beyond geographic expansion, Cortina continually reinvents our reputation of luxurious excellence through innovations. We take pride in setting ourselves apart and challenging the conventions. We look to wards an eternity of redefining elegance and luxury.

Chairman's Message & Operation Review

Lim Keen Ban, Anthony
Chairman & Managing Director

Dear Shareholders,

These are challenging times. Indeed, 2009 was a year where much of our resolve as a company was tested. Aside from the gloomy economic climate, Cortina Holdings Limited had to manage the negative impact brought about by the exceptional stock loss[1] .

Although challenging, the Group stood tall against the adversities and ended the year with a profit after tax attributable to equity holders of S$6.3 million. This result, apart from the exceptional stock loss, is comparable to the performance of the last financial year.

In addition, retail numbers remained robust. Gross profit margin also achieved a new high at 21.5% as compared to 18.5% in FY2008. These, in turn, translate into a healthy balance sheet for the Group – a consolidated net worth of S$89.4 million as opposed to S$85.9 million in FY2008.

It is my personal conviction that we would be able to rise above the present economic situation as long as we stay united on a consolidated front to drive forward. Our strategy has proven to be sound and we are on track to solidify our position as a leading luxury timepiece retailer and distributor in Asia.

Therefore, I am confident that our resolve to rise and excel would take us through the following year – and years – ahead.

This Year In Review

FY2009 saw Cortina Holdings Limited forging ahead at a measured pace. Whilst the Group built on the momentum of last year's stellar performance, to expand our presence, both locally and regionally, the Group also took time to rationalise on its existing portfolio. The result is an increased gross profit margin, a more favourable sales mix and the successful launch of a fleet of multi-brand boutiques and a flagship Longines boutique.

Operationally, a highly successful run at Jewellery Time 2008 saw positive impact on retail sales. Strategically, we continued to reap the benefits of our vertical integration efforts since our first foray into distribution four years ago.

Overall, the Group achieved positive results in FY2009. A strengthened retail presence, heightened brand awareness in Singapore and the region and sound complementary distribution network augur well for Cortina – to enjoy solid returns for FY2010.

[1] The details of the exceptional stock loss was announced by the Group on 29 December 2008 and 20 March 2009.

Cortina Watch, CentralWorld, Bangkok, Thailand

Overall Market Performance

Sales for the year were negatively affected by the global financial meltdown, which caused a cutback in consumer spending in most business sectors. Thanks to our range of retail outlets and high-profile events, however, the decrease in the Group's sales was marginal at 4.5% and the Group was able to push ahead with the opening of four new boutiques in South East Asia.

The Group also sees noteworthy growth in the brands that we represent. Amongst many others, the Group now holds the rights as the Southeast Asia sole distributor for the likes of Chronoswiss, Concord, Wyler, Porsche Design, Ferragamo, Milus, Underwood. This portfolio mix of premium and diverse brands complements our existing retail network and indicates the potential for synergistic growth.

A setback to the Group's hard work occurred, however, when a theft that took place at the Raffles City retail outlet resulted in a loss of S$7.9 million worth of stock. The recovery of 230 timepieces on 19 March 2009, equivalent to S$4.6 million, helped to reduce significantly the original loss assessed.

Subsequent to the event, as a preventive measure, the Board engaged Certis Cisco to conduct a full-fledge review of the existing security system. This rigorous exercise is expected to safeguard and strengthen the Group against the recurrence of similar incidents in the future.

Certainly, the dent in the Group's overall performance for FY2009 was partially attributed to this incident. However, on behalf of the Board, I would like to assure our shareholders that the Group's cash position remains healthy.

Moving forward, this independent, singular incident is not expected to alter our business strategy nor focus. I am confident that our 20 retail outlets prominently located in different parts of Asia and the continued effort in rationalising our portfolio of distributed brands would fortify our position as a market leader in Asia for luxury timepieces.

Major Events

Our retail arm, Cortina Watch invested in increasing our public profile in FY2009. Spectacular events, like the Breitling "World of Aviation" Launch, the Omega Olympics Launch, Jaegar-LeCoulture 175th Anniversary celebration and the Longines Boutique opening, drew strong crowds and media attention. This, in turn, heightened consumer awareness and brand recognition.

Chairman's Message & Operation Review

Particularly worth mentioning is Jewellery Time 2008. The 11-day event, from 30 October to 9 November, marked Cortina Watch's 5th incarnation of the highly-anticipated bi-ennial event, at Paragon Shopping Centre in Singapore. The opening gala event was graced by two silver screen legends, Michele Reis and Leon Lai, who personify the qualities of timeless elegance and discernment distinct to Jewellery Time 2008.

In conjunction with Jewellery Time 2008, we produced a limited edition commemorative coffee-table book titled "The legacy – A Tale of Time and Intrigue".

The successful conclusion of Jewellery Time 2008 went beyond boosting the retail sales of the Group. More significantly, it entrenched the brand positioning of Cortina in the industry.

Retail Outlets

In FY2009, albeit more cautiously, the Group sustained the expansion momentum from FY2008 as it witnessed milestone launches.

In East Malaysia, our multi-brand boutique in the first lifestyle and leisure hypermall in Kota Kinabalu is launched, assuring a place of prominence with the local watch aficionados. In West Malaysia and Thailand's luxury scene, Cortina Watch opened new high profile multi-brand boutiques in Penang's Gurney Plaza, and Bangkok's Central World Plaza, respectively.

On the local front, we launched our flagship Longines Boutique in Wisma Atria, a first of three flagship boutiques located in the heart of Orchard Road. This firmly establishes Cortina Watch as a leader and a pioneer in luxury timepieces in Singapore.

The Way Ahead

In the year forward, whilst the operating environment is expected to remain challenging, Cortina Holdings Limited is quietly confident that our operations would stay resilient and sound.

Cortina Watch, Gurney Plaza, Penang, Malaysia

Mr Raymond Lim, Executive Director, receiving the "Heritage Brand Award" from Mr Lee Yi Shyan Minister of State, Ministry of Trade & Industry of the Singapore Prestige Brand Award 2008, Award Presentation Ceremony on 3 December 2008

In Singapore, we are planning for two boutiques in the new concept shopping mall, ION Orchard. The mall, which is set to be Singapore's first multi-sensory and experiential luxury lifestyle mall, will house a Patek Philippe boutique as well as a multi-brand boutique. An equally impeccable Patek Philippe boutique will be strategically located in the sensational Marina Bay Sands Resorts, to maximise opportunities present as a consequence of the influx of high net worth individuals to Singapore's first Integrated Resort.

Beyond Singapore's shores, we are looking to strengthen our position in Taiwan as a premium timepiece boutique with the opening of a multi-brand boutique in Taiwan's most prominent shopping mall – Taipei 101.

In Appreciation

Cortina Holdings Limited is grateful to our customers, business partners, management, staff, and shareholders for the unwavering dedication and the exceptional contributions. It is this same passion and commitment to achieve the Group's vision that makes it possible for us to turn challenges into stepping stones, and stay on track in the journey ahead.

Closing Words

Cortina Holdings Limited is committed to institute strategies that can evolve and meet the challenges of the new realities. With more than 35 years of pioneering and reinventing the luxury timepiece industry behind us, coupled with our unflinching passion and commitment to our stakeholders, Cortina Holdings Limited is confident that we will emerge stronger.

Lim Keen Ban, Anthony
Chairman & Managing Director

Jewellery Time 2008
BY CORTINA WATCH

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01 Jewellery Time 2008, the award-winning biennial event, showcased an impressive constellation of 16 of the world's most prestigious brands. Held for 11 days from 30 October – 9 November 2008, the show unveiled the brands most spectacular timepieces at the Paragon atrium which was transformed into a luxurious lounge with the bold 'Rock Baroque' concept, complimented with the crystal chandeliers, endless flow of sparkling champagne and magnificent décor fit for royalty.

Gracing the opening night as the faces of Jewellery Time 2008 were two silver screen legends, Leon Lai and Michele Reis, who amplified the glamour of pedigree and elegance. Other highlight for the night includes the unveiling of six extraordinary million-dollar valued timepieces presented by JaegerLeCoultre, Audemars Piguet, Van Cleef & Arpels, Chopard & Piaget.

The second edition of coffee table book titled 'The Legacy - A Tale of Time & Intrigue' was launched. A fascinating jetset journey of a mysterious key by Asia's eminent personalities. The entire event was indeed a stunning success. A tale to be remembered.

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02 An exclusive media session was held giving media representatives from major titles in Singapore, Malaysia, Indonesia, Thailand and Taiwan the opportunity to be the first to preview the timepieces on showcase as well as a questions and answers session with both Leon & Michele.

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03 A Highly Personal brunch hosted by Milus in association with Jewellery Time 2008. Guests were invited for a hands-on enamel workshop guided by Milus enamel artist, Michel Vermont.



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04 Discover the beauty of Van Cleef & Arpels Charms collection at its official launch held in conjunction with Jewellery Time 2008 on 04 November 2008.

05 Be enthralled with Jaeger-LeCoultre's latest extraordinary creation "Le-Lierre", a one-of-a-kind Haute Joaillerie set presented at Jaeger-LeCoultre High Jewellery event on 01 November 2008.

Hallmark of Style

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01 Blancpain event on 16 October 2008 in Cortina Watch Espace boutique, Starhill Gallery, Malaysia.

02 Celebrating the launch of Corum Admiral Cup Competition 40 with Cortina Watch on 18 July 2008 in Kuala Lumpur, Malaysia.

03 An intriguing brand Nubeo launched their Organika collection on 11 November 2008 in Cortina Watch Espace boutique, Starhill Gallery, Malaysia.

04 A Highly Personal Evening with Raja of Perlis Royal Family hosted by Milus and Cortina Watch on 7 July 2008 in Kuala Lumpur, Malaysia.

05 Bell & Ross event on 02 October 2008 in Bangkok, Thailand.

06 Experiencing the extra-ordinary bonding at IWC Father and Son event on 20 November 2008 in Bangkok, Thailand.

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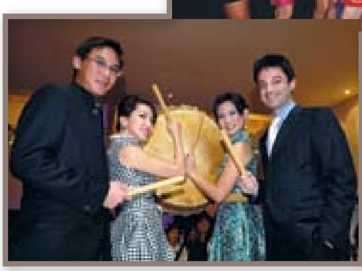

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07 Singapore artiste Andrea de Cruz, MTV VJ/ Thailand artiste Utt Sada Panichaul along with Thailand artiste Ploy Jindachot gracing Salvatore Ferregamo timepieces media launch co-hosted with Pacific Time on 19 November 2008 Singapore.

08 Opening of Longines flagship boutique in Singapore on 04 December 2008 in Wisma Atria,Singapore with special appearance by Hong Kong singer Aaron Kwok and MTV Asia VJ Denise Keller.

09 Celebrating Omega 'Olympics Great Moments in Time' exhibition at Paragon Shopping Mall, Singapore on 11 July 2008.

10 A Highly Personal enamel painting session hosted by Milus and Cortina Watch, in association with Visa Infinite on 4 July 2008 at Four Seasons Hotel, Singapore.

11 Raced with Williams F1 driver, Nico Rosberg at Oris AirAsia Grand Prix Challenge & Roadshow co-hosted by Cortina Watch on 23 September 2008 in Millenia Walk, Singapore.

12 Showcasing the new Chrono-matic 49 and the latest Bretling collection at "World of Aviation" exhibition on 13 August 2008 in Paragon Shopping Mall, Singapore.

Board of Directors

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01 *Lim Keen Ban, Anthony* is one of the founders of our Group and was appointed Managing Director since 1972. He is our Chairman and Managing Director and is responsible for the overall management, strategic planning and business development of the Group. In addition, Mr Lim also heads the distribution business and was instrumental in building up the distribution business over the last twenty years. He has over 45 years of experience in the business of watch retailing and distribution and has gained extensive knowledge of the industry over the years. Mr Lim was the President of the Singapore Clock & Watch Trade Association from 2002 to 2008.

02 *Yu Chuen Tek, Victor* is our Director since 1987 and was appointed Executive Director in 1995. His main portfolio includes strategic planning and overseeing the finance and corporate affairs to ensure the Group's growth is aligned with our corporate objective.
Mr Yu holds a Bachelor of Business Administration degree from the University of Singapore. He was the Singapore Honorary Consul General to Papua New Guinea from 1988 to 1992.

03 *Lim Jit Ming, Raymond* is an Executive Director of our Group since 1992. He is responsible for the overall regional business development and retail/distribution operations of the Group. He plays a pivotal role in assisting the Managing Director in the overall management, strategic planning and is actively involved in development of new markets. He has been with the Group since 1980 and has over 20 years of experience and know-how of the watch retail and distribution industry.

04 *Lim Jit Yaw, Jeremy* is an Executive Director and Executive Officer of our Group since 2002. He was appointed Operations Manager in 2000 and was subsequently promoted to Operations Director and Regional General Manager in 2003 and 2004 respectively. His duties include the management of the overall operations and merchandising of retail outlets in Singapore, Malaysia, Thailand and Indonesia. Prior to joining us in 2000, he was an audit senior with KPMG Singapore from 1997 to 2000. Mr Lim graduated from Edith Cowan University, Australia with a Bachelor of Business majoring in Accounting and Finance.

05 *Foo See Jin, Michael* is one of the founders of our Group and has been a Non-Executive Director of our Group since 1972. He has been in the food and beverage industry for over 37 years and was operations manager at the Yi Ru Vegetarian Restaurant, Neptune Theatre and Marina Mandarin of the Mandarin Group.

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06 *Long Foo Pieng, Benny* is a Non-Executive Director of our Group since 2000. Prior to joining us, he was an aircraft engine specialist with Pratt and Whitney Canada (S.E.A.) Pte Ltd. Mr Long holds an Associate Degree in Aviation Maintenance Technology from Embry-Riddle Aeronautical University in Florida, the United States of America.

07 *Ch'ng Jit Koon,* was appointed Independent Director in 2003. He is a Justice of the Peace, and was a Member of Parliament from 1968 to 1996. He was holding the office of the Senior Minister of State in Ministry of Community Development prior to his retirement in January 1997. Mr Ch'ng holds directorships in several listed and private companies, and also serves in several community organizations.

08 *Lau Ping Sum, Pearce* was appointed Independent Director in 2002. Having held management positions in both the public and the private sectors, Mr Lau is currently executive director of the People's Action Party Community Foundation and People's Action Party Headquarters. Mr Lau was the Member of Parliament for Yio Chu Kang and Ang Mo Kio GRC from 1980 to 1996. He is a director of several publicly listed and private companies. Mr Lau holds a Bachelor of Economics from the Australian National University and a Diploma in Business Administration from the National University of Singapore.

09 *Chin Sek Peng, Michael* was appointed Independent Director in 2007. Mr Chin is a Fellow (practising) member of the Institute of Certified Public Accountants of Singapore and a UK graduate Fellow member of the Institute of Chartered Accountants in England and Wales. Michael graduated with honours in accounting and finance from Lancaster University, UK in 1980 and qualified as a UK Chartered Accountant in 1983. He worked with legacy Price Waterhouse ("PW") in different countries and in 1994, Michael left PW when he was a senior audit manager and joined the Institute of Certified Public Accountants of Singapore as the first Practice Review Director to head and run the first practice monitoring programme in Singapore regulating all audit firms including the international audit firms in Singapore.

From 1999 to 2002, Michael was a partner of Arthur Andersen's Assurance and Business Advisory division in Singapore. Michael is currently the co-founder director of PKF-CAP Advisory Partners Pte Ltd, a consultancy firm and a partner of PKF-CAP LLP, a public accounting practice in Singapore affiliated with PKF International Limited which has legally independent member firms worldwide. Michael is also an associate member of the Institute of Internal Auditors of Singapore and currently serves as Audit Committee Chairman to several listed companies in Singapore.

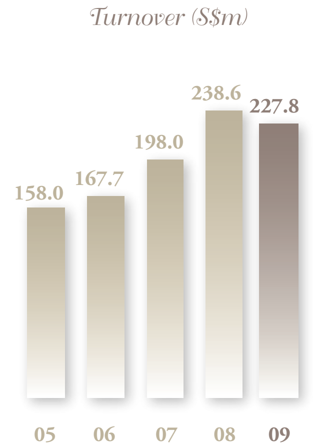
Group Structure

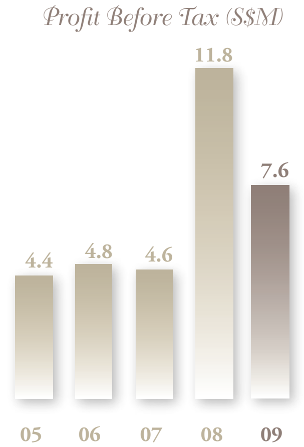
CORTINA HOLDINGS LIMITED

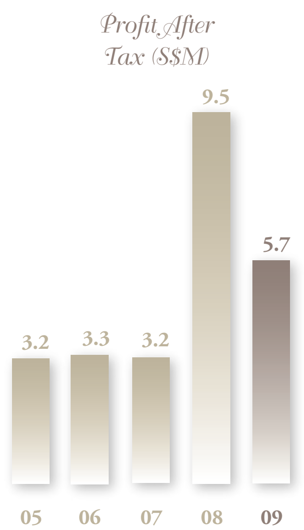
- Cortina Watch Sdn Bhd *(Malaysia)* *70%*
- Pactime HK Limited *(Hong Kong)* *70%*
- Cortina Watch (HK) Limited *(Hong Kong)* *100%*
- Cortina Watch International Pte Ltd *(Singapore)* *100%*
- Cortina Watch (Indochina) Pte Ltd *(Singapore)* *100%*
  - Cortina Watch (Yangon) Ltd *(Myanmar)* *100%*
- Pacific Time Pte Ltd *(Singapore)* *100%*
- Montre Royale Distributors (Singapore) Pte Ltd *(Singapore)* *50%*
  - Montre Royale S.A. *(Switzerland)* *100%*
- Chronoswiss Asia Pte Ltd *(Singapore)* *90%*
- Cortina Watch Pte Ltd *(Singapore)* *100%*
- Cortina Watch (Thailand) Ltd *(Thailand)* *70%*
- Cortina Watch Co Ltd *(Taiwan)* *60%*
- Pacific Time Co Ltd *(Taiwan)* *60%*

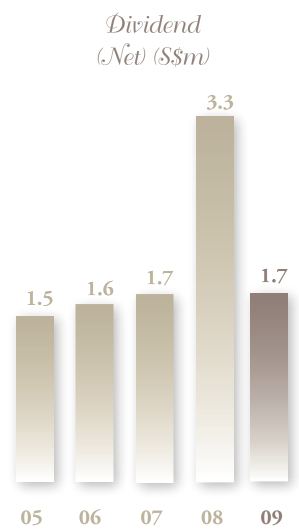
Financial Highlights

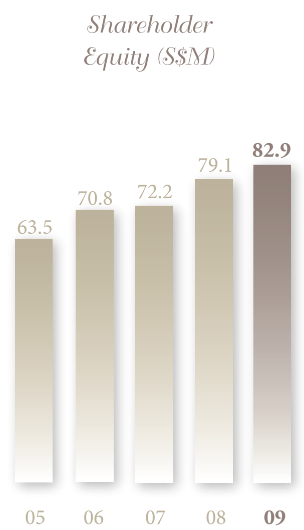
S$ MILLION	FY2005	FY2006	FY2007	FY2008	FY2009
Turnover	158.0	167.7	198.0	238.6	**227.8**
Profit Before Tax	4.4	4.8	4.6	11.8	**7.6**
Profit After Tax	3.2	3.3	3.2	9.5	**5.7**
Dividend (Net) (Note)	1.5	1.6	1.7	3.3	**1.7**
Shareholders Equity	63.5	70.8	72.2	79.1	**82.9**
CENTS					
Basic Earnings Per Share	2.0	2.3	2.4	5.9	**3.8**
Net Assets Per Share	42.2	42.7	43.6	47.8	**50.1**











Note: This is inclusive of all interim devidends paid and final devidends proposed.

Corporate Information

Board of Directors

Mr Lim Keen Ban, Anthony	*Chairman & Managing Director*
Mr Yu Chuen Tek, Victor	*Executive Director*
Mr Lim Jit Ming, Raymond	*Executive Director*
Mr Lim Jit Yaw, Jeremy	*Executive Director*
Mr Foo See Jin, Michael	*Non-Executive Director*
Mr Long Foo Pieng, Benny	*Non-Executive Director*
Mr Chin Sek Peng, Michael	*Lead Independent Director*
Mr Lau Ping Sum, Pearce	*Independent Director*
Mr Ch'ng Jit Koon	*Independent Director*

Company Secretaries

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

Audit Committee

Mr Chin Sek Peng, Michael	*Chairman*
Mr Lau Ping Sum, Pearce	
Mr Ch'ng Jit Koon	

Remuneration Committee

Mr Lau Ping Sum, Pearce	*Chairman*
Mr Ch'ng Jit Koon	
Mr Foo See Jin, Michael	

Nominating Committee

Mr Ch'ng Jit Koon	*Chairman*
Mr Chin Sek Peng, Michael	
Mr Yu Chuen Tek, Victor	
Mr Lau Ping Sum, Pearce	

Registered Office

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www.cortina.com.sg
Co. Registration No: 197201771W

Registrar and Share Transfer Office

KCK CorpServe Pte. Ltd.
333 North Bridge Road
#08-00 KH KEA Building
Singapore 188721
Person-in-charge: Ms Foo Soon Soo

Auditors

RSM Chio Lim
8 Wilkie Road #03-08
Wilkie Edge
Singapore 228095
Partner-in-charge: Mr Lim Lee Meng
Year of Appoinment:
Financial year ended 31 March 2008

Statement of Corporate Governance

The Board of Directors of Cortina Holdings Limited ("the Company") is committed to ensure that high standards of corporate governance and transparency are practised for the protection of shareholders' interest. This report outlines the Company's corporate governance processes with specific reference to the Code of Corporate Governance (the "Code")

This Statement sets out how the Company has effectively applied the principles of good corporate governance in a disclosure-based regime where accountability of the Board to the Company's shareholders and the Management to the Board provides the framework for achieving a mutually beneficial tripartite relationship aimed at creating and growing sustainable shareholders' value.

BOARD MATTERS

The Board's Conduct of its Affairs

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with Management to achieve this and the Management remains accountable to the Board.

The Board of Directors (the "Board") comprises an Executive Chairman, three Executive Directors, and five non-executive directors of whom three are independent. The Board has the appropriate mix of core competencies and diversity of experience to direct and lead the Company. As at the date of this report, the Board comprises the following members:

Mr Lim Keen Ban, Anthony (Chairman & Managing Director)
Mr Yu Chuen Tek, Victor (Executive Director)
Mr Lim Jit Ming, Raymond (Executive Director)
Mr Lim Jit Yaw, Jeremy (Executive Director)
Mr Foo See Jin, Michael (Non-Executive Director)
Mr Long Foo Pieng, Benny (Non-Executive Director)
Mr Chin Sek Peng, Michael (Lead Independent Director)
Mr Lau Ping Sum, Pearce (Independent Director)
Mr Ch'ng Jit Koon (Independent Director)

The primary role of the Board is to protect and enhance long-term shareholders' value. It sets the corporate strategies of the Group and sets directions and goals for the Management. It supervises the Management and monitors performance of these goals to enhance shareholders' value. The Board is responsible for the overall corporate governance of the Group.

Regular meetings are held to deliberate the strategic policies of the Company including significant acquisitions and disposals, review and approve annual budgets, review the performance of the business and approve the public release of periodic financial results.

The Board has formed Board Committees, namely, the Audit Committee, the Nominating Committee and the Remuneration Committee, 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 effectiveness of each Committee is also constantly reviewed by the Board.

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 2009: -

	Board	Audit Committee	Remuneration Committee	Nominating Committee
Number of meetings held	3	2	2	1
Names of Directors	**Number of Meetings Attended**			
Executive Directors				
Lim Keen Ban, Anthony	3	NA	NA	NA
Yu Chuen Tek, Victor	3	NA	NA	1
Lim Jit Ming, Raymond	3	NA	NA	NA
Lim Jit Yaw, Jeremy	3	NA	NA	NA
Non-Executive Directors				
Foo See Jin, Michael	3	NA	2	NA
Long Foo Pieng, Benny	3	NA	NA	NA
Independent Directors				
Lau Ping Sum, Pearce	3	2	2	1
Ch'ng Jit Koon	2	1	2	1
Chin Sek Peng, Michael	3	2	NA	1

While the Board considers Directors' attendance at Board meetings to be important, it is not the only criterion to measure their contributions. It also 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.

Board Composition and Balance

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board consists of nine Directors of whom three are independent Directors.

The criterion for independence is based on the definition given in the Code of Corporate Governance (the "Code"). The Board considers an "independent" Director as one who has no relationship with the Company, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent judgment of the conduct of the Group's affairs.

The Board is of the view that the current Board members comprise persons whose diverse skills, experience and attributes provide for effective direction for the Group. The composition of the Board will be reviewed on an annual basis by the Nominating Committee to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making.

Key information regarding the Directors is given in the 'Board of Directors' section of the annual report.

Particulars of interests of Directors who held office at the end of the financial year in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are set out in the Directors' Report on pages l of this annual report.

Chairman and Chief Executive Officer

Principle 3: There should be a clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

Mr Lim Keen Ban is the Chairman and Managing Director of the Company. He has executive responsibilities for the Group's performance and also ensures the responsibilities as set out in the Code are properly discharged. In view of Mr Lim's concurrent appointment as the Chairman and Managing Director, the Company has appointed Mr Chin Sek Peng, Michael as its Lead Independent Director in September 2007 pursuant to the recommendations in Commentary 3.3 of the Code.

As the Chairman, Mr Lim Keen Ban is primarily responsible for the overall management, strategic planning and business development of the Group.

In assuming his roles and responsibilities, Mr Lim consults with the Board, Audit, Nominating and Remuneration Committees on major issues. The Board believes that there are adequate safeguards in place against having a concentration of power and authority in a single individual.

Board Membership

Principle 4: There should be a formal and transparent process for the appointment of new Directors to the Board.

The Company has established a Nominating Committee "(NC") which is guided by the Terms of Reference approved by the Board.

The NC comprises four members the majority of whom, including its Chairman, are independent Directors. The members of the NC are:

- Mr Ch'ng Jit Koon (Chairman)
- Mr Chin Sek Peng, Michael
- Mr Lau Ping Sum, Pearce
- Mr Yu Chuen Tek, Victor

The NC ensures a formal and transparent process for the appointment of new Directors and re-election of Directors to the Board having regard to their academic background, working experience, management skill, attendance, preparedness, participation, candour and other salient factors.

The NC reviews and determines annually whether a Director is independent, is able to, and has adequately carried out his duties as a Director. The NC will then make the necessary recommendations to the Board for re-nomination and re-election purposes

The Company's Articles of Association requires one-third of the Directors to retire by rotation at every Annual General Meeting. They can be re-elected if eligible. The Managing Director appointment is not subject to this retirement by rotation.

Board Performance

Principle 5: There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board.

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.

The NC has reviewed and evaluated the performance of the Board as a whole, taking into consideration the attendance record at the meetings of the Board and Board Committees and also the contribution of each Director to the overall effectiveness of the Board.

Notwithstanding that some of the directors have multiple board representations, the NC is satisfied that sufficient time and attention are being given by the directors to the affairs of the Group.

Access to Information

Principle 6: In order to fulfill their responsibilities, Board members should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis.

All Directors are from time to time furnished with information concerning the Company to enable them to be fully cognizant of the decisions and actions of the Company's executive management. The Board has unrestricted access to the Company's records and information.

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.

The Board has separate and independent access to the Company Secretaries and to other senior management executives of the Company and of the Group at all times in carrying out their duties. The Company Secretaries attend all Board meetings and meetings of the Committees of the Company and ensure that Board procedures are followed and that applicable rules and regulations are complied with.

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

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors. No Director should be involved in deciding his own remuneration.

The Company has established a Remuneration Committee ("RC") whose duties are to recommend to the Board a framework of remuneration for the Board and Key Executives and to determine remuneration packages for each Executive Director and the Managing Director. The RC is also to recommend to the Board the terms of renewal of service agreements for Directors who entered service agreement with the Company.

The Remuneration Committee ("RC") comprises three members, the majority of whom, including its Chairman, are independent Directors. The members of the RC are:

- Mr Ch'ng Jit Koon (Chairman)
- Mr Lau Ping Sum, Pearce
- Mr Foo See Jin, Michael

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

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 the Company.

Level and Mix of Remuneration

Principle 8: The level of remuneration should be appropriate to attract, retain and motivate the Directors needed to run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive Directors' remuneration should be structured so as to link rewards to corporate and individual performance.

The level and mix of each remuneration package of the Directors are designed after considering the market's pay and employment conditions, the individual's level of responsibilities, the Company's relative performance and the performance of individual Directors.

For the financial year ended 31 March 2009 the Directors were each paid a basic fee of S$27,500 per annum, and a variable Committee fee based on their participation in various Committees. The quantum of the Directors' fee was approved by shareholders at the last Annual General Meeting held on 24 July 2008.

Disclosure on Remuneration

Principle 9: Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to Directors and key executives, and performance.

The details of the remuneration of Directors of the Group disclosed in bands for services rendered during the financial year ended 31 March 2009 are as follows:

	Number Of Directors 2009	2008
$1,000,000 and above	**0**	1
$750,000 to $999,999	**1**	1
$500,000 to $749,999	**2**	1
$250,000 to $499,999	**1**	1
Below $250,000	**5**	5
Total	**9**	**9**

The summary compensation table for the Directors and Top Key Executives of the Group for the financial year ended 31 March 2009 is set out below:

	Salary	Bonus	Directors' Fee	Allowances and other Benefits	Total Compensation
DIRECTORS	**%**	**%**	**%**	**%**	**%**
$750,000 to $1,000,000					
Lim Keen Ban, Anthony	47	44	6	3	100
$500,000 to $799,999					
Yu Chuen Tek, Victor	56	35	6	3	100
Lim Jit Ming, Raymond	51	38	4	7	100
$250,000 to $499,999					
Lim Jit Yaw, Jeremy	52	31	8	9	100
Below $250,000					
Foo See Jin, Michael	-	-	100	-	100
Long Foo Pieng, Benny	-	-	100	-	100
Lau Ping Sum, Pearce	-	-	100	-	100
Ch'ng Jit Koon	-	-	100	-	100
Chin Sek Peng, Michael	-	-	100	-	100

KEY EXECUTIVES	Salary %	Bonus %	Allowances and other Benefits %	Total Compensation %
$250,000 to $499,999				
Lim Yin Chian, Sharon	67	26	7	100
Below $250,000				
Yuen King Yu, Andrew	76	24	0	100
Tshai Kin Chon, Ivan	84	16	0	100
Cheah Yok Kian, Dorris	53	17	30	100
Krist Chatikaratana	100	0	0	100
Shih Wen Lian	88	8	4	100

Remuneration of Key Executives (who are not Directors of the Company)

For the financial year ended 31 March 2009, the Key Executives (who are not Directors of the Company) of the Group are Yuen King Yu, Lim Yin Chian, Tshai Kin Chon, Cheah Yok Kian, Krist Chatikaratana and Shih Wen Lian.

Other than the key executives, there was also one immediate family member of the Managing Director whose remuneration exceeded S$150,000 for the financial year ended 31 March 2009.

ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board is accountable to the shareholders and is mindful of its obligations to furnish timely information and to ensure full disclosure of material information to shareholders in compliance with statutory requirements and the Listing Manual of the SGX-ST.

Price sensitive information will be publicly released either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Financial results and annual reports will be announced or issued within legally prescribed periods.

Audit Committee

Principle 11: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The establishment of an Audit Committee ("AC") is to assist the Board in discharging its fiduciary responsibilities pertaining to accountability to the Company's shareholders and maintaining high standards of corporate governance.

The AC comprises the following members:

- Mr Chin Sek Peng, Michael (Chairman)
- Mr Lau Ping Sam, Pearce
- Mr Ch'ng Jit Koon

The AC's scope of authority, as defined by its Terms of Reference, includes:

- reviews with the external and internal auditors their audit plans and their evaluation of internal accounting controls including management responses;
- reviews 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;
- reviews findings of any internal investigations and management's response;
- makes recommendations to the Board on the appointment or change of auditors;
- monitors interested person transactions and conflict of interest situations that may arise within the Group, including any transactions, procedures or courses of action that raise questions about Management's integrity. The AC is also required to ensure that directors report such transactions annually to shareholders via the annual report;
- review half yearly reporting to SGX-ST and year end annual financial statements of the Group before submission to the Board, focusing on such matters as:
  - going concern assumption
  - compliance with financial reporting standards and regulatory requirements
  - any changes in accounting policies and practices
  - significant issues arising from the audit
  - major judgmental areas; and
- any other functions which may be agreed by the AC and the Board.

The AC has presented a report to the Board in respect of:

(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, was obstructed or impeded by management;
(ii) the adequacy of the Group's internal accounting control system and its internal control procedures relating to interested person transactions 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.

The AC has full access to and co-operation of the Management and has full discretion to invite any Director or Executive officer to attend its meetings, and has been given reasonable resources to enable it to discharge its duties.

The AC has met with both the external and internal auditors without the presence of Management, at least once a year.

The AC reviews the independence of the external auditors annually. The AC, having reviewed the range and value of non-audit services performed by the external auditors, RSM Chio Lim, was satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The AC recommended that RSM Chio Lim be nominated for re-appointment as auditors at the forthcoming AGM.

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 the Company. Each member of the AC shall abstain from voting any resolutions in respect of matters he is interested in.

The Company has in place a whistle-blowing framework where staff of the Company can access the AC Chairman to raise concerns about improprieties.

Internal Controls and Risk Management

Principle 12: The Board should ensure that the Management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.

The Board through the Audit Committee ensures that a review of the effectiveness of the Group's material internal controls, including financial, operational, compliance controls and risk management is conducted annually. In this respect, the Audit Committee 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 process. Additionally, the Board acknowledges that no cost effective internal control system will preclude all errors and irregularities. A 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 material misstatement or loss.

Based on the discussions with the external and internal auditors and the management's responses to the auditors' recommendations for improvements to the Group's internal controls, the Board is satisfied that there are adequate internal controls to safeguard the assets and ensure the integrity of financial statements.

The Group currently does not have a Risk Management Committee but the management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. The management reviews all significant control policies and procedures and will highlight all significant matters to the Board of Directors and the Audit Committee.

Internal Audit

Principle 13: The Company should establish an internal audit function that is independent of the activities it audits.

The Company has engaged Paul Wan & Co. as its internal auditors.

The Audit Committee reviews the audit plans of the internal auditors, ensures that adequate resources are directed to carry out those plans and reviews the results of the internal auditors' examination of the Company's system of internal controls.

The internal auditors have unrestricted access to the Audit Committee.

COMMUNICATION WITH SHAREHOLDERS

Communication with Shareholders

Principle 14: Companies should engage in regular, effective and fair communication with shareholders.

Principle 15: Companies should encourage greater shareholder participation at AGM's and allow shareholders the opportunity to communicate their views on various matters affecting the Company.

In line with continuous obligations of the Company pursuant to the SGX-ST's 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 ("EGM"); and
(e) Company's website at www.cortina.com.sg where shareholders can access information on the Group.

The Company's AGMs are the principal forums for dialogue with shareholders. The Chairmen of the Audit, Remuneration and Nominating Committees are normally available at the meetings to answer any questions relating to the work of these Committees. The external auditors shall also be present to assist the Directors in addressing any relevant queries by the shareholders.

Shareholders are encouraged to attend the AGM/EGM to ensure a high level of interaction and to stay informed of the Group's strategy and goals. Notice of the meeting will be advertised in newspapers and announced on SGXNET.

Dealing In Securities

The Company has in place a policy prohibiting share dealings by Directors and employees of the Company for the period of one month prior to the announcement of the Company's half yearly and yearly results, as the case may be, and ending on the date of the announcement of the relevant results. Directors and employees are expected to observe the insider trading laws at all times even when dealing in securities within permitted trading period.

Interested Person Transactions Policy

The Company has adopted an internal policy, which sets out the procedures for the notification to and approval by Audit Committee, in relation to transactions with interested persons. There was no interested person transaction which requires disclosure or shareholders' approval under SGX-ST rules regulating interested persons transactions.

Material Contracts

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

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The directors of the company are pleased to present their report together with the audited financial statements of the company and of the group for the financial year ended 31 March 2009.

1. DIRECTORS AT DATE OF REPORT

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

Lim Keen Ban
Yu Chuen Tek
Lim Jit Ming
Lim Jit Yaw
Foo See Jin
Long Foo Pieng
Lau Ping Sum, Pearce
Ch'ng Jit Koon
Chin Sek Peng

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

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisition of shares or debentures in the company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the company holding office at the end of the financial year had no interests in the share capital of the company and related corporations as recorded in the register of directors' shareholdings kept by the company under section 164 of the Companies Act, Cap. 50 except as follows:

	Direct Interest		
Name of directors and companies in which interests are held	**At 1.4.08**	**At 31.3.09**	**At 21.4.09**
Cortina Holdings Limited	**Number Of Shares Of No Par Value**		
Yu Chuen Tek	14,585,015	14,585,015	12,985,015
Foo See Jin	7,107,320	7,107,320	7,107,320
Long Foo Pieng	8,564,940	8,564,940	8,564,940
Lau Ping Sum, Pearce	30,000	30,000	30,000
	Deemed Interest		
	At 1.4.08	**At 31.3.09**	**At 21.4.09**
Cortina Holdings Limited	**Number Of Shares Of No Par Value**		
Lim Keen Ban	58,012,425	59,662,425	61,262,425
Yu Chuen Tek	8,678,000	8,678,000	8,678,000
Lim Jit Ming	58,012,425	59,662,425	61,262,425
Lim Jit Yaw	58,012,425	59,662,425	61,262,425

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

At the beginning and end of the financial 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.

4. CONTRACTUAL BENEFITS OF DIRECTORS

Since the beginning of the financial year, no director of the company has received or become entitled to receive a benefit which is required to be disclosed under section 201(8) of the Companies Act, Cap. 50, by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except as disclosed in the financial statements. Certain directors of the company received remuneration from related corporations in their capacity as directors and or executives of those related corporations.

5. OPTIONS TO TAKE UP UNISSUED SHARES

During the financial year, no option to take up unissued shares of the company or any corporation in the group was granted.

6. OPTIONS EXERCISED

During the financial year, there were no shares of the company or any corporation in the group issued by virtue of the exercise of an option to take up unissued shares.

7. UNISSUED SHARES UNDER OPTION

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

8. AUDIT COMMITTEE

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

Mr Chin Sek Peng	(Chairman of audit committee and lead independent and non-executive director)
Mr Lau Ping Sum, Pearce	(Independent and non-executive director)
Mr Ch'ng Jit Koon	(Independent and non-executive director)

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

- Reviewed with the independent external auditors their audit plan;
- Reviewed with the independent external auditors their evaluation of the company's internal accounting control, and their report on their audit of the financial statements and the assistance given by the company's officers to them;
- Reviewed with the internal auditors the scope and results of the internal audit procedures and their internal control report on the Group's internal controls;
- Reviewed the financial statements of the group and the balance sheet and statement of changes in equity of the company prior to their submission to the directors of the company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Listing Manual of SGX).

8. AUDIT COMMITTEE (CONT'D)

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

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

9. INDEPENDENT AUDITORS

The independent auditors, RSM Chio Lim LLP, have expressed their willingness to accept re-appointment.

10. SUBSEQUENT DEVELOPMENTS

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 22 May 2009, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On Behalf of the Directors

....

Lim Keen Ban
Director

....

Yu Chuen Tek
Director

25 May 2009

Statement by Directors

In the opinion of the directors, the accompanying financial statements are drawn up so as to give a true and fair view of the state of affairs of the group and of the company as at 31 March 2009 and the results, changes in equity and cash flows of the group and the changes in equity of the company for the year ended on that date and at the date of this statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

On Behalf of the Directors

Lim Keen Ban
Director

Yu Chuen Tek
Director

25 May 2009

Independent Auditors' Report

To the Members of Cortina Holdings Limited

We have audited the accompanying financial statements of Cortina Holdings Limited (the "company")and its subsidiaries (the "group"), which comprise the balance sheets of the group and the company as at 31 March 2009, and the income statement, statement of changes in equity and cash flow statement of the group, and statement of changes in equity of the company for the year then ended, and a summary of significant accounting policies and other explanatory notes.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 ("the Act") and Singapore Financial Reporting Standards. This responsibility includes:

(a) 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 income statement and balance sheets and to maintain accountability of assets;

(b) selecting and applying appropriate accounting policies; and

(c) making accounting estimates that are reasonable in the circumstances.

INDEPENDENT AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion,

(a) the consolidated financial statements of the group and the balance sheet and statement of the changes in equity of the company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the group and of the company as at 31 March 2009 and the results, changes in equity and cash flows of the group and the changes in equity of the company for the year ended on that date; and

(b) the accounting and other records required by the Act to be kept by the company and by those subsidiaries incorporated in Singapore of which we are the independent auditors have been properly kept in accordance with the provisions of the Act.

RSM Chio Lim LLP
Public Accountants and Certified Public Accountants

Singapore
25 May 2009

Partner in charge of audit: Lim Lee Meng
Effective from year ended 31 March 2008

Consolidated Income Statement

Year Ended 31 March 2009

	Notes	Group 2009 $'000	Group 2008 $'000
REVENUE	5	**227,777**	238,553
Other Items of Income			
Interest Income	6	**57**	164
Other operating income	7	**989**	116
Other Items of Expense			
Cost of Inventories recognised as an Expense		**(178,704)**	(194,383)
Employee Benefits Expense	8	**(12,846)**	(11,913)
Rental Expenses		**(8,930)**	(7,546)
Depreciation expense and impairment adjustment	9	**(2,224)**	(1,598)
Other Expenses	10	**(10,726)**	(8,022)
Other Charges	7	**(4,864)**	(849)
Finance Costs	11	**(2,705)**	(2,725)
Share of Loss from Equity-Accounted Associates		**(240)**	(12)
Profit Before Tax From Continuing Operations		**7,584**	11,785
Income Tax Expense	12	**(1,903)**	(2,313)
Profit From Continuing Operations, Net of Tax		**5,681**	9,472
Profit Attributable to Equity Holders of Parent, Net of Tax		**6,334**	9,697
(Loss) Attributable to Minority Interest, Net of Tax		**(653)**	(225)
		5,681	9,472

		Cents	Cents
EARNINGS PER SHARE FROM CONTINUING OPERATIONS			
Basic	15	**3.8**	5.9
Diluted	15	**3.8**	5.9

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

Balance Sheets

As at 31 March 2009

	Notes	Group 2009 $'000	Group 2008 $'000	Company 2009 $'000	Company 2008 $'000
ASSETS					
Non-Current Assets					
Property, Plant and Equipment, Total	16	**9,066**	8,700	–	–
Investment Properties	17	**1,493**	1,610	**1,493**	1,610
Investments in Subsidiaries	18	–	–	**22,637**	21,049
Investment in Associates	19	**2,879**	3,119	**1,000**	1,000
Deferred Tax Assets	12	**459**	451	**127**	–
Trade and Other Receivables, Non-current	20	–	–	**14,026**	16,000
Other Assets, Non-current	21	**3,984**	3,115	–	–
Total Non-Current Assets		**17,881**	16,995	**39,283**	39,659
Current Assets					
Inventories	22	**153,645**	133,418	–	–
Trade and Other Receivables, Current	23	**7,488**	11,390	**6,373**	5,449
Other Assets, Current	24	**1,124**	1,739	**19**	14
Cash and Bank Balances	25	**7,965**	13,122	**47**	195
Total Current Assets		**170,222**	159,669	**6,439**	5,658
Total Assets		**188,103**	176,664	**45,722**	45,317
EQUITY AND LIABILITIES					
Equity					
Share Capital	26	**35,481**	35,481	**35,481**	35,481
Other Reserves, Total	27	**(1,919)**	(2,709)	–	–
Retained Earnings		**49,329**	46,307	**9,007**	7,286
Equity, Attributable to Equity Holders of Parent, Total		**82,891**	79,079	**44,488**	42,767
Minority Interest		**6,529**	6,829	–	–
Total Equity		**89,420**	85,908	**44,488**	42,767
Non-Current Liabilities					
Provisions, Non-current, Total	28	**378**	365	–	–
Deferred Tax Liabilities	12	–	19	–	643
Other Financial Liabilities, Non-current	29	**2,497**	2,374	–	–
Trade and other payables, Non-current	30	**3,241**	–	–	–
Other Liabilities, Non-current	31	**4**	39	–	–
Total Non-Current Liabilities		**6,120**	2,797	–	643
Current Liabilities					
Income Tax Payable, Current		**1,394**	2,082	**37**	–
Trade and Other Payables, Current	32	**18,236**	29,346	**1,197**	1,832
Other Financial Liabilities, Current	29	**68,995**	51,748	–	75
Other Liabilities, Current	33	**3,938**	4,783	–	–
Total Current Liabilities		**92,563**	87,959	**1,234**	1,907
Total Liabilities		**98,683**	90,756	**1,234**	2,550
Total Equity and Liabilities		**188,103**	176,664	**45,722**	45,317

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

Statement of Changes in Equity

Year Ended 31 March 2009

Group	Capital $'000	Translation Reserves $'000	Retained Earnings $'000	Parent Sub-total $'000	Minority Interest $'000	Total Equity $'000
CURRENT YEAR:						
Opening Balance at 1 April 2008	35,481	(2,709)	46,307	79,079	6,829	85,908
Items of Income and Expense Recognised Directly in Equity:						
Exchange Differences on Translating Foreign Operations	–	790	–	790	(271)	702
Gain on dilution of interest of minority shareholders of subsidiaries	–	–	–	–	183	183
Net Income Recognised Directly in Equity	–	790	–	790	(88)	702
Profit/ (Loss) for the Year	–	–	6,334	6,334	(653)	5,681
Total Recognised Income and Expenses for the Year	–	790	6,334	7,124	(741)	6,383
Other Movements in Equity:						
Transactions With Equity Holders:						
Issuance of Subsidiaries Shares to Minority Shareholders	–	–	–	–	441	441
Dividends Paid (Note 14)	–	–	(3,312)	(3,312)	–	(3,312)
Total Other Movements in Equity	–	–	(3,312)	(3,312)	441	(2,871)
Closing Balance at 31 March 2009	35,481	(1,919)	49,329	82,891	6,529	89,420
PREVIOUS YEAR:						
Opening Balance at 1 April 2007	35,481	(1,572)	38,266	72,175	3,464	75,639
Items of Income and Expense Recognised Directly in Equity:						
Exchange Differences on Translating Foreign Operations	–	(1,137)	–	(1,137)	–	(1,137)
Net Income Recognised Directly in Equity	–	(1,137)	–	(1,137)	–	(1,137)
Profit/(Loss) for the Year	–	–	9,697	9,697	(225)	9,472
Total Recognised Income and Expenses for the Year	–	(1,137)	9,697	8,560	(225)	8,335
Other Movements in Equity:						
Transactions With Equity Holders:						
Issuance of Subsidiary Shares to a Minority Shareholder	–	–	–	–	3,640	3,640
Dividends Paid (Note 14)	–	–	(1,656)	(1,656)	–	(1,656)
Dividends Paid to Minority Shareholder of a Subsidiary	–	–	–	–	(50)	(50)
Total Other Movements in Equity	–	–	(1,656)	(1,656)	3,590	1,934
Closing Balance at 31 March 2008	35,481	(2,709)	46,307	79,079	6,829	85,908

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

Statement of Changes in Equity

Year Ended 31 March 2009

Company:	Capital $'000	Retained Earnings $'000	Total $'000
CURRENT YEAR:			
Opening Balance at 1 April 2008	35,481	7,286	42,767
Profit for the Year	–	5,034	5,034
Total Recognised Income and Expenses for the Year	–	5,034	5,034
Other Movements in Equity:			
Transactions With Equity Holders:			
Dividends Paid (Note 14)	–	(3,312)	(3,312)
Total Other Movements in Equity	–	(3,312)	(3,312)
Closing Balance at 31 March 2009	35,481	9,007	44,488
PREVIOUS YEAR:			
Opening Balance at 1 April 2007	35,481	4,560	40,041
Profit for the Year	–	4,382	4,382
Total Recognised Income and Expense for the Year	–	4,382	4,382
Other Movements in Equity:			
Transactions With Equity Holders:			
Dividends Paid (Note 14)	–	(1,656)	(1,656)
Total Other Movements in Equity	–	(1,656)	(1,656)
Closing Balance at 31 March 2008	35,481	7,286	42,767

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

Consolidated Cash Flow Statement

Year Ended 31 March 2009

	2009 $'000	2008 $'000
Cash Flows From Operating Activities		
Profit Before Tax	**7,584**	11,785
Depreciation expense and Impairment adjustment	**2,224**	1,598
Interest Income	**(57)**	(164)
Interest Expense	**2,705**	2,725
Share of the Loss from Equity-Accounted Associates	**240**	12
Gain on Disposal of Plant and Equipment	**(168)**	(116)
Amortisation of Deferred Income	**(35)**	(115)
Loss on dilution of interest of minority shareholders of subsidiaries	**183**	–
Plant and Equipment Written Off	**72**	298
Preliminary expenses Written off	**322**	–
Fair value adjustment on interest free loan payable to associate (Note 30)	**(616)**	–
Provisions, Non-current	**13**	93
Net Effect of Exchange Rate Changes in Consolidating Subsidiaries	**663**	(1,102)
Operating Cash Flows before Changes in Working Capital	**13,130**	15,014
Inventories	**(20,227)**	(2,355)
Trade and Other Receivables, Current	**3,902**	245
Other Assets	**(576)**	(1,751)
Trade and Other Payables, Current	**(11,110)**	1,963
Other Liabilities, Current	**(845)**	2,230
Net Cash Flows From Operations Before Interest and Tax	**(15,726)**	15,346
Income Taxes Paid	**(2,618)**	(1,192)
Net Cash Flows (Used in) From Operating Activities	**(18,344)**	14,154
Cash Flows From Investing Activities		
Proceeds from Sale of Plant and Equipment	**242**	443
Purchase of Plant and Equipment (Note 25)	**(1,952)**	(2,734)
Interest Received	**57**	164
Net Cash Flows Used in Investing Activities	**(1,653)**	(2,127)
Cash Flows From Financing Activities		
Proceeds from Shares Issued by Subsidiaries	**441**	3,640
Increase in Other Financial Liabilities	**17,067**	1,016
Decrease in Finance Leases	**(625)**	(531)
Trade and Other Payables, Non-Current	**3,688**	–
Interest Paid	**(2,536)**	(2,725)
Dividends Paid (Note 14)	**(3,312)**	(1,656)
Dividends Paid to Minority Shareholder of a Subsidiary	–	(50)
Net Cash From (Used In) Financing Activities	**14,723**	(306)
Net (Decrease)/Increase In Cash and Cash Equivalents	**(5,274)**	11,721
Cash and Cash Equivalents, Beginning Balance (Note 25)	**11,378**	(303)
Effect Of Foreign Exchange Rate Adjustments	**10**	30
Cash and Cash Equivalents, Ending Balance (Note 25)	**6,114**	11,388

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

1. GENERAL

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and comprise the consolidated financial statements of the company and its subsidiaries ("group") and the balance sheet and statement of changes in equity of the company.

The financial statements were approved and authorised for issue by the board of directors on 25 May 2009.

The company is an investment holding company and provides management and financial related services to its subsidiaries and associates. It is listed on the Singapore Exchange Securities Trading Limited.

The principal activities of the subsidiaries are described in Note 18 to the financial statements.

The registered office is: 391B Orchard Road, #18-01 Ngee Ann City Tower B, Singapore 238874. The company is domiciled in Singapore.

Many countries in the region and elsewhere, including Singapore, are experiencing economic difficulties as a consequence of the current turmoil in the world's financial markets. This has resulted in fluctuations in foreign currency exchange rates, weaker stock and commodity markets, uncertainty of the availability of bank finance to suppliers and customers and a slowdown in growth. The current financial crisis has affected and will continue to have an adverse impact on the group's business, financial condition, results of operations, cash flows and prospects for the foreseeable future. The recoverability of the assets and the ability of the group to maintain or pay its debts as they mature are dependent to a large extent on the efficacy of the fiscal and other measures undertaken by these countries to achieve economic recovery. These measures are beyond the group's control.

The group has considerable financial resources together with some good arrangements with a number of customers and suppliers. As a consequence, the management believes that the group is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the management has a reasonable expectation that the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the company and the group continue to adopt the going concern basis in preparing the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") as well as all related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act, Cap 50. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basis of Presentation

The consolidation accounting method is used for the consolidated financial statements that include the financial statements made up to the end of the reporting year each year of the company and all of its directly and indirectly controlled subsidiaries. The consolidated financial statements are the financial statements of the group presented as those of a single economic entity. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions, including income, expenses and dividends, are eliminated in full on consolidation. The equity accounting method is used for associates in the group financial statements. The results of the investees acquired or disposed of during the financial year are accounted for from the respective dates of acquisition or up to the dates of disposal which is the date on which effective control is obtained of the acquired business until that control ceases. On disposal the attributable amount of goodwill if any is included in the determination of the gain or loss on disposal.

The company's financial statements have been prepared on the same basis, and as permitted by the Companies Act, Cap. 50, no income statement is presented for the company.

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 period. 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.

Revenue Recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the year arising from the course of the ordinary activities of the entity and it is shown net of sales related taxes, estimated returns, discounts and volume rebates. Revenue from the sale of goods is recognised when significant risks and rewards of ownership are transferred to the buyer, there is neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably and collection is reasonably assured.

Revenue from rendering of services that are of short duration is recognised when the services are completed and collection is reasonably assured.

Rental revenue is recognised on a time-proportion basis that takes into account the effective yield on the asset on a straight-line basis over the lease term and when collection is reasonably assured.

Interest is recognised using the effective interest method and dividends from equity instruments are recognised as income when the entity's right to receive payment is established.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Employee Benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund which is the Central Provident Fund in Singapore (a government-managed retirement benefit plan). 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.

Income Tax

The income taxes are accounted 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. Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred income taxes are recognised in the income statement except that when they relate to items that initially bypass the income statement and are taken to equity, in which case they are similarly taken to equity. 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 is not recognised for all taxable temporary differences associated with investments in subsidiaries and associates because (a) the company is able to control the timing of the reversal of the temporary difference; and (b) it is probable that the temporary difference will not reverse in the foreseeable future.

Foreign Currency Transactions

The financial statements are presented in Singapore dollar which is also the functional currency 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 balance sheet and fair value dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in the income statement except when deferred in equity as qualifying cash flow hedges.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Translation of Financial Statements of Foreign Entities

Each entity in the group determines the appropriate functional currency as it reflects the primary economic environment in which the entity operates. In translating the financial statements of an investee for incorporation in the consolidated financial statements the assets and liabilities denominated in currencies other than the functional currency of the company are translated at year end rates of exchange and the income and expense items are translated at average rates of exchange for the year. The components of shareholders' equity are stated at historical value. The resulting translation adjustments (if any) are accumulated in a separate component of equity until the disposal of that investee. The presentation is in the functional currency.

Borrowing Costs

All borrowing costs that are interest and other costs incurred in connection with the borrowing of funds that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are recognised as an expense in the period in which they are incurred. The interest expense is calculated using the effective interest rate method.

Property, Plant and Equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts 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%
Plant and Equipment	–	16.67 to 50%

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.

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. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in the income statement. The residual value and the useful life of an asset is reviewed at least at each financial year-end 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, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent cost 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 the income statement when they are incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 rather 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 28 on long-term provisions.

Investment Property

Investment property is property 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. 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 less costs to sell. For disclosure purposes, the fair values are determined 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 property being valued.

Leased Assets

Leases are classified as finance leases if substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. At the commencement of the lease term, a finance lease is recognised as an asset and as a liability in the balance sheet at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset. The excess of the lease payments over the recorded lease liability are treated as finance charges which are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred. The assets are depreciated as owned depreciable assets. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in the income statement 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. Lease incentives received are recognised in the income statement as an integral part of the total lease expense. Rental income from operating leases is recognised in the income statement 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. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Segment Reporting

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities accompanying a shareholding of more than one half of the voting rights or the ability to appoint or remove the majority of the members of the board of directors or to cast the majority of votes at meetings of the board of directors. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity.

In the company's own separate financial statements, the investments in subsidiaries are stated at cost less any provision 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 net book values of the subsidiaries are not necessarily indicative of the amounts that would be realised in a current market exchange.

Associates

An associate is an entity including an unincorporated entity in which the investor has a substantial financial interest (usually not less than 20% of the voting power), and significant influence and that is neither a subsidiary nor a joint venture of the investor. 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. The investments in associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of net assets of the associate, less any impairment in value. The income statement reflects the group's share of the results of operations of the associate. Profits and losses resulting from transactions between the group and an associate are recognised in the financial statements only to the extent of unrelated investors' interests in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Losses of associates in excess of the group's interest in the relevant entity are not recognised except to the extent that the group has an obligation. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the group.

In the company's own separate financial statements, the investments in associates are stated at cost less any provision 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 net book values of the associates are not necessarily indicative of the amounts that would be realised in a current market exchange.

Business Combinations

Business combinations are accounted for by applying the purchase method of accounting. There were none during the year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Minority Interest

The minority interest in the net assets and net results of consolidated subsidiary are shown separately in the consolidated balance sheet and consolidated income statement. Any minority interest in the acquiree (subsidiary) is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Impairment of Non-Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at 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 reporting date for indications of impairment and where an asset is impaired, it is written down through the income statement to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in the income statement. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing 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 reporting date 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 determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial Assets

Initial recognition and measurement and derecognition of financial assets:

A financial asset is recognised on the balance sheet when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through income statement includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit and loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control.

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

1. Financial assets at fair value through profit and loss: As at year end date there were no financial assets classified in this category.

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in the income statement. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.

3. Held-to-maturity financial assets: As at year end date there were no financial assets classified in this category.

4. Available for sale financial assets: As at year end date there were no financial assets classified in this category.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the cash flow statement 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.

Financial Liabilities

Initial recognition and measurement:

A financial liability is recognised on the balance sheet when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through income statement includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit and loss are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit and loss: As at year end date there were no financial liabilities classified in this category.

2. Other financial liabilities: All liabilities, which have not been classified in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowing are classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

Financial Guarantees

A financial guarantee contract requires that the issuer makes specified payments to reimburse the holder for a loss when a specified debtor fails to make payment when due. Financial guarantee contracts are initially recognised at fair value and are subsequently measured at the greater of (a) the amount determined in accordance with FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with FRS 18.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fair Value of Financial Instruments

The carrying values of current financial assets and financial liabilities approximate their fair values due to the short-term maturity of these instruments. Disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant items at the end of the reporting year and in the event the fair values are disclosed in the relevant notes. The maximum exposure to credit risk is the fair value of the financial instruments at the end of the reporting year. The fair value of a financial instrument is derived from an active market. The appropriate quoted market price for an asset held or liability to be issued is usually the current bid price without any deduction for transaction costs that may be incurred on sale or other disposal and, for an asset to be acquired or liability held, the asking price.

Inventories

Inventories are measured at the lower of cost (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 for 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.

Equity

Equity instruments are contracts that give a residual interest in the net assets of the company. Ordinary shares are classified as equity. Equity instruments are recognised at the amount of proceeds received net of incremental costs directly attributable to the transaction. Dividends on equity are recognised as liabilities when they are declared. Interim dividends are recognised when paid.

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. Provisions are 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 the income statement in the period they occur.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 within the next financial 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.

Allowance for doubtful accounts:
An allowance is made for doubtful accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management generally analyses accounts receivables and analyses historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful accounts. To the extent that it is feasible impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the reporting year, the receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year.

Net realisable value of inventories:
A review is made periodically on inventory for excess inventory, obsolescence and declines in net realisable value below cost and an allowance is recorded against the inventory balance for any such declines. These reviews require management to consider the future demand for the products. In any case the realisable value represents the best estimate of the recoverable amount and is based on the most reliable 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 judgment and materially affects the carrying amount of inventories 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 was $153,645,000 (2008: S$ 133,418,000).

Income tax:
The group has exposure to income taxes in more than one jurisdiction. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognises expected liabilities for tax based on an estimation of whether additional taxes will be due. Where the actual liability arising from these issues differs the amounts that were initially recognised, such differences will have an impact on income tax and deferred tax provisions in the period when such determination is made. The carrying amount of group's income tax payables and deferred tax liabilities at the balance sheet date were S$1,394,000 (2008: S$2,082,000) and Nil (2008:S$19,000).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Deferred tax estimation:
Management judgment is required in determining the provision for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognised. A deferred tax asset is recognised if it is probable that sufficient taxable income will be available in the future against which the temporary differences and unused tax losses can be utilised. Management also considers future taxable income and tax planning strategies in assessing whether deferred tax assets should be recognised in order to reflect changed circumstances as well as tax regulations. As a result, due to their inherent nature, it is likely that deferred tax calculation relates to complex fact patterns for which assessments of likelihood are judgmental and not susceptible to precise determination. The amount of the deferred tax asset at the end of the reporting year was $459,000 (2008: S$451,000).

Property, plant and equipment:
The group has property, plant and equipment and investment properties stated at carrying value of S$ 9,066,000 (2008: S$8,700,000) and S$1,493,000 (2008:S$1,610,000) respectively. An assessment is made at each reporting date whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates. If the revised estimated gross margin is less favourable than that used in the calculations there would be a need to provide for impairment. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected.

Useful lives of property, plant and equipment and investment properties:
The estimates for the useful lives and related depreciation charges for property, plant and equipment and investment properties is based on commercial and production factors which could change significantly as a result of technical innovations and competitor actions in response to severe 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 or non-strategic assets that have been abandoned or sold. The carrying amount of property, plant and equipment and investment properties as at 31 March 2009 and 2008 were S$9,066,000 and S$8,700,000 and S$1,493,000 and S$1,610,000 respectively.

Estimated impairment of subsidiary or associate:
When a subsidiary or associate is in net equity deficit and has suffered operating losses a test is made whether the investment in the investee has suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. The amount of the relevant cost of investment is $7,623,000 (2008: S$5,990,000) at the balance sheet date. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the asset or liability affected.

3. RELATED PARTY TRANSACTIONS

FRS 24 defines a related party as an entity or person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. This includes parents, subsidiaries, fellow subsidiaries, associates, joint ventures and post-employment benefit plans, if any.

3.1 Related companies:

Related companies in these financial statements include the members of the company's group of companies.

There are transactions and arrangements between the company and members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements. The current intercompany balances are unsecured without fixed repayment terms and interest unless stated otherwise. For non-current balances an interest is imputed unless stated otherwise based on the prevailing market interest rate for similar debt less the interest rate if any provided in the agreement for the balance. For financial guarantees a fair value is imputed and is recognised accordingly if significant where no charge is payable.

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

3.2 Other related parties:

There are transactions and arrangements between the company and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The current related party balances are unsecured without fixed repayment terms and interest unless stated otherwise. For non-current balances an interest is imputed unless stated otherwise based on the prevailing market interest rate for similar debt less the interest rate if any provided in the agreement for the balance.

Significant related party transactions:

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, the following are significant related party transactions agreed on terms between the parties concerned:

	Associates		Minority shareholders of subsidiaries	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Purchase of goods	**404**	149	**2,153**	2,193
Rental income	**–**	(28)	**–**	–
Advertising rebate	**–**	–	**(116)**	(95)
Interest expense	**169**	–	**–**	–

3. RELATED PARTY TRANSACTIONS (CONT'D)

3.3 Key management compensation:

	Group	
	2009 $'000	2008 $'000
Salaries and other short-term employee benefits	**4,021**	4,347

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

	Group	
	2009 $'000	2008 $'000
Remuneration of directors of the company	**2,389**	2,972
Remuneration of directors of the subsidiaries	**794**	674
Fees payable to directors of the company - curent year	**382**	318
Fees payable to directors of the company - prior year	**15**	–

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

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly.

3.4. Other receivables from and other payables to related parties:

The trade transactions and the trade receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from related parties are as follows:

	Other Related Parties	
	2009 $'000	2008 $'000
Balance at beginning of year	**–**	10
Amount paid out during the year	**49**	–
Amounts received during the year	**–**	(10)
Balance at end of year	**49**	–

The movements in other payables to related parties are as follows:

	Minority shareholders of subsidiaries		Associates	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Balance at beginning of year – net debit/(credit)	**914**	911	**90**	90
Amounts paid out during the year	**(38)**	(497)	**3,917**	–
Amounts received during the year	**226**	500	**(319)**	–
Unwinding of fair value adjustment	**–**	–	**(447)**	–
Balance at end of year – net debit/(credit)	**1,102**	914	**3,241**	90

3. RELATED PARTY TRANSACTIONS (CONT'D)

3.5. Commitments and contingencies:

Bank facilities of $112,995,000 (2008: $112,995,000) extended to subsidiaries were guaranteed by the company. The fair value of the financial guarantee is imputed and is recognised as increase in cost of investment at the company level.

4. FINANCIAL INFORMATION BY SEGMENTS

The primary reporting format is by geographical segments. The geographical segments have been determined by reference to the location of assets. The group operates in one business segment, namely the distribution and retailing of watches. Accordingly, no business segment information is presented.

4A Primary analysis by geographical area

31 March 2009	Southeast Asia $'000	Northeast Asia $'000	Elimination $'000	Group $'000
REVENUE				
External sales	177,374	50,403	–	227,777
Inter-segment sales	2,546	–	(2,546)	–
	179,920	50,403	(2,546)	227,777
RESULTS				
Segment results	7,637	3,622		11,259
Unallocated Costs				(787)
				10,472
Interest Income				57
Finance Costs				(2,705)
Share of Loss from Equity-Accounted Associates				(240)
Profit before tax				7,584
Income tax expense				(1,903)
Profit for the year				5,681
ASSETS				
Segment assets	156,146	31,995	(3,376)	184,765
Associates	2,879			2,879
Unallocated assets				459
Total assets				188,103
LIABILITIES				
Segment liabilities	18,852	11,188	(4,243)	25,797
Unallocated liabilities				72,886
Total liabilities				98,683
Other information:-				
Capital expenditures	2,481	282	–	2,763
Depreciation expense	2,083	83	–	2,166
Impairment adjustment of investment properties	58	–	–	58

4. FINANCIAL INFORMATION BY SEGMENTS (CONT'D)

31 March 2008	Southeast Asia $'000	Northeast Asia $'000	Elimination $'000	Group $'000
REVENUE				
External sales	197,119	41,434	–	238,553
Inter-segment sales	4,314	196	(4,510)	–
	201,433	41,630	(4,510)	238,553
RESULTS				
Segment results	11,089	3,389	–	14,478
Unallocated Costs				(120)
				14,358
Interest Income				164
Finance Costs				(2,725)
Share of Loss from Equity-Accounted Associates				(12)
Profit before tax				11,785
Income tax expense				(2,313)
Profit for the year				9,472
ASSETS				
Segment assets	148,903	25,620	(1,429)	173,094
Associates	3,119	–	–	3,119
Unallocated assets				451
Total assets				176,664
LIABILITIES				
Segment liabilities	27,884	8,020	(1,371)	34,533
Unallocated liabilities				56,223
Total liabilities				90,756
Other information:-				
Capital expenditures	3,371	41	–	3,412
Depreciation expense	1,824	66	–	1,890
Impairment adjustment of investment properties (reversal)	(292)	–	–	(292)

4. FINANCIAL INFORMATION BY SEGMENTS (CONT'D)

The following table analyses assets and liabilities not allocated to geographic segments because they are not directly attributable to the segment or cannot be allocated to the segment on a reasonable basis:

	2009 $'000	2008 $'000
Assets:		
Deferred tax assets	**459**	451
Liabilities:		
Income tax payables	**1,394**	2,082
Finance leases	**989**	803
Other financial liabilities	**70,503**	53,319
Deferred tax liabilities	**–**	19
	72,886	56,223
Net balance at end of year	**72,427**	55,772

Revenue from sales to external customers, had it been classified based on customer-based geographical segment, is as follows:

	2009 $'000	2008 $'000
Southeast Asia [(a)]	**168,249**	173,167
Northeast Asia [(b)]	**50,501**	57,601
Other [(c)]	**9,027**	7,785
	227,777	238,553

(a) South East Asia includes Singapore, Malaysia and Thailand.
(b) North East Asia includes Hong Kong and Taiwan.
(c) Other countries includes mainly Russia, Dubai and Cambodia.

5. REVENUE

	Group	
	2009 $'000	2008 $'000
Sale of goods	**226,985**	237,616
Rental income	**88**	125
Amortisation of deferred income (Note 31)	**35**	121
Other income	**669**	691
	227,777	238,553

6. INTEREST INCOME

	Group	
	2009 $'000	2008 $'000
Interest income	**57**	164

7. OTHER CREDITS AND (OTHER CHARGES)

	Group	
	2009 $'000	2008 $'000
Allowance for impairment on trade receivables	**(4)**	–
Bad debts written off in respect of trade receivables	**(13)**	(59)
FRS 39 adjustment on interest free loan payable to associate	**616**	–
Foreign exchange adjustments losses	**(197)**	(298)
Gain on disposal of plant and equipment	**168**	116
Insurance claim from inventory theft	**205**	–
Inventory written off	**(342)**	(194)
Loss on inventory theft	**(3,731)**	–
Loss on dilution of interest of minority shareholders of subsidiaries	**(183)**	–
Plant and equipment written off	**(72)**	(298)
Preliminary expenses written off	**(322)**	–
Net	**(3,875)**	(733)
Presented in the income statement as:		
Other Credits	**989**	116
Other Charges	**(4,864)**	(849)
Net	**(3,875)**	(733)

8. EMPLOYEE BENEFITS EXPENSE

	Group	
	2009 $'000	2008 $'000
Employee benefits expense	**11,987**	11,158
Contributions to defined contribution plan	**859**	755
Total employee benefits expense	**12,846**	11,913

9. DEPRECIATION EXPENSE AND IMPAIRMENT ADJUSTMENT

	Group	
	2009 $'000	**2008 $'000**
Depreciation expense of property, plant and equipment	**2,107**	1,832
Depreciation expense of investment properties	**59**	58
Impairment loss (reversed) on investment property	**58**	(292)
	2,224	1,598

10. OTHER EXPENSES

The major components include the following:

	Group	
	2009 $'000	**2008 $'000**
Advertising and promotion	**4,468**	2,551
Credit card commission	**2,235**	2,020

11. FINANCE COSTS

	Group	
	2009 $'000	**2008 $'000**
Interest expense	**2,536**	2,725
Interest expense imputed on interest-free loan payable to associate (Note 3)	**169**	–
	2,705	2,725

12. INCOME TAX

	Group	
	2009 $'000	**2008 $'000**
Current tax	**1,930**	1,965
Deferred tax	**(27)**	348
Total income tax expense	**1,903**	2,313

12. INCOME TAX (CONT'D)

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate where the parent is domiciled. The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2008: 18%) to profit before income tax as a result of the following differences:

	Group	
	2009 **$'000**	**2008** **$'000**
Tax rate reconciliation:		
Profit Before Tax	**7,584**	11,785
Add: Share of loss from equity-accounted associate	**240**	12
	7,824	11,797
Income tax expense at the above rate	**1,330**	2,123
Not deductible items	**513**	545
Tax exemptions	**(128)**	(157)
Overprovision for tax in respect of previous periods	**(78)**	(347)
Effect of different tax rates in different countries	**(60)**	(23)
Change in tax rates	**10**	13
Deferred tax assets not recognised on unutilised tax losses	**312**	153
Other minor items less than 3% each	**4**	6
Total income tax expense	**1,903**	2,313
Effective tax rate	**24.3%**	19.6%

There are no income tax consequences of dividends to shareholders of the company.

In 2009, the government enacted a change in the national income tax rate from 18% to 17% which takes effect from year of assessment 2010.

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

12. INCOME TAX (CONT'D)

Deferred tax:

The deferred tax amounts and movements in the year are as follows:

	Group			
	Balance Sheet		Net Change In Income Statement	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Deferred tax liabilities:				
Excess of net book value of plant and equipment over tax values	**(351)**	(27)	**324**	(178)
Fair value adjustment on interest free loan payable to associate	**(76)**	–	**76**	–
Unrealised foreign exchange losses	–	(8)	**(8)**	8
Total deferred tax liabilities	**(427)**	(35)	**392**	(170)
Deferred tax assets:				
Excess of tax values over net book value of plant and equipment	**31**	29	**(2)**	2
Tax loss carryforwards	**65**	286	**221**	72
Unrealised foreign exchange gain	**55**	2	**(53)**	(26)
Provisions	**735**	138	**(597)**	327
Others	–	12	**12**	143
Total deferred tax assets	**886**	467	**(419)**	518
Net total of deferred tax assets	**459**	432	**(27)**	348
Presented in the balance sheet as follows:				
Deferred tax liabilities	–	(19)	**(19)**	10
Deferred tax assets	**459**	451	**(8)**	338
Net position	**459**	432	**(27)**	348

	Company Balance sheet	
	2009 $'000	2008 $'000
Deferred tax liabilities:		
Fair value adjustment on interest-free intercompany balances with subsidiaries	–	(703)
Total deferred tax liabilities	–	(703)
Deferred tax assets:		
Excess of tax values over net book value of plant and equipment	–	1
Fair value adjustment on interest-free intercompany balances with subsidiaries	**127**	–
Tax loss carryforwards	–	59
Total deferred tax assets	**127**	60
Net total of deferred tax (liabilities)/assets	**127**	(643)
Presented in the balance sheet as follows:		
Deferred tax liabilities	–	(643)
Deferred tax assets	**127**	–
Net position	**127**	(643)

Deferred tax assets and liabilities are classified as non-current as it is impracticable to estimate the amount of tax to be settled or used within one year.

12. INCOME TAX (CONT'D)

Included in the deferred tax assets above, the Group has unused gross tax losses of approximately $487,000 (2008: $1,195,000) available for offset against future profits. The realisation of the future income tax benefits from tax carryforwards is available for unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined except for the amounts of $33,000 ,$4,000, $121,000,$ 53,000 and $277,000 which will expire in 2015, 2106, 2017, 2018 and 2019 respectively.

At end of the reporting year, the group has unused gross tax losses of approximately $4,570,000. (2008: $2,045,000) available for offset against future profits. No deferred tax asset has been recognised due to unpredictability of future profit streams. The realisation of the future income tax benefits from tax carryforwards is available for unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined except for the amounts of $632,000, $312,000, $1,174,000, $33,000, $4,000, $121,000, $53,000 and $277,000 which will expire in 2012, 2013, 2014, 2015, 2016, 2017, 2018 and 2019 respectively.

13. ITEMS IN THE INCOME STATEMENT

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following charges:-

	Group	
	2009 $'000	**2008 $'000**
Other fees paid/payable to independent auditors:		
– Company's independent auditors	**19**	17
– Other independent auditors	**15**	52
	34	69

14. DIVIDENDS ON EQUITY SHARES

	Group	
	2009 $'000	**2008 $'000**
Final dividend paid of Nil net of income tax (2008: 1.22 cents) per share	–	1,656
Final tax exempt (1-tier) dividend paid of 1 cent (2008: Nil) per share	**1,656**	–
Special tax exempt (1-tier) dividend paid of 1 cent (2008: Nil) per share	**1,656**	–
	3,312	1,656

In respect of the current year, the directors propose that a final dividend of 1 cent per share with a total of $1,656,000 be paid to shareholders after the annual general meeting. There are no income tax consequences. This dividend is subject to approval by shareholders at the next annual general meeting and has not been included as a liability in these financial statements.

15. 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	
	2009	2008
Numerators: Earnings attributable to equity:		
Continuing operations: Attributable to equity holders ($'000)	**6,334**	9,697
Denominators: Weighted average number of equity shares Basic	**165,578,415**	165,578,415

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 year end.

16. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold property $'000	Leasehold property and improvement $'000	Plant and equipment $'000	Total $'000
Cost:				
At 1 April 2007	2,505	3,603	7,990	14,098
Additions	–	797	2,615	3,412
Disposals	–	(97)	(1,597)	(1,694)
Exchange adjustments	(39)	8	(54)	(85)
At 31 March 2008	2,466	4,311	8,954	15,731
Additions	–	1,365	1,398	2,763
Disposals	–	(170)	(1,144)	(1,314)
Exchange adjustments	(87)	(112)	27	(172)
At 31 March 2009	2,379	5,394	9,234	17,008
Depreciation and Impairment:				
At 1 April 2007	145	1,591	4,582	6,318
Depreciation for the year	50	691	1,091	1,832
Disposals	–	(39)	(1,030)	(1,069)
Exchange adjustments	(2)	(3)	(45)	(50)
At 31 March 2008	193	2,240	4,598	7,031
Depreciation for the year	48	1,002	1,057	2,107
Disposals	–	(170)	(998)	(1,168)
Exchange adjustments	(7)	(49)	28	(28)
At 31 March 2009	234	3,023	4,685	7,942
Net book value:				
At 1 April 2007	2,360	2,012	3,408	7,780
At 31 March 2008	2,273	2,071	4,356	8,700
At 31 March 2009	2,145	2,371	4,550	9,066

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

Company	Plant and equipment $'000
Cost:	
At 1 April 2007, 31 March 2008 and 31 March 2009	129
Depreciation and Impairment:	
At 1 April 2007	127
Depreciation for the year	2
At 31 March 2008 and 31 March 2009	129
Net book value:	
At 1 April 2007	2
At 31 March 2008	–
At 31 March 2009	–

Certain items are under finance lease agreements (see Note 29).

Certain items of property, plant and equipment at a carrying value of $3,253,000 (2008: $3,462,000) are pledged as security for the bank facilities (see Notes 29).

17. INVESTMENT PROPERTIES

	Group and Company	
	2009 $'000	2008 $'000
At cost:		
At beginning and end of year	**2,954**	2,954
Depreciation and Impairment:		
At beginning of year	**1,344**	1,578
Depreciation for the year	**59**	58
Impairment loss (reversal)	**58**	(292)
At end of year	**1,461**	1,344
Net book value:		
At beginning of year	**1,610**	1,376
At end of year	**1,493**	1,610
Fair value:		
Fair value at end of year	**1,890**	1,610
Direct operating expenses	**(30)**	(15)
Rental and service income from investment property	**88**	125

The fair value is determined periodically on a systematic basis at least once in three years by external independent valuers having an appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

18. INVESTMENTS IN SUBSIDIARIES

	Company 2009 $'000	Company 2008 $'000
Unquoted shares, at cost:		
At beginning of year	**19,661**	13,106
Additions	**2,635**	6,555
	22,296	19,661
Less: provision for impairment	**(4,611)**	(3,293)
Fair value adjustment on interest-free intercompany receivables from subsidiaries (Note 20)	**4,952**	4,681
At end of year	**22,637**	21,049
Movements in allowance:		
Balance at beginning of year	**3,293**	3,293
Charged to income statement	**1,318**	–
Balance at end of year	**4,611**	3,293
Movements in fair value adjustment:		
Balance at beginning of year	**4,681**	–
FRS 39 adjustment for interest-free intercompany receivables from subsidiary	**–**	4,681
FRS 39 adjustment for corporate guarantee	**271**	–
Balance at end of year	**4,952**	4,681
Analysis of above amount denominated in non-functional currencies:		
Hong Kong Dollars	**5,142**	5,142
New Taiwan Dollars	**4,237**	3,234
Malaysian Ringgit	**6,518**	6,518
Thailand Baht	**4,491**	2,858
Net book value of subsidiaries	**67,228**	62,802

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

Name of subsidiaries, country of incorporation, place of operations and principal activities (and Independent Auditors)	Cost in Books of Group 2009 $'000	Cost in Books of Group 2008 $'000	Effective Percentage of equity held by Group 2009 %	Effective Percentage of equity held by Group 2008 %
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 Nelson Wheeler)	**2,529**	2,529	**100**	100
Cortina Watch Pte Ltd [(a)] Singapore Retail, import and export of watches, pens, lighters and clocks	**1,200**	1,200	**100**	100

18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiaries, country of incorporation, place of operations and principal activities (and Independent Auditors)	Cost in Books of Group		Effective Percentage of equity held by Group	
	2009 $'000	**2008 $'000**	**2009 %**	**2008 %**
Cortina Watch (Indochina) Pte Ltd [(a)] Singapore Dormant	**519**	519	**100**	100
Cortina Watch International Pte Ltd [(a)] Singapore Dormant	**(d)**	(d)	**100**	100
Cortina Watch Sdn Bhd [(b)] Malaysia Retail, import and export of watches, pens and clocks (RSM Robert Teo, Kuan & Co.)	**6,518**	6,518	**70**	70
Pactime HK Limited [(b)] Hong Kong Import and export of watches (RSM Nelson Wheeler)	**2,613**	2,613	**70**	70
Pacific Time Pte Ltd [(a)] Singapore Import and export of watches	**100**	100	**100**	100
Cortina Watch (Thailand) Co. Ltd [(b)] Thailand Retail, import and export of watches (RSM Audit Services (Thailand) Limited)	**4,491**	2,858	**70**	60
Cortina Watch Co. Ltd [(c)] Taiwan Retail, import and export of watches (Sun Rise CPAs & Company)	**3,234**	3,234	**60**	60
Pacific Time Co Ltd (c) Taiwan Distribution of watches (Sun Rise CPAs & Company)	**1,003**	–	**60**	–
	22,297	19,661		
Held through Pacific Time Pte Ltd				
Pacific Time Co., Ltd [(e)] Taiwan Distribution of watches (Sun Rise CPAs & Company)	**–**	427	**–**	55

18. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(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) Cost of investment is less than $1,000.
(e) During financial year ended 31 March 2009, the investment in Pacific Time Co., Ltd becomes directly held by the company.

As is required by Rule 76 of the Listing Manual of the Singapore Exchange Securities Trading Limited the audit committee and the board of directors of the company have satisfied themselves that the appointment of different directors for certain of its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the group.

19. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Movements in carrying value:				
At beginning of year	**3,119**	3,131	**1,000**	1,000
Share of loss for the year	**(240)**	(12)	**–**	–
At end of year	**2,879**	3,119	**1,000**	1,000
Carrying value:				
Unquoted equity shares at cost	**1,000**	1,000	**1,000**	1,000
Share of post-acquisition profits, net of dividends received	**1,879**	2,119	**–**	–
	2,879	3,119	**1,000**	1,000

The associates held by the company and the subsidiaries 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	
	2009 %	2008 %
Montre Royale Distributors (Singapore) Pte Ltd [a] Singapore Dealers in watches	**50**	50
<u>**Held through Montre Royale Distributors (Singapore) Pte Ltd**</u>		
Societe Anoynyme De La Montre Royale [b] Switzerland Commission agents and general trading (CRC Cabinet de Revision & Conseil S.A.)	**50**	50

(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.

19. INVESTMENTS IN ASSOCIATES (CONT'D)

The summarised financial information of the associates, not adjusted for the percentage ownership held by the group, is as follows:

	Assets $'000	Liabilities $'000	Revenues $'000	(Loss) $'000
2009				
All associates	5,817	21	404	(403)
2008				
All associates	6,206	43	131	(23)

20. TRADE AND OTHER RECEIVABLES, NON-CURRENT

	Company	
	2009 $'000	2008 $'000
Loan receivable from subsidiaries (Note 18)	**14,026**	16,000
Movements during the year- at amortised cost:		
Amortised cost at beginning of year	**16,000**	4,300
Amount paid in during the year	**(5,138)**	–
Reclassified as non-current (b)	–	15,608
FRS 39 adjustment	–	(4,681)
Fair value gain on interest free loan receivable from subsidiary	**2,330**	–
Unwinding of discount	**834**	773
Balance at end of year (a)	**14,026**	16,000

(a) Included in the loan receivable from subsidiaries, there is an amount of $4,300,000 which represents, in substance, part of the company's net investment in the subsidiary. The amount is non-interest bearing, unsecured and not expected to be repaid within the next one year.

(b) The loan receivable reclassified from current to non-current, at beginning of financial year ended 31 March 2008, is stated at fair value and the difference between the fair value and the loan receivable is recognised as an increase in cost of investment. Subsequently, the loan receivable is measured at amortised cost using the effective interest rate method. The fair values at beginning of financial year ended 31 March 2008 was determined based on interest rate of 7.07% per annum and yearly repayment of $1,560,920 commencing from April 2008.

21. OTHER ASSETS, NON-CURRENT

	Group		Company	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Deposits to secure services	**3,984**	3,115	–	–

22. INVENTORIES

	Group	
	2009 $'000	2008 $'000
Finished goods		
- at cost	**129,736**	117,740
- at net realisable value	**18,958**	15,678
- restricted (a)	**4,951**	–
Total finished goods at lower of cost and net realisable value	**153,645**	133,418
The write-downs of inventories charged to income statement included in cost of inventories recognised as an expense	**441**	1,181

There are no inventories pledged as security for liabilities.

(a) These are inventories recovered by the authorities in the course of investigations under the Criminal Procedure Code. It is restricted from sale subject to the conclusion of the legal case.

23. TRADE AND OTHER RECEIVABLES, CURRENT

	Group		Company	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Trade receivables;				
Outside parties	**7,345**	11,318	–	–
Less allowance for impairment	**(22)**	(18)	–	–
Subtotal	**7,323**	11,300	–	–
Other receivables:				
Related parties (Note 3)	**49**	–	–	–
Subsidiaries (Note 3)	–	–	**2,082**	2,297
Other receivables	–	–	**4,309**	3,170
Less allowance for impairment	–	–	**(18)**	(18)
Minority shareholder of a subsidiary (Note 3)	**116**	90	–	–
Subtotal	**165**	90	**6,373**	5,449
Total trade and other receivables	**7,488**	11,390	**6,373**	5,449
Movements in above allowance:				
Balance at beginning of year	**18**	20	**18**	18
Charged for trade receivables to income statement included in other charges	**4**	–	–	–
Exchange adjustment	–	(2)	–	–
Balance at end of year	**22**	18	**18**	18

The allowance is based on individual accounts that are determined to be impaired at the year end date. These are not secured.

24. OTHER ASSETS, CURRENT

	Group		Company	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Deposits to secure services	**67**	687	**–**	–
Prepayments	**1,057**	1,052	**19**	14
	1,124	1,739	**19**	14

25. CASH AND BANK BALANCES

	Group		Company	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Not restricted in use	**7,965**	13,122	**47**	195

The interest earning balances are not insignificant.

Cash and cash equivalents in the consolidated cash flow statement:

	Group	
	2009 $'000	2008 $'000
Cash and bank balances		
As shown above	**7,965**	13,122
Bank overdrafts (Note 29)	**(1,851)**	(1,734)
Cash and cash equivalents for consolidated cash flow statement purpose at end of year	**6,114**	11,388

	Group
	2008 $'000
Cash and bank balances as previously reported	13,122
Bank Overdrafts	(1,734)
Cash and cash equivalents as previously reported	11,388
Effect of exchange rate changes	(10)
Cash and cash equivalents for consolidated cash flow statement purpose at end of year	11,378

Non-Cash Transactions – During the year, there were acquisitions of plant and equipment with a total cost of $811,000 (2008: $678,000) acquired by means of finance leases.

26. SHARE CAPITAL

	Group and Company	
	Number of shares issued	Share capital $'000
Ordinary shares of no par value:		
Balance at 1 April 2007, 31 March 2008 and 31 March 2009	165,578,415	35,481

The ordinary shares of no par value which are fully paid carry no right to fixed income. The only externally imposed capital requirement is that for the group to maintain its listing on the Singapore Stock Exchange it has to have share capital with at least a free float of 10% of the shares.

The objectives when managing capital are: to safeguard the company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk. The management sets the amount of capital in proportion to risk. There were no changes in the approach to capital management during the year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in economic 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 shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/ adjusted capital. Net debt is calculated as total debt (as shown in the balance sheet) less cash and cash equivalents. Adjusted capital comprises all components of equity.

	2009 $'000	2008 $'000
Net Debt:		
All current and non-current borrowings including finance leases	**71,492**	54,122
Less cash and cash equivalents	**(7,965)**	(13,122)
Net debt	**63,527**	41,000
Net capital:		
Equity	**89,420**	85,908
Debt-to-adjusted capital ratio	**71%**	47.7%

The increase in the debt-to-adjusted capital ratio during 2009 resulted primarily from the increase in the new debt.

27. OTHER RESERVES

Group	Currency translation $'000
At 1 April 2007	(1,572)
Exchange adjustment	(1,137)
At 31 March 2008	(2,709)
Exchange adjustment	790
At 31 March 2009	(1,919)

All reserves classified on the face of the balance sheet as retained earnings represents past accumulated earnings and are distributable as cash dividends. The other reserves are not available for cash dividends unless realised.

The currency translation reserve accumulates all foreign exchange differences on translating the financial statements of foreign subsidiaries for incorporation in the consolidated financial statements.

28. PROVISIONS, NON-CURRENT

	Group	
	2009 $'000	2008 $'000
Provision for dismantling and removing the item and restoring the site relating to property, plant and equipment:		
Movements in above provision:		
Balance at beginning of year	**365**	272
Additions	**13**	93
Balance at end of year	**378**	365

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 quotation from external contractors. The unexpired terms range from 2 years to 3 years.

29. OTHER FINANCIAL LIABILITIES

	Group 2009 $'000	Group 2008 $'000	Company 2009 $'000	Company 2008 $'000
Non-Current:				
Bank loans (secured) (Note 29A)	**1,756**	1,812	–	–
Finance lease liabilities (Note 29B)	**741**	562	–	–
Non-current, total	**2,497**	2,374	–	–
Current:				
Bank overdrafts (secured) (Note 29A)	**1,851**	1,734	–	–
Bank loans (secured) (Note 29A)	**22,987**	8,505	–	75
Bills payable (secured) (Note 29A)	**43,909**	41,268	–	–
Finance lease liabilities (Note 29B)	**248**	241	–	–
Current, total	**68,995**	51,748	–	75
Total	**71,492**	54,122	–	75

The ranges of fixed interest rate paid were as follows:

	Group 2009	Group 2008	Company 2009	Company 2008
Finance leases	**2.28% - 3.00%**	2.20% - 3.00%	–	–

The ranges of floating interest rate paid were as follows:

	Group 2009	Group 2008	Company 2009	Company 2008
Bank overdrafts	**4.25% - 8.20%**	4.25% - 8.00%	–	–
Bank loans	**2.14% - 6.85%**	3.26% - 6.93%	–	5.30%
Bills payable	**1.95% - 6.58%**	2.38% - 8.20%	–	–

29A Bank Loans and Bank Overdrafts (Secured)

Certain of the bank loans, bank overdrafts and other credit facilities are covered by a first and legal charge on the group's leasehold and freehold properties.

The bank loans are repayable in equal monthly to quarterly instalments of amounts ranging from S$9,000 to S$125,000 over 1 to 10 years commencing from September 2004.

29B Finance Leases

Group	Minimum Payments $'000	Finance Charges $'000	Present Value $'000
2009			
Minimum lease payments payable:			
Due within one year	290	(42)	248
Due within 2 to 5 years	793	(52)	741
Total	1,083	(94)	989
Net book value of plant and equipment under finance leases			1,374

	Minimum Payments $'000	Finance Charges $'000	Present Value $'000
2008			
Minimum lease payments payable:			
Due within one year	276	(35)	241
Due within 2 to 5 years	603	(41)	562
Total	879	(76)	803
Net book value of plant and equipment under finance leases			1,044

It is a policy to lease certain of its plant and equipment under finance leases. The average lease term ranges from 1 to 5 years (2008: 1 to 4 years). All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The obligations under finance leases are secured by the lessor's charge over the leased assets.

The carrying value of the lease liabilities approximates to their fair value. All lease obligations are denominated in Singapore Dollar.

30. TRADE AND OTHER PAYABLES, NON-CURRENT

	Group		Company	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Loan payable to associate (a)	**3,241**	–	–	–
Movements during the year- at amortised cost:	–	–	–	–
Additions	**4,007**	–	–	–
FRS 39 adjustment (Note 7)	**(616)**	–	–	–
Amount paid in during the year	**(319)**	–	–	–
Unwinding of discount	**169**	–	–	–
Balance at end of year	**3,241**	–	–	–

30. TRADE AND OTHER PAYABLES, NON-CURRENT (CONT'D)

(a) The loan payable to associate is stated at fair value at inception and the difference between the fair value and the loan payable is recognised as FRS 39 adjustment in the income statement. Subsequently, the loan payable is measured at amortised cost using the effective interest rate method. The fair value at inception is determined based on interest rate of 9.37% per annum and yearly repayments ranging from $400,000 to $963,000 commencing from April 2009.

31. OTHER LIABILITIES, NON-CURRENT

	Group	
	2009 $'000	2008 $'000
Deferred income	**4**	39

This relates to one-time payments from suppliers for their share of costs incurred in the creation of boutique corners in the retail outlets and are to be amortised over a period of 2 to 5 years.

32. TRADE AND OTHER PAYABLES, CURRENT

	Group		Company	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Trade payables:				
Outside parties and accrued liabilities	**14,976**	21,963	**1,169**	1,539
Related Parties (Note 3)	**200**	–	**–**	–
Associate (Note 3)	**432**	3,917	**–**	–
Subtotal	**15,608**	25,880	**1,169**	1,539
Other payables:				
Associate (Note 3)	**–**	90	**–**	–
Subsidiary (Note 3)	**–**	–	**–**	235
Minority shareholders of subsidiaries	**1,218**	1,004	**–**	–
Other payables	**1,410**	2,372	**28**	58
Subtotal	**2,628**	3,466	**28**	293
Total trade and other payables	**18,236**	29,346	**1,197**	1,832

33. OTHER LIABILITIES, CURRENT

	Group		Company	
	2009 $'000	2008 $'000	2009 $'000	2008 $'000
Advanced deposits from customers	**3,938**	4,783	**–**	–

34. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS

33A Classification of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the year by FRS 39 categories:

	Group	
	2009 $'000	2008 $'000
Financial assets:		
Cash and cash equivalents	**7,965**	13,122
Loans and receivables	**7,488**	11,390
At end of year	**15,453**	24,512
Financial liabilities:		
Measured at amortised cost:		
Borrowings	**71,492**	54,122
Trade and other payables	**25,415**	34,129
At end of year	**96,907**	88,251

	Company	
	2009 $'000	2008 $'000
Financial assets:		
Cash and cash equivalents	**47**	195
Loans and receivables	**20,399**	21,449
At end of year	**20,446**	21,644
Financial liabilities:		
Measured at amortised cost:		
Borrowings	**–**	75
Trade and other payables	**1,197**	1,832
At end of year	**1,197**	1,907

Further quantitative disclosures are included throughout these financial statements

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

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 is exposure 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. The management has certain practices for the management of financial risks and action to be taken in order to manage the financial risks. The following guidelines are followed:

1. Minimise interest rate, currency, credit and market risks 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 good market practices.

34C 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 consist principally of cash balances with banks, cash equivalents and receivables, certain investments, and other financial assets. The maximum exposure to credit risk is the fair value of the financial instruments at the end of the reporting year. Credit risk on cash balances with banks is limited because the counter-parties are banks with acceptable credit ratings. All unencumbered bank deposits with the banks licensed by the Monetary Authority of Singapore are guaranteed by the Singapore Government until 31 December 2010. $6,691,000 of the group's bank deposits are not placed in a Singapore bank. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed of the debtors' financial condition and a loss from impairment is recognised in the income statement. There is no significant concentration of credit risk, as the exposure is spread over a large number of counter-parties and customers unless otherwise disclosed in the notes to the financial statements. The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management.

As is disclosed in Note 25 cash and cash equivalents balances represent amounts with less than 90-day maturity.

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 90 days (2008: 30 to 90 days). But some customers take a longer period to settle the amounts. The total of overdue accounts was $307,000 (2008: $533,000). The total settled for overdue accounts after the year end date was about $117,000 (2008: $464,000). These are not secured.

Other receivables are normally with no fixed terms and therefore there is no maturity.

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

34C Credit Risk on Financial Assets (Cont'd)

The table below illustrates the trade and other receivables ageing analysis:

	Group	
	2009 **$'000**	**2008** **$'000**
Trade and other receivables:		
Less than 30 days	**5,406**	4,694
31-60 days	**1,628**	5,156
61-90 days	**147**	1,007
91-180 days	**34**	377
Over 180 days	**273**	156
At end of year	**7,488**	11,390

	2009 **$'000**	**2008** **$'000**
Concentration of trade receivables customers		
Top 1 customer	**1,529**	2,534
Top 2 customers	**2,310**	3,469
Top 3 customers	**2,954**	3,836

34D Liquidity Risk

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities.

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

Group	Other Financial Liabilities $'000	Trade And Other Payables $'000	Total $'000
2009:			
Less than 1 year	69,252	25,415	94,667
Due within 2 to 5 years	2,523	–	2,523
Over 5 years	410	–	410
At end of year	72,185	25,415	97,600
2008:			
Less than 1 year	51,783	34,129	85,912
Due within 2 to 5 years	1,954	–	1,954
Over 5 years	461	–	461
At end of year	54,198	34,129	88,327

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

34D Liquidity Risk (Cont'd)

The average credit period taken to settle trade payables is about 30 to 90 days (2008: 30 to 90 days). The other payables are with short-term durations.

It is expected that all the liabilities will be paid at their contractual maturity. In order to meet such cash commitments the operating activity and undrawn borrowing facilities are expected to generate sufficient cash inflows.

In additions, the financial assets are held for which there is liquid market that is readily available to meet liquidity needs.

Bank Facilities:

	Group	
	2009 $'000	2008 $'000
Undrawn Borrowing Facilities	**56,127**	52,111

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

34E Interest Rate Risk

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

	Group	
	2009 $'000	2008 $'000
Financial Assets:		
Floating rate	**7,965**	13,122
Non-interest bearing	**7,488**	11,390
	15,453	24,502
Financial Liabilities:		
Fixed rate	**989**	803
Floating rate	**70,503**	53,319
Non-interest bearing	**25,415**	34,129
At end of year	**96,907**	88,521

The interest rates are disclosed in the respective notes.

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

34E Interest Rate Risk (cont'd)

Sensitivity Analysis:

	2009 $'000	2008 $'000
A hypothetical increase in interest rates by 50 basis points would have a adverse effect on profit before tax of	**313**	267
A hypothetical increase in interest rates by 100 basis points would have a adverse effect on profit before tax of	**625**	533
A hypothetical increase in interest rates by 150 basis points would have a adverse effect on profit before tax of	**938**	800
A hypothetical increase in interest rates by 200 basis points would have a adverse effect on profit before tax of	**1,251**	1,066

The analysis has been performed separately for fixed interest rate liabilities and floating interest rate financial liabilities. The impact of a change in interest rates on fixed interest rate financial instruments has been assessed in terms of changing of their fair value. This is not expected to be significant. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changes in the cash flows and the resulting impact on net profit.

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.

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

34F Foreign Currency Risks

There is exposure to foreign currency risk as part of its normal business activities as the Group transacts in currencies other than its functional currency.

Analysis of amounts denominated in non-functional currency of respective entities in the group is a follows:

Group	Cash And Cash Equivalents $'000	Trade And Other Receivables $'000	Total $'000
Financial assets:			
At 31 March 2009:			
Euro	–	116	116
Hong Kong Dollars	4,114	1,003	5,117
Malaysian Ringgit	13	234	247
New Taiwan Dollars	568	648	1,216
Singapore Dollars	1,194	3,667	4,861
Swiss Francs	240	707	947
Thailand Bhat	1,826	347	2,173
Others	10	766	776
	7,965	7,488	15,453
At 31 March 2008:			
Euro	–	369	369
Hong Kong Dollars	6,236	561	6,797
Malaysian Ringgit	1,715	63	1,778
New Taiwan Dollars	955	628	1,583
Singapore Dollars	2,731	7,013	9,744
Swiss Francs	1,010	1,179	2,189
Thailand Bhat	382	1,326	1,708
Others	93	251	344
	13,122	11,390	24,512

Company	Cash And Cash Equivalents $'000	Trade And Other Receivables $'000	Total $'000
Financial assets:			
At 31 March 2009:			
Singapore Dollars	43	20,399	20,442
Others	4	–	4
	47	20,399	20,446
At 31 March 2008:			
Singapore Dollars	107	21,449	21,556
Others	88	–	88
	195	21,449	21,644

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

34F Foreign Currency Risks (Cont'd)

Group	Other Financial Liabilities $'000	Trade and other payables $'000	Total $'000
Financial Liabilities:			
At 31 March 2009:			
Euro	–	1,252	1,252
Hong Kong Dollars	–	4,162	4,162
Malaysian Ringgit	7,174	587	7,761
New Taiwan Dollars	4,190	1,135	5,325
Singapore Dollars	50,044	16,982	67,026
Swiss Francs	–	731	731
Thailand Bhat	10,084	555	10,639
Others	–	11	11
	71,492	25,415	96,907
At 31 March 2008:			
Euro	–	1,303	1,303
Hong Kong Dollars	354	3,963	4,317
Malaysian Ringgit	4,343	653	4,996
New Taiwan Dollars	1,796	399	2,195
Singapore Dollars	36,444	24,328	60,772
Swiss Francs	–	3,017	3,017
Thailand Bhat	11,185	456	11,641
Others	–	10	10
	54,122	34,129	88,251

Company	Other Financial Liabilities $'000	Trade And Other Payables $'000	Total $'000
Financial Liabilities:			
At 31 March 2009:			
Singapore Dollars	–	1,197	1,197
At 31 March 2008:			
Singapore Dollars	75	1,832	1,907

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

34F Foreign Currency Risks (Cont'd)

Sensitivity analysis:

	Group	
	2009 $'000	**2008 $'000**
A hypothetical 10% increase in the exchange rate of the functional currency $ of certain foreign subsidiaries against the Singapore Dollars would have a favourable/(adverse) effect on profit before tax of	**(144)**	(112)
A hypothetical 10% increase in the exchange rate of the functional currency $ against the Hong Kong Dollars would have a favourable/(adverse) effect on profit before tax of	**(29)**	74
A hypothetical 10% increase in the exchange rate of the functional currency $ against the Swiss Francs would have a favourable/(adverse) effect on profit before tax of	**22**	(84)
A hypothetical 10% increase in the exchange rate of the functional currency $ against the Euro would have a favourable/(adverse) effect on profit before tax of	**(114)**	(93)
A hypothetical 10% increase in the exchange rate of the functional currency $ against all other currencies would have a favourable/(adverse) effect on profit before tax of	**83**	34

The analysis above has been carried out on the basis that there are no hedged transactions. The analysis is for each currency with significant exposures.

In management's opinion, the above sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposures do not reflect the exposures during the year.

35. CONTINGENT LIABILITIES

	Company	
	2009 $'000	**2008 $'000**
Corporate guarantee given to bank in favour of subsidiaries	**112,995**	112,995
Undertaking to provide continuing financial support to subsidiaries in a net liability position	**699**	611

36. OPERATING LEASE PAYMENT COMMITMENTS

At the balance sheet date the total of future minimum lease payments under non-cancellable operating leases are as follows:

	Group	
	2009 **$'000**	**2008** **$'000**
Not later than one year	**8,783**	7,661
Later than one year and not later than five years	**9,060**	11,399
Later than five years	**418**	–
Rental expense for the year	**8,930**	7,546

Operating lease payments represent rentals payable by the Group for its retail outlets and office space. The lease rental terms are negotiated for an average of 1 to 3 years and rentals are subject to an escalation clause but the amount of the rent increase is not to exceed a certain percentage. Such increases are not included in the above amounts.

37. OPERATING LEASE INCOME COMMITMENTS

At the balance sheet date the total of future minimum lease receivables under non-cancellable operating leases are as follows:

	2009 **$'000**	**2008** **$'000**
Not later than one year	**18**	119
Rental income for the year	**88**	125

Operating lease income represents rentals receivable from certain of the company's investment properties.

38. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the year ended 31 March 2009 the following new or revised Singapore Financial Reporting Standards were adopted for the first time. The new or revised standards did not require any material modification of the measurement method or the presentation in the financial statements.

FRS No.	Title
INT FRS 111	FRS102 - Group and Treasury Share Transactions (*)
INT FRS 112	Service Concessions Arrangements (*)
INT FRS 114	FRS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (*)

(*) Not relevant to the entity.

39. FUTURE CHANGES IN FINANCIAL REPORTING STANDARDS

The following new or revised Singapore Financial Reporting Standards that have been issued will be effective in future. The transfer to the new or revised standards from the effective dates are not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

FRS No.	Title	Effective date for periods beginning on or after
FRS 1	(Revised) Presentation of Financial Statements	1.1.2009
FRS 23	Borrowing Costs	1.1.2009
FRS 103	(Revised) Business Combinations and consecutive amendments in other Standards	1.1.2009
FRS 108	Operating Segments	1.1.2009
INT FRS 113	Customer Loyalty Programs (*)	1.7.2008
INT FRS 116	Hedges of a Net Investment in a Foreign Operation	1.10.2008
INT FRS 117	Distributions of Non-cash Assets to Owners	1.7.2009

(*) Not relevant to the entity.

40. RECLASSIFICATIONS AND COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with current year's financial statements. The reclassifications included the following:

2008 Group	After Reclassification $'000	Before Reclassification $'000	Difference $'000
Trade and Other payables, Current	29,346	34,129	(4,783)
Other Liabilities, Current	4,783	–	4,783

Shareholding Statistics

As at 18 June 2009

Issued and Fully Paid-up Capital	:	S$35,481,183
Number of Shares	:	165,578,415
Class of Shares	:	Ordinary
Voting Rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

As At 18 June 2009
Number of Issued Shares: 165,578,415

Size of Shareholdings	No. of Shareholders	%	No. of shares	%
1,000 - 10,000	429	79.89	1,715,000	1.04
10,001 - 1,000,000	93	17.32	5,514,000	3.33
1,000,001 and above	15	2.79	158,349,415	95.63
Total	**537**	**100.00**	**165,578,415**	**100.00**

TWENTY LARGEST REGISTERED SHAREHOLDERS

List of Top 20 Largest Shareholders As at 18 June 2009

No.	Name	No. of Shares	%
1	LIM KEEN BAN HOLDINGS PTE LTD	51,457,490	31.08
2	HENRY TAY YUN CHWAN	20,533,000	12.40
3	YU CHUEN TEK	12,985,015	7.84
4	HSBC (SINGAPORE) NOMS PTE LTD	11,850,000	7.16
5	MING YAW PTE LTD	9,804,935	5.92
6	LONG FOO PIENG	8,564,940	5.17
7	RENNICK PTE LTD	8,560,000	5.17
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	PHILLIP SECURITIES PTE LTD	4,446,000	2.69
12	FONG TIT FUNG	3,445,000	2.08
13	LONG AH HIAN	2,475,695	1.50
14	HOW SOW CHUEN	1,710,000	1.03
15	NG KWAN SIANG	1,650,000	1.00
16	HUI YI WAN	600,000	0.36
17	JEREMY TAN JUN DA	459,000	0.28
18	CHEAH YOK KIAN	350,000	0.21
19	TAN SOO YONG	250,000	0.15
20	THIAN YIM PHENG	201,000	0.12
TOTAL		**160,209,415**	**96.76**

Shareholding Statistics

As at 18 June 2009

PUBLIC FLOAT

Based on the information available to the Company as at 18 June 2009, approximately 20.95% of the issued ordinary shares of the Company is held by the public, and therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

Name of Substantial Shareholders	Substantial Shareholders Direct Interests No. of Shares	 Deemed interests No. of Shares
Lim Keen Ban Holdings Pte Ltd	51,457,490	9,804,935[(1)]
Lim Keen Ban	–	61,262,425[(2)]
Chia Nyok Song@ Cheah Yoke Heng	–	61,262,425[(3)]
Lim Jit Ming	–	61,262,425[(4)]
Lim Jit Yaw	–	61,262,425[(5)]
Lim Yin Chian	–	61,262,425[(6)]
Ming Yaw Pte Ltd	9,804,935	–
Yu Chuen Tek	12,985,015	8,678,000[(7)]
Maria Norma D Yu	118,000	21,545,015[(8)]
Rennick Pte Ltd	8,560,000	–
Henry Tay Yun Chwan	20,533,000	–
HSBC (Singapore) Noms Pte Ltd	11,850,000	–
Long Foo Pieng	8,564,490	–
Foo See Jin	7,107,320	–

(1) This represents Lim Keen Ban Holdings Pte Ltd's deemed interest of 9,804,935 shares held in the name of Ming Yaw Pte Ltd (a company owned 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).

(2) This represents Mr Lim Kee Ban's deemed interest of 61,262,425 shares held in the name of the following:
(a) 51,457,490 shares held by Lim Keen Ban Holdings Pte Ltd; and
(b) 9,804,935 shares held by Ming Yaw Pte Ltd (a company owned 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).

(3) This represents Mdm Chia Nyok Song @ Cheah Yoke Heng's deemed interest of 61,262,425 shares held in the name of the following:
(a) 51,457,490 shares held by Lim Keen Ban Holdings Pte Ltd; and
(b) 9,804,935 shares held by Ming Yaw Pte Ltd (a company owned 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).

(4) This represents Lim Jit Ming's deemed interest of 61,262,425 shares held in the name of the following:
(a) 51,457,490 shares held by Lim Keen Ban Holdings Pte Ltd; and
(b) 9,804,935 shares held by Ming Yaw Pte Ltd (a company owned 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).

(5) This represents Mr Lim Jit Yaw's deemed interest of 61,262,425 shares held in the name of the following:
(a) 51,457,490 shares held by Lim Keen Ban Holdings Pte Ltd; and
(b) 9,804,935 shares held by Ming Yaw Pte Ltd (a company owned 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).

(6) This represents Ms Lim Yin Chian's deemed interest of 61,262,425 shares held in the name of the following:
(a) 51,457,490 shares held by Lim Keen Ban Holdings Pte Ltd; and
(b) 9,804,935 shares held by Ming Yaw Pte Ltd (a company owned 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).

(7) This represents Mr Yu Chuen Tek's deemed interest of 8,678,000 shares held in the name of the following:
(a) 118,000 shares held by Mrs Maria Norma D Yu (spouse of Mr Yu Chuen Tek); and
(b) 8,560,000 shares held by Rennick Pte Ltd (a company owned by Mr Yu Chuen Tek and Mrs Maria Norma D Yu).

(8) This represents Mrs Maria Norma D Yu's deemed interest of 21,545,015 shares held in the name of the following:
(a) 12,985,015 shares held by Mr Yu Chuen Tek (spouse of Mrs Maria Norma D Yu); and
(b) 8,560,000 shares held by Rennick Pte Ltd (a company owned by Mr Yu Chuen Tek and Mrs Maria Norma D Yu).

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at York Hotel, 21 Mount Elizabeth Singapore 228516 on Friday, 24 July 2009 at 9.00 a.m. to transact the following businesses: -

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2009 and the Reports of the Directors and Auditors thereon. **(Resolution 1)**

2. To declare a Final Dividend of 1 cent per share tax-exempt (one-tier) for the financial year ended 31 March 2009. **(Resolution 2)**

3. To approve the Directors' fee of S$382,125 for the financial year ending 31 March 2010. (2009: S$382,125) **(Resolution 3)**

4. To re-appoint the following Directors retiring pursuant to Section 153(6) of the Companies Act, Cap. 50:

   (i) Mr Lim Keen Ban, Anthony **(Resolution 4)**
   Mr Lim Keen Ban, Anthony will, upon re-appointment as Director of the Company, remain as the Chairman and Managing Director of the Company.

   (ii) Mr Ch'ng Jit Koon **(Resolution 5)**
   Mr Ch'ng Jit Koon will, upon re-appointment as Director of the Company, remains as a member of the Audit Committee.He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. He will also remain as the Chairman of the Nominating Committee and Remuneration Committee.

5. To re-elect the following Directors:

   (i) Mr Lim Jit Ming, Raymond, who is retiring under Article 91 of the Company's Articles of Association **(Resolution 6)**

   (ii) Mr Long Foo Pieng, who is retiring under Article 91 of the Company's Articles of Association **(Resolution 7)**

   (iii) Mr Foo See Jin, who is retiring under Article 91 of the Company's Articles of Association **(Resolution 8)**
   Mr. Foo See Jin will, upon re-election as Director of the Company, remain as Non-executive Directorof the Company and a member of the Remuneration Committee.

6. To re-appoint RSM Chio Lim as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 9)**

AS SPECIAL BUSINESS

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

7. Authority to allot and issue shares

   (a) That pursuant to Section 161 of the Companies Act, and the listing rules of the SGX-ST, approval be and is hereby given to the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

      (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

      (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

(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 50% of the total number of issued shares excluding treasury shares, 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 20% of the total number of issued shares excluding treasury shares, and for the purpose of this resolution, the total number of issued shares excluding treasury shares shall be the Company's total number of issued shares excluding treasury shares at the time this resolution is passed, after adjusting for;

(a) new shares arising from the conversion or exercise of convertible securities, or
(b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed 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,

(ii) the 50 per cent. limit in sub-paragraph (i) above may be increased to 100% for issues of shares and/or Instruments by way of a renounceable rights issue where shareholders of the Company are entitled to participate in the same on a pro-rata basis; and

(iii) 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 10)**
(See Explanatory Note 1)

8. To transact any other business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Foo Soon Soo
Company Secretary
9 July 2009
SINGAPORE

Explanatory Notes on Special Business to be transacted:-

1. (a) The Ordinary Resolution 10 is to authorise 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 of which (a) the aggregate number of shares (including shares to be issued in pursuance of convertible securities granted) by way of a rights issue does not exceed 100% of the total number of issued shares excluding treasury shares, (b) the aggregate number of shares (including shares to be issued in pursuance of convertible securities granted) to be issued on a pro rata but non-renounceable basis to shareholders of the Company does not exceed 50% of the total number of issued shares excluding treasury shares, and (c) the aggregate number of shares (including shares to be issued in pursuance of convertible securities granted) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares excluding treasury shares provided always the aggregate number of shares (including shares to be issued in pursuance of convertible securities granted) under (a), (b) and (c) shall not exceed 100% of the total number of issued shares excluding treasury shares.

(b) The increased limit of up to 100% for renounceable rights issue will be effective up to 31 December 2010 pursuant to SGX-ST's notification dated 19 February 2009 and the increased limit is subject to the conditions that the issuer makes periodic announcements on the use of the proceeds as and when the funds are materially disbursed and provides a status report on the use of proceeds in the annual report

Notice of Annual General Meeting

Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy in his stead.
2. A proxy need not be a member of the Company.
3. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
4. The instrument appointing a proxy must be deposited at the registered office of the Company at 333 North Bridge Road #08-00 KH KEA Building Singapore 188721 not later than 48 hours before the time appointed for the Meeting.

NOTICE OF BOOKS CLOSURE DATE

NOTICE IS HEREBY GIVEN that the Share Transfer Books and Register of Members of the Company will be closed from 4 August 2009 after 5.00 p.m. to 5 August 2009, both dates inclusive, for the preparation of determining the Members' entitlements to the dividends to be proposed at the Annual General Meeting of the Company to be held on 24 July 2009.

Duly completed registrable transfers in respect of shares of the Company received by the Company's Share Registrar, KCK CorpServe Pte. Ltd., of 333 North Bridge Road #08-00 KH KEA Building, Singapore 188721 up to 5.00 p.m. on 4 August 2009 will be registered to determine Members' entitlements to such 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 4 August 2009 will be entitled to such proposed dividends.

The proposed dividends, if approved by Members at the Annual General Meeting, will be paid on 17 August 2009.

BY ORDER OF THE BOARD

Foo Soon Soo
Company Secretary
9 July 2009
SINGAPORE

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

IMPORTANT
1. For investors who have used their CPF monies to buy Cortina Holdings Limited shares, the Annual Report is forwarded to them at the request of their CPF Approved Nominees, and is sent FOR INFORMATION ONLY.
2. This proxy form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

PROXY FORM

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			

or failing him/her, the Chairman of the Meeting as *my/our *proxy/proxies, to vote for *me/us on *my/our behalf and, if necessary, to demand a poll at the Annual General Meeting of the Company to be held at York Hotel, 21 Mount Elizabeth Singapore 228516 on Friday, 24 July 2009 at 9.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated with an "X" 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/their discretion.

No.	Ordinary Resolutions	For	Against
1.	To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2009 and the Reports of the Directors and Auditors thereon.		
2.	To declare a Final Dividend of 1 cent per share tax-exempt (one-tier) for the financial year ended 31 March 2009.		
3.	To approve the Directors' fee of S$382,125 for the financial year ending 31 March 2010.		
4.	To re-appoint Mr Lim Keen Ban, Anthony, a Director of the Company, pursuant to Section 153(6) of the Companies Act, Chapter. 50.		
5.	To re-appoint Mr Ch'ng Jit Koon, a Director of the Company, pursuant to Section 153(6) of the Companies Act, Chapter. 50.		
6.	To re-elect Mr Lim Jit Ming, Raymond, a Director of the Company, pursuant to Article 91 of the Articles of Association.		
7.	To re-elect Mr Long Foo Pieng, a Director of the Company, pursuant to Article 91 of the Articles of Association.		
8.	To re-elect Mr Foo See Jin, a Director of the Company, pursuant to Article 91 of the Articles of Association.		
9.	To re-appoint RSM Chio Lim as Auditors of the Company and to authorise the Directors to fix their remuneration.		
10.	To authorize Directors to issue shares pursuant to Section 161 of the Companies Act, Chapter 50.		

Dated this __________ day of __________ 2009

Total Number of Shares Held

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

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Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on his stead. Such proxy need not be a member of the Company.
2. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy.
3. This instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
4. A corporation which is a member of the Company may authorize by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.
5. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at 333 North Bridge Road #08-00 KH KEA Building Singapore 188721 not later than 48 hours before the time set for the Annual General Meeting.
6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members 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 of the Company.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies 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 appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.
8. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time set for the Annual General Meeting.

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AFFIX
POSTAGE
STAMP

The Company Secretary
CORTINA HOLDINGS LIMITED
c/o 333 North Bridge Road
#08-00 KH KEA Building
Singapore 188721

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Corporate Listings

Corporate Office

Singapore
Cortina Holdings Limited
391B Orchard Road
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Singapore 238874
Tel : (65) 6339 9447
Fax : (65) 6336 7913
www.cortina.com.sg

Offices

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391B Orchard Road
#18-01 Ngee Ann City Tower B
Singapore 238874
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Fax : (65) 6336 4939 / 6336 7913
Regional General Manager: Jeremy Lim
www.cortinawatch.com

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179 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : (603) 2148 2814
Fax : (603) 2145 1866
Director : Ivan Tshai

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Cortina Watch HK Limited
3F Wing Cheong House
53 Queen's Road Central
HongKong
Tel : (852) 2537 6236
Fax : (852) 2537 9612
Executive Director : Dorris Cheah

Thailand
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26/48, 14th Floor Orakam Building
Soi Chidlom, Ploenchit Road
Lumpini, Pathumwan
Bangkok 10330
Tel: (66) 2254 1031
Fax: (66) 2254 1030
General Manager: Alvin Tan

Taiwan
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Room C. 10F, No 3, Sec 1
Dunhua S. Rd, Songshan District
Taipei City 105, Taiwan (R.O.C)
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Fax: (886) 2 25796185
Managing Director: Douglas Shih

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Singapore 238874
Tel : (65) 6271 9600
Fax : (65) 6271 4711
Executive Director: Sharon Lim

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Executive Director: Sharon Lim

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