

**A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

		Group						
		6 months ended		Change	12 months ended		Change	
Note	31 Dec 21	31 Dec 20	+ / (-)	31 Dec 21	31 Dec 20	+ / (-)	%	
		S\$'000	S\$'000			S\$'000	S\$'000	%
	Revenue	24,500	22,435	9.2	48,087	44,861	7.2	
	Cost of sales	(16,831)	(15,961)	5.5	(33,404)	(31,413)	6.3	
	<b>Gross profit</b>	<b>7,669</b>	<b>6,474</b>	<b>18.5</b>	<b>14,683</b>	<b>13,448</b>	<b>9.2</b>	
	Other income	311	913	(65.9)	753	1,298	(42.0)	
	Expenses:-							
	- Distribution and marketing	(2,971)	(3,088)	(3.8)	(5,933)	(6,136)	(3.3)	
	- Administrative	(2,999)	(2,363)	26.9	(4,816)	(4,130)	16.6	
	- Net finance expenses	(34)	(42)	(19.0)	(72)	(67)	7.5	
	- Others	(433)	(1,239)	(65.1)	(888)	(1,646)	(46.1)	
		<b>(6,437)</b>	<b>(6,732)</b>	<b>(4.4)</b>	<b>(11,709)</b>	<b>(11,979)</b>	<b>(2.3)</b>	
	<b>Profit before income tax</b>	<b>1,543</b>	<b>655</b>	<b>135.6</b>	<b>3,727</b>	<b>2,767</b>	<b>34.7</b>	
	Income tax expense	(763)	(298)	156.0	(1,069)	(609)	75.5	
	<b>Profit for the financial period representing profit attributable to owners of the Company</b>	<b>780</b>	<b>357</b>	<b>118.5</b>	<b>2,658</b>	<b>2,158</b>	<b>23.2</b>	
	<b>Profit for the financial period/year</b>	<b>780</b>	<b>357</b>		<b>2,658</b>	<b>2,158</b>		
	<b>Other comprehensive income</b>							
	<b>Items that will not be reclassified to profit or loss:</b>							
	Retirement benefit plan remeasurements	-	-		1,268	(308)		
	Income tax on items that will not be reclassified to profit or loss	-	-		(336)	87		
	<b>Items that are or may be reclassified subsequent to profit or loss:</b>							
	Exchange difference on translation of foreign operations net of tax of \$Nil	243	902		(565)	431		
	<b>Other comprehensive income for the financial period, net of tax</b>	<b>243</b>	<b>902</b>		<b>367</b>	<b>210</b>		
	<b>Total comprehensive income for the financial period, representing total comprehensive income attributable to owners of the Company</b>	<b>1,023</b>	<b>1,259</b>		<b>3,025</b>	<b>2,368</b>		
	<b>Profit attributable to:-</b>							
	Owners of the Company	780	357		2,658	2,158		
	<b>Total comprehensive income attributable to: Owners of the Company</b>	<b>1,023</b>	<b>1,259</b>		<b>3,025</b>	<b>2,368</b>		
	<b>Earnings per share for profit for the period attributable to period:</b>							
	Basic (SGD in cent)	2.20	1.01		7.50	6.10		
	Diluted (SGD in cent)	2.20	1.01		7.50	6.10		

**B. Condensed Interim Statements of Financial Position**

	Note	Group 31 Dec 2021 S\$'000	Group 31 Dec 2020 S\$'000	Company 31 Dec 2021 S\$'000	Company 31 Dec 2020 S\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		21,233	19,279	2,888	3,630
Trade and other receivables		13,614	11,146	5,895	4,848
Prepayments		377	202	8	4
Inventories		16,867	15,896	-	-
Finance lease receivables		76	68	-	-
<b>Total current assets</b>		<b>52,167</b>	<b>46,591</b>	<b>8,791</b>	<b>8,482</b>
<b>Non-current assets</b>					
Subsidiaries		-	-	19,137	23,204
Property, plant and equipment	9	4,795	5,425	133	218
Intangible assets		12	19	12	19
Deferred tax assets		-	411	-	-
Finance lease receivables		40	113	-	-
<b>Total non-current assets</b>		<b>4,847</b>	<b>5,968</b>	<b>19,282</b>	<b>23,441</b>
<b>Total assets</b>		<b>57,014</b>	<b>52,559</b>	<b>28,073</b>	<b>31,923</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		13,092	10,186	232	183
Current tax liabilities		945	679	3	15
Provision for warranty		64	95	-	-
Lease liabilities		724	734	85	81
<b>Total current liabilities</b>		<b>14,825</b>	<b>11,694</b>	<b>320</b>	<b>279</b>
<b>Non-current liabilities</b>					
Retirement benefit obligations		347	1,414	-	-
Lease liabilities		2,395	3,029	52	137
<b>Total non-current liabilities</b>		<b>2,742</b>	<b>4,443</b>	<b>52</b>	<b>137</b>
<b>Total liabilities</b>		<b>17,567</b>	<b>16,137</b>	<b>372</b>	<b>416</b>
<b>NET ASSETS</b>		<b>39,447</b>	<b>36,422</b>	<b>27,701</b>	<b>31,507</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to Company's equity holders</b>					
Share capital	10	149,642	149,642	149,642	149,642
Other reserves		16,729	17,294	18,650	18,650
Accumulated losses		(126,924)	(130,514)	(140,591)	(136,785)
<b>Total equity</b>		<b>39,447</b>	<b>36,422</b>	<b>27,701</b>	<b>31,507</b>

C. Condensed Interim Statements of Changes in Equity

	Share Capital	Capital Reserve	Foreign Currency Translation Reserve	Accumulated losses	Total
<u>The Group</u>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 1 January 2021</b>	149,642	18,650	(1,356)	(130,514)	36,422
Profit for the financial year	-	-	-	2,658	2,658
<b>Other comprehensive income</b>					
Retirement benefits plan remeasurement	-	-	-	1,268	1,268
Exchange differences on translation of foreign operations	-	-	(565)	-	(565)
Income tax on other comprehensive income	-	-	-	(336)	(336)
<b>Balance at 31 December 2021</b>	<u>149,642</u>	<u>18,650</u>	<u>(1,921)</u>	<u>(126,924)</u>	<u>39,447</u>
<b>Balance at 1 January 2020</b>	149,642	18,650	(1,787)	(131,742)	34,763
Profit for the financial year	-	-	-	2,158	2,158
Dividend paid	-	-	-	(709)	(709)
<b>Other comprehensive income</b>					
Retirement benefits plan remeasurement	-	-	-	(308)	(308)
Exchange differences on translation of foreign operations	-	-	431	-	431
Income tax on other comprehensive income	-	-	-	87	87
<b>Balance at 31 December 2020</b>	<u>149,642</u>	<u>18,650</u>	<u>(1,356)</u>	<u>(130,514)</u>	<u>36,422</u>
<b>The Company</b>					
<b>Balance at 1 January 2021</b>	149,642	18,650		(136,785)	31,507
Total comprehensive income for the financial year	-	-		(3,806)	(3,806)
<b>Balance at 31 December 2021</b>	<u>149,642</u>	<u>18,650</u>		<u>(140,591)</u>	<u>27,701</u>
<b>Balance at 1 January 2020</b>	149,642	18,650		(136,266)	32,026
Total comprehensive income for the financial year	-	-		190	190
Dividend paid	-	-		(709)	(709)
<b>Balance at 31 December 2020</b>	<u>149,642</u>	<u>18,650</u>		<u>(136,785)</u>	<u>31,507</u>

**D. Condensed Interim Consolidated Statement of Cash Flows**

	<b>The Group</b>	
	<b>12 months ended 31 Dec 21 S\$'000</b>	<b>12 months ended 31 Dec 20 S\$'000</b>
<b>Cash flows from operating activities</b>		
Profit for the financial year	2,658	2,158
Adjustments for:		
Income tax expense	1,069	609
Depreciation and amortisation	828	871
Retirement benefit plan expense	399	329
Interest expenses	80	98
Interest income	(8)	(31)
Write-down on trade receivables, net	-	61
Impairment on inventories	387	45
(Reversal)/ Impairment on third party trade receivables	(67)	477
Loss on derecognition of right-of-use-assets	-	20
Provision made for warranty	1	11
Net foreign exchange loss/(gain)	384	(233)
Operating profit before working capital changes	<u>5,732</u>	<u>4,415</u>
Changes in operating assets and liabilities		
Inventories	(1,078)	(220)
Trade and other receivables	(1,940)	(1,652)
Prepayments	(175)	107
Trade and other payables	1,367	1,118
Provision for warranty	(35)	(48)
Retirement benefit contribution paid	(229)	89
Cash generated from operations	<u>3,642</u>	<u>3,809</u>
Income tax paid	(738)	(693)
<b>Net cash from operating activities</b>	<u>2,904</u>	<u>3,116</u>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(83)	(115)
Interest received	8	31
<b>Net cash used in investing activities</b>	<u>(75)</u>	<u>(84)</u>
<b>Cash flows from financing activities</b>		
Repayment of obligations under leases	(662)	(681)
Dividends paid	-	(709)
Interest paid	(80)	(98)
<b>Net cash used in financing activities</b>	<u>(742)</u>	<u>(1,488)</u>
<b>Net increase in cash and cash equivalents</b>	<u>2,087</u>	<u>1,544</u>
<b>Beginning of financial year</b>	<u>19,279</u>	<u>17,601</u>
Effects of exchange rate changes on cash and cash equivalents	(133)	134
<b>End of financial year</b>	<u>21,233</u>	<u>19,279</u>

## **E. Notes to the Condensed Interim Consolidated Financial Statements**

### **1. Corporate information**

Brook Crompton Holdings Ltd ("the Company") is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months period and full year ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the Group). The address of its registered office and principal place of business is 19 Keppel Road, #08-01 Jit Poh Building, Singapore 089058.

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are distribution of electric motors.

The immediate holding company is ATB Austria Antriebstechnik AG ("ATB"), incorporated in Austria. The ultimate holding company is Wolong Holding Group Co., Ltd. ("Wolong Holding"), incorporated in the People's Republic of China. The ultimate controlling party is Chen Jiancheng.

### **2. Basis of Preparation**

The condensed interim financial statements for the year ended 31 December 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 30 June 2021.

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

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

#### **2.1. New and amended standards adopted by the Group**

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

#### **2.2. Use of judgements and estimates**

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

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

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

- Impairment of investment in subsidiaries
- Utilisation of tax losses
- Valuation of inventories
- Loss allowance on trade receivables
- Measurement of lease liabilities

### 3. Seasonal operations

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

### 4. Segment and revenue information

The Group's primary business is in the distribution of electric motors. Management manages and monitors the business from a geographical segment perspective. The following are the three main geographical segments for the Group:

- Asia Pacific
- United Kingdom
- North America

These operating segments are reported in a manner consistent with internal reporting provided to Group's CEO, who is responsible for allocating resources and assessing performance of the operating segments.

#### 4.1. Reportable segments

	United Kingdom S\$'000	North America S\$'000	Asia Pacific S\$'000	Corporate S\$'000	Total S\$'000
<b>6 months period from 1 July 2021 to 31 December 2021</b>					
<u>Revenue</u>					
Total segment revenue	12,335	11,758	1,749	-	25,842
Inter-segment revenue	(8)	(1,333)	-	-	(1,341)
Revenue from external parties	12,327	10,425	1,749	-	24,500
<u>Other income</u>					
Administrative fee income	2	48	-	1	51
License fee income	224	-	-	-	224
Rental income	24	-	-	-	24
Miscellaneous income	11	-	1	-	12
Total other income	260	48	1	1	311
<b>Total revenue and other income</b>	<b>12,587</b>	<b>10,473</b>	<b>1,750</b>	<b>1</b>	<b>24,811</b>
Segment results	1,298	1,329	(13)	(499)	2,116
Interest income	1	2	-	-	3
Interest expense	(25)	(8)	-	(4)	(37)
Depreciation and amortisation	(237)	(116)	(2)	(47)	(402)
Impairment on impairment of inventories	(26)	(179)	-	-	(205)
Reversal of impairment on trade receivables	67	-	-	-	67
Profit before taxation	1,079	1,029	(15)	(550)	1,543
Taxation	(322)	(434)	-	(6)	(762)
<b>Earnings for the interim period</b>	<b>757</b>	<b>595</b>	<b>(15)</b>	<b>(556)</b>	<b>780</b>

4.1. Reportable segments (Continued)

	United Kingdom S\$'000	North America S\$'000	Asia Pacific S\$'000	Corporate S\$'000	Total S\$'000
<b>6 months period from 1 July 2020 to 31 December 2020</b>					
<u>Revenue</u>					
Total segment revenue	12,284	10,104	1,122	-	23,509
Inter-segment revenue	(24)	(1,051)	-	-	(1,074)
Revenue from external parties	12,261	9,053	1,122	-	22,435
<u>Other income</u>					
Administrative fee income	-	302	-	20	322
License fee income	328	-	-	-	328
Rental income	23	-	-	-	23
Miscellaneous income	52	51	53	84	240
Total other income	403	353	53	104	913
<b>Total revenue and other income</b>	<b>12,664</b>	<b>9,406</b>	<b>1,175</b>	<b>104</b>	<b>23,348</b>
Segment results	1,043	910	20	(336)	1,636
Interest income	-	5	-	-	5
Interest expense	(29)	(13)	-	(7)	(48)
Depreciation and amortisation	(225)	(149)	(2)	(45)	(420)
Impairment on trade receivables	(404)	-	-	-	(404)
Reversal of impairment on inventories	(90)	(23)	-	-	(113)
Profit before taxation	294	730	18	(387)	655
Taxation	(202)	(80)	(2)	(14)	(298)
<b>Earnings for the interim period</b>	<b>93</b>	<b>650</b>	<b>16</b>	<b>(401)</b>	<b>357</b>

	United Kingdom S\$'000	North America S\$'000	Asia Pacific S\$'000	Corporate S\$'000	Total S\$'000
<b>12 months period from 1 January 2021 to 31 December 2021</b>					
<u>Revenue</u>					
Total segment revenue	25,563	22,182	2,878	-	50,623
Inter-segment revenue	(11)	(2,526)	-	-	(2,537)
Revenue from external parties	25,552	19,656	2,878	-	48,087
<u>Other income</u>					
Administrative fee income	6	79	-	76	162
License fee income	429	-	-	-	429
Rental income	48	-	-	-	48
Miscellaneous income	62	40	1	12	114
Total other income	545	119	1	88	753

4.1. Reportable segments (Continued)

	United Kingdom S\$'000	North America S\$'000	Asia Pacific S\$'000	Corporate S\$'000	Total S\$'000
<b>Total revenue and other income</b>	<b>26,097</b>	<b>19,775</b>	<b>2,879</b>	<b>88</b>	<b>48,840</b>
Segment results	3,105	2,707	(109)	(621)	5,081
Interest income	1	7	-	-	8
Interest expense	(52)	(19)	-	(10)	(80)
Depreciation and amortisation	(499)	(233)	(4)	(92)	(828)
Impairment on inventories	(75)	(312)	-	-	(387)
Reversal impairment on trade receivables	(67)	-	-	-	(67)
Profit before taxation	2,413	2,150	(113)	(723)	3,727
Taxation	(567)	(490)	-	(12)	(1,069)
<b>Earnings for the financial year</b>	<b>1,846</b>	<b>1,660</b>	<b>(113)</b>	<b>(735)</b>	<b>2,658</b>
<b>Segment assets</b>	<b>29,972</b>	<b>12,262</b>	<b>2,595</b>	<b>12,185</b>	<b>57,013</b>
Deferred income tax assets	-	-	-	-	-
<b>Total assets per statement of financial position</b>	<b>29,972</b>	<b>12,262</b>	<b>2,595</b>	<b>12,185</b>	<b>57,013</b>
<b>Expenditures for segment non-current assets</b>	<b>28</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>83</b>
- Additions to property, plant and equipments					
<b>Segment liabilities</b>	<b>9,047</b>	<b>6,648</b>	<b>559</b>	<b>369</b>	<b>16,622</b>
Current income tax liabilities	430	510	3	3	945
<b>Total liabilities per statement of financial position</b>	<b>9,476</b>	<b>7,158</b>	<b>562</b>	<b>371</b>	<b>17,567</b>
	<b>United Kingdom S\$'000</b>	<b>North America S\$'000</b>	<b>Asia Pacific S\$'000</b>	<b>Corporate S\$'000</b>	<b>Total S\$'000</b>
<b>12 months period from 1 January 2020 to 31 December 2020</b>					
<u>Revenue</u>					
Total segment revenue	24,443	20,047	2,319	-	46,809
Inter-segment revenue	(32)	(1,916)	-	-	(1,948)
Revenue from external parties	24,411	18,131	2,319	-	44,861
<u>Other income</u>					
Administrative fee income	-	415	-	-	415
License fee income	450	-	-	-	450
Rental income	46	-	-	-	46
Miscellaneous income	91	120	53	123	387
Total other income	587	535	53	123	1,298
<b>Total revenue and other income</b>	<b>24,998</b>	<b>18,666</b>	<b>2,372</b>	<b>123</b>	<b>46,159</b>
Segment results	2,957	1,698	153	(581)	4,227
Interest income	26	5	-	-	31
Interest expense	(55)	(29)	-	(14)	(98)
Depreciation and amortisation	(467)	(311)	(3)	(90)	(871)
Impairment on inventories	(90)	45	-	-	(45)
Impairment on trade receivables	(477)	-	-	-	(477)
Profit before taxation	1,894	1,408	150	(685)	2,767
Taxation	(499)	(89)	(5)	(16)	(609)
<b>Earnings for the financial year</b>	<b>1,395</b>	<b>1,319</b>	<b>145</b>	<b>(701)</b>	<b>2,158</b>



	United Kingdom S\$'000	North America S\$'000	Asia Pacific S\$'000	Corporate S\$'000	Total S\$'000
<b>4.1. Reportable segments (Continued)</b>					
<b>Segment assets</b>	27,504	18,242	2,241	4,161	52,148
Deferred income tax assets	-	411	-	-	411
<b>Total assets per statement of financial position</b>	<b>27,504</b>	<b>18,653</b>	<b>2,241</b>	<b>4,161</b>	<b>52,559</b>
<b>Expenditures for segment non-current assets</b>					
- Additions to property, plant and equipments	64	41	5	5	115
<b>Segment liabilities</b>	8,359	6,354	345	400	15,458
Current income tax liabilities	465	192	7	15	679
<b>Total liabilities per statement of financial position</b>	<b>8,824</b>	<b>6,546</b>	<b>352</b>	<b>415</b>	<b>16,137</b>

**4.2. Disaggregation of Revenue**

	Group 6 months from 1 July 2021 to 31 December 2021			
	United Kingdom S\$'000	North America S\$'000	Asia Pacific S\$'000	Total S\$'000
<u>Types of goods:</u>				
Electric motors	12,327	10,425	1,749	24,500

<u>Timing of transfer of goods:</u>				
Point in time	12,327	10,425	1,749	24,500

	Group 6 months from 1 July 2020 to 31 December 2020			
	United Kingdom S\$'000	North America S\$'000	Asia Pacific S\$'000	Total S\$'000
<u>Types of goods:</u>				
Electric motors	12,261	9,053	1,122	22,435

<u>Timing of transfer of goods:</u>				
Point in time	12,261	9,053	1,122	22,435

4.2. Disaggregation of Revenue (Continued)

	Group			
	12 months period from 1 January 2021 to 31 December 2021			
	United Kingdom S\$'000	North America S\$'000	Asia Pacific S\$'000	Total S\$'000
<u>Types of goods:</u> Electric motors	25,552	19,656	2,878	48,087
<u>Timing of transfer of goods:</u> Point in time	25,552	19,656	2,878	48,087

	Group			
	12 months period from 1 January 2020 to 31 December 2020			
	United Kingdom S\$'000	North America S\$'000	Asia Pacific S\$'000	Total S\$'000
<u>Types of goods:</u> Electric motors	24,411	18,131	2,319	44,861
<u>Timing of transfer of goods:</u> Point in time	24,411	18,131	2,319	44,861

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	The Group		The Company	
	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000	31 Dec 2021 S\$'000	31 Dec 2020 S\$'000
<b>Financial Assets</b>				
Trade and other receivables	13,614	11,145	5,895	4,848
Cash and cash equivalents	21,233	19,279	2,888	3,630
Finance lease receivables	116	181	-	-
<b>Financial assets at amortised costs</b>	<b>34,963</b>	<b>30,605</b>	<b>8,783</b>	<b>8,478</b>
<b>Financial Liabilities</b>				
Trade and other payables	(13,092)	(10,186)	(232)	(183)
Finance lease liabilities	(3,119)	(3,763)	(137)	(218)
<b>Financial liabilities at amortised costs</b>	<b>(16,211)</b>	<b>(13,949)</b>	<b>(369)</b>	<b>(401)</b>

Estimation of fair value

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting dates.

The fair values of financial assets and financial liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their carrying amounts because of the short period to maturity.

The fair value of non-current finance lease receivables approximates to its carrying amount as at financial year.

**Brook Crompton Holdings Ltd.**

**Unaudited Full Year Financial Statement And Dividend Announcement For The Financial Year Ended 31 December 2021**

**6. Profit before taxation**

**6.1. Significant items**

	<b>Group</b>			
	<b>6 months ended</b>		<b>12 months ended</b>	
	<b>31-Dec-21</b>	<b>31-Dec-20</b>	<b>31-Dec-21</b>	<b>31-Dec-20</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<b>(i) Other Income</b>				
Administrative fee income	51	322	162	415
License fee income	224	328	429	450
Rental income	24	23	48	46
Miscellaneous income	12	240	114	387
	<u>311</u>	<u>913</u>	<u>753</u>	<u>1,298</u>
			<b>753</b>	
<b>(ii) Net finance expenses</b>				
Finance lease expenses	37	47	80	98
Finance income on placement of fixed deposits	-	-	(1)	(26)
Finance lease income	(3)	(5)	(7)	(5)
	<u>(3)</u>	<u>(5)</u>	<u>(8)</u>	<u>(31)</u>
Net finance expenses	<u>34</u>	<u>42</u>	<u>72</u>	<u>67</u>
<b>(iii) Expenses</b>				
Depreciation of property, plant and equipment	402	420	828	871
(Reversal)/Impairment on third party trade receivables	(67)	404	(67)	477
Impairment on inventories	205	113	387	45
Foreign exchange gain, net	57	(10)	47	(35)

**6.2. Related party transactions**

There are no material related party transactions apart from those disclosed in F - Other information required under Rule Appendix 7.2, Item 6 Interested Persons Transactions.

**7. Taxation**

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

	<b>Group</b>			
	<b>6 months ended</b>		<b>12 months ended</b>	
	<b>31-Dec-21</b>	<b>31-Dec-20</b>	<b>31-Dec-21</b>	<b>31-Dec-20</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax expense	701	293	984	604
Deferred income tax expense relating to origination and reversal of temporary differences	61	5	84	5
	<u>763</u>	<u>298</u>	<u>1,069</u>	<u>609</u>

**8. Net Asset Value**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>	<b>31 Dec</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	S\$	S\$	S\$	S\$
<b>Net asset value per ordinary share</b>	<u>111.2</u>	<u>102.7</u>	<u>78.1</u>	<u>88.9</u>

## **9. Property, plant and equipment**

During the year ended 31 December 2021, the Group acquired assets amounting to S\$83,000 (31 December 2020: S\$115,000) and no disposal of assets in the financial year.

## **10. Share Capital**

<b>The Group and the Company</b>				
<b>31 December 2021</b>		<b>31 December 2020</b>		
<b>Number of shares</b>	<b>Amount</b>	<b>Number of shares</b>	<b>Amount</b>	
<b>'000</b>	<b>S\$'000</b>	<b>'000</b>	<b>S\$'000</b>	
Beginning and end of financial year	35,459	149,642	35,459	149,642

The Company did not hold any treasury shares as at 31 December 2021 and 31 December 2020.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2021 and 31 December 2020.

## **11. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

Subsequent to the financial year ended 31 December 2021, Brook Crompton UK Limited, a wholly-owned subsidiary of the Company had acquired distribution business from Wolong EMEA SRL with purchase consideration of S\$1.0 million, The net assets acquired is less than 3% of the group's latest audited net tangible assets.

The financial effects of the above transaction have not been included in this interim financial statements for the 6 months ended 31 December 2021. The operating results and assets and liabilities of the Company will be reflected in the first half of the 2022 financial statements.

**F Other information required under Listing Rule Appendix 7.2**

**1. Review**

The condensed consolidated statement of financial position of Brook Crompton Holdings Ltd and its subsidiaries as at 31 December 2021 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the year then ended and certain explanatory notes have not been audited or reviewed.

**2. Review or performance of the Group**

**Condensed Interim Consolidated Statement of Profit or Loss**

**Group Performance for 6 months period from 1 July 2021 to 31 December 2021 - 2nd Half Year 2021 ("2HY 2021")**

Cumulative sales for 6 months in 2HY 2021 is S\$24.5 million, increase by 9.2% as compared to the corresponding preceding 2HY 2020 sales of S\$22.4 million. This is mainly due to sales picking up in United Kingdom market and United States market. Gross profit in 2HY 2021 is much higher as compared to 2HY 2020, resulted from better margin contributed in United States market, as shortage of motors supply in the market.

Other income for 6 months in 2HY 2021 is much lower as compared to 2HY 2020 mainly due lower administrative fee income reimbursed from related companies for cost sharing in Brook Crompton North America.

Cumulative overall expenses in 2HY 2021 slightly decrease by 4.4% to S\$6.4 million as compared to S\$6.7 million in 2HY 2020. This is mainly caused by lower others expenses in 2HY 2021, resulted from closure of one of the warehouse located in United States, and able to cut down the operating costs. However, due to change of external auditor in 2HY 2021, additional administrative expenses incurred in 2HY 2021.

As a result of the above, profit before income tax increase significantly to S\$1.5 million and EBITDA (earnings before interest, tax, depreciation and amortisation) increase to S\$1.6 million in 2HY 2021 from S\$1.8 million in 2HY 2020. Income tax expense in 2HY 2021 is much higher as compared to prior year, due to higher profit before tax attributable during the financial period.

**Group Performance for 12 months period from 1 January 2021 to 31 December 2021 ("2021")**

Cumulative sales for 12 months in 2021 is S\$48.1 million, increase by 7.2% as compared to the corresponding preceding 2020 sales of S\$44.9 million. This is mainly due to sales picking up in United Kingdom market and United States market. Gross profit in 2021 is much higher compared to 2020, resulted from better margin contributed in United States market with shortage of supply of motors.

Other income for 12 months in 2021 is much lower as compared to 2020 mainly due lower administrative fee income reimbursed from related companies for cost sharing in Brook Crompton North America.

Cumulative overall expenses for 12 months in 2021 slightly decrease by 2.3% to S\$11.7 million as compared to S\$12 million in 2020. The other expenses in 2021 much lower as compared to 2020, mainly due closure of one of the warehouse located in United States, and able to cut down the operating costs. However, there is increase in administrative expenses mainly due to additional costs incurred for change of external auditor in 2021 and additional headcount hired to support the supply chain of the Group.

As a result of the above, profit before income tax increase by 35% to S\$3.7 million and EBITDA (earnings before interest, tax, depreciation and amortisation) increase to S\$4.5 million in 2021 from S\$3.7 million in 2020. Income tax expense in 2021 is much higher as compared to prior year, due to higher profit before tax attributable during the financial year.

**Condensed Interim Statement of Financial Position**

Net assets increased by 9% to S\$39.7 million as compared to year ended 2020's S\$36.4 million, after taking in the profit for the financial year of S\$2.9 million. Current ratio remains at a healthy level of 3.6 as at 31 December 2021.

The cash and bank balance increased by 10% to S\$21.2 million mainly resulted from net cash generating for operating activities during the year.

Trade and other receivables increased by 22% to S\$13.6 million from prior year of S\$11.1 million, resulted from sales picking up in last few months of the financial year. As at 31 December 2021, only 7.7% of overall trade receivables are past due more than 180 days and 0.8% of overall trade receivables are past due 91 – 180 days, after management has performed an assessment of the estimated the future cash flows of the debts and determined expected credit losses.

The Inventories as at 31 December 2021 increased by 6.1% as compared with prior year with S\$15.9 million as at 31 December 2020. Due to current supply chain issue, the Company has to keep more stocks to meet the demand of the customers.

Current liabilities have increased by 26.8% to S\$14.8 million from S\$11.7 million prior year. The increase mainly due increased in trade payables, resulted from slow payment made to suppliers due to longer shipment time from Factory, most of the goods shipped by factory have yet to be received and unable to settle the payment to suppliers. These are mainly relate to sales orders under ex-works incoterms. Overdue invoices that relate to goods in transits have yet to be settled. Other than this, the additional corporate tax has been provided for BCUK & BCUSA in current financial years as both companies are in profitable position.

Non current liabilities have decreased by 38.3% to S\$2.7 million from S\$4.4 million prior year. The decrease mainly due to lower retirement benefits obligations in Brook Crompton North America. At the same time, lease liabilities gradually reduced with remaining lease term.

**Condensed Interim Consolidated Statement of Cash Flows**

Net cash generated from operating activities of S\$2.9 million is slightly lower as compared to prior year 12 months ended, 31 December 2020. This is mainly due to slow collection from customers and with higher stocks maintained in North America warehouse.

Net cash used in financing activities in 12 months ended, 31 December 2021 is much lower as compared to prior year, mainly due no dividend pay-out in current financial year.

Net cash position stand at S\$21.2 million as at 31 December 2021, however, net cash position as at 31 December 2020 only S\$19.3 million.

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

Not applicable.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

The 2nd half of 2021 has continued to follow the pattern of 2020 and the 1st half of 2021 with an unpredictable commercial climate largely as a result of the re-introduction of COVID-19 restrictions across the Company's key trading areas, and the rapid spread of the Omicron variant towards the end of the year. Whilst there had been some expectation that there may be a widespread easing of COVID-19 restrictions, and some significant reductions in the costs of containerised freight (particularly from the Asia Pacific region to Europe and the Americas) neither come to fruition. The market also had to contend with the continuation of increases to the cost of key raw materials – copper, electrical steel, cast iron, and towards the end of 2021 restriction to production of heavy equipment in China due to environmental controls, and extreme increases in energy costs. Post Brexit headaches with further changes of regulations within the UK market have continued, but the Company has continued to hold its market share in a market that has shrunk over 25% on the past 10 years according to data provided by Omdia Research.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months (Continued).**

The Company's management took prudent steps to manage the impact of COVID-19 and was able to maintain full operating capacity at all locations throughout the pandemic, resulting in a growth of sales revenue of 5.3% versus the previous year. At a regional level, growth was achieved in all regions against prior year – UK by 1.3%, USA by 19%, Canada by 3.3% and Asia Pacific by 24.1%.

Additional costs incurred throughout the year as a result of raw material price increases, an 8 fold increase in container rates versus 2020, increases in regional logistics costs, and overhead increases due to COVID restrictions such as working from home were partially offset by government support in some regions, and some cost savings due to travel restrictions, however the Company's net EBITDA results at S\$4.5 million in 2021.

The Company has yet to see the full benefit of its investment in a new branch in Australia to serve the Australia and New Zealand markets, however an improving outlook for 2022 due to the recovery of the mining and the oil and gas segments leaves the Company well placed in this market.

Further development in 2022 of the European market outside the core UK markets will allow the Company to exploit some formerly strong markets such as Italy, and allow access again to the EU market which has become much more complex since Brexit.

Positive developments in the USA are expected to continue, with development of wider supply chain partners able to support the Company with regional specific products that will drive growth.

As we move into 2022, the Company notes the removal of COVID restrictions in some regions, and the easing in others. Whilst being aware that CoVid will continue, the change from a pandemic to an endemic mode requires the Sales teams to re-engage with the customer bases. 2022 shows forecasts of dynamic changes within the global economy, with high rates of inflation, and the expectation that inflation will drive interest rates upwards. With a positive cash position, the management of the Company believe that it is well positioned to achieve growth under circumstances that will prove more challenging for its competitors.

As usual at the end of the trading year, the Company thanks its shareholders, employees and Directors for their support and looks forward to a year where we can once again meet regularly with our customers and colleagues, moving our business forward in a positive manner.

**5. Dividend information**

**(a) Current Financial Period Reported On**

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

Name of Dividend	Final
Dividend type	Cash
Dividend per share	2.0 cents
Tax rate	Tax exempt

The Directors are pleased to declare a tax exempt one-tier final cash dividend of 2.0 cents per share. (2020: No dividend declared) in respect of financial year ended 31 December 2021.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? **None**

**(c) Date payable**

30 May 2022

**(d) Books closure date**

Date on which Registrable Transfers received by the Company will be registered before entitlements to the dividend are determined: 12 May 2022, 5:00pm.

**(e) If no dividend has been declared / recommended, a statement to that effect**

Not applicable.

**6. Interested Persons Transactions**

The Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of Interested Person	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	6 months ended		12 months ended	
	31 Dec 21	31 Dec 20	31 Dec 21	31 Dec 20
	S\$'000	S\$'000	S\$'000	S\$'000
<b>General Transactions</b>				
Wolong Electric Group Co Ltd	1,538	6,976	7,141	11,030
Wolong Electric (Vietnam) Company Limited	1,309	-	3,363	-
Wolong Americas LLC	375	-	711	705
ATB Tamel S.A	6,277	4,858	11,123	11,326
ATB UK Group	178	228	283	359
ATB Schorch	7	56	274	628
ATB Motors BV	-	-	-	222
ATB Nordenham GmbH	571	550	712	747
ATB Welzheim	240	298	518	704
AT Sever A.D.	173	618	375	618
	10,669	13,584	24,499	26,340

The aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) are Nil for 6 months and 12 months period ended 31 December 2021.

**7. Confirmation that the issuer has procured undertaking from all its Directors and executive officers (in the format set out in Appendix 7.7 under Rule 720(1))**

The Company confirms that it has already procured undertakings from all of its Directors and executive officer in the format as set out in Appendix 7.7 under Rule 720 (1) of the Listing Manual of the SGX-ST.

**8. Review of performance of the Group - turnover and earnings**

	Group		
	2021 S\$'000	2020 S\$'000	Increase/ (Decrease)
<b>First Half Year</b>			
Turnover	23,587	22,426	5%
Earnings for the financial period	1,878	1,801	4%
<b>Second Half Year</b>			
Turnover	24,500	22,435	9%
Earnings for the financial period	780	357	119%



**9. Disclosure of persons occupying managerial position who are related to a director, CEO or substantial shareholder**

Pursuant to Rule 704(13) of the Listing Manual, Brook Crompton Holdings Ltd confirms that there are no persons occupying a managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

**10. Confirmation by the Board**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render these interim financial results to be false or misleading in any material aspect.

On behalf of the Board of Directors

**Pang Xinyuan**  
Director

**Chao Mun Leong**  
Director

**By Order of the Board**

Pang Xinyuan  
Director  
Singapore, 1 March 2022