

BRITISH AND MALAYAN  
HOLDINGS LIMITED



Security  
Integrity  
Value

ANNUAL REPORT 2023

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Integrity  
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ANNUAL REPORT 2023

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# Introduction

**British and Malayan Holdings Limited (BMH) is a holding company with the following subsidiary and associated companies:**

## **1 British and Malayan Trustees Limited**

British and Malayan Trustees Limited has been providing trust services to families, companies, financial institutions, charities and high net worth individuals from its home based in Singapore since 1924. As a pioneer member of the Singapore Stock Exchange, we are uniquely positioned as a licensed independent trust company offering the stability and flexibility to meet bespoke needs of clients. We are a full-service Singapore based trust company assisting clients globally.

### **Service Offerings by British and Malayan Trustees Limited:**

#### **Family Services**

- Family Holding Structures; Private Trust Companies; Wealth Legacy Planning; Asset and Estate Administration
- Sale of Assets as part of Estate winding down, along with distribution post sale.

#### **Estates**

- We have over the decades successfully administered and settled all manner of significant estates; both for a prompt and efficient resolution as well as for generational preservation and distribution.

#### **Charities**

- We support a variety of charitable structures and activities, domestically and internationally.

#### **Real Estate Services**

- We have throughout our history offered full real estate solutions for clients and their estates, including administration, tenancy transactions and development.

#### **Corporate**

- Financing – We serve in various trustee and agency capacities to facilitate corporate and transactional financings, such as securities and bond offerings; MTN Programs; Securitisations, etc.
- Transactions – We facilitate corporate M&A and asset transaction in various capacities, such as Escrow agency, etc.
- Entity Administration – We facilitate Special Purpose Vehicles, Holding, and Transactional entities to support corporate requirements.

#### **Funds; Asset Structuring**

- Fund Trustee and Administration – We have extensive experience with all manner of funds as Trustee, Administration and/or Custodian (We hold a CMS license to serve as Custodian and are an Approved Trustee for Collective Investment Schemes).
- REITS – We have a special expertise in servicing REITS and private equity type real estate funds.
- Specialty Assets – We actively support investors and their advisers in dealing with new asset classes and bespoke structures for separately managed accounts and platforms.

# Introduction

## 2 PreceptsGroup International Pte. Ltd. and together with its subsidiaries

British and Malayan Holdings Limited (“**BMH**” or the “**Company**” and together with its subsidiary, the “**Group**”) acquired a 35% stake in PreceptsGroup International Pte Ltd. and together with its subsidiaries in 5 April 2023.

PreceptsGroup International Pte Ltd is an exempt private company limited by shares incorporated in Singapore on 26 February 2008.

PreceptsGroup International Pte Ltd is engaged in the wealth succession business in the mass affluent to high net-worth sector. Its business comprises wills and estate planning, executorship and trustee administration services for estates, corporate secretarial and trust services.

It also offers complementary professional training and education programmes, provides the resources and networking platform for estate planning practitioners in the region who are accredited with the AEPP (Associate Estate Planning Practitioner) mark and designation and has embarked on digital estate planning and trust services.

The Board believes that the acquisition will bring benefits to the Group’s business as well as expand the scope of its service offerings. This is in line with the Group’s aspirations to grow within the financial wealth management sector.

# Financial Calendar

## Financial Year End

30 June 2023

## Announcement of FY 2023 Annual Financial Results

23 August 2023

## Annual General Meeting

27 September 2023

## Payment of 2022-2023 Dividends

Interim: 3 March 2023

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of the Company will be held at the Board Room of British And Malayan Holdings Limited at 1 Coleman Street, #06-11 The Adelphi, Singapore 179803 on Wednesday, 27 September 2023 at 2:30 p.m. for the purpose of transacting the following business:-

## AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2023 together with the Directors' Statement and the Independent Auditor's Report thereon. **(Resolution 1)**
2. To record the retirement of Mr Soh Chung Hian, a Director who is retiring pursuant to Article 94 of the Company's Constitution and has indicated he will not be seeking re-election.  
  
*[See Explanatory Note (i)]*
3. To re-elect Mr Ng Kwan Meng, a Director retiring pursuant to Article 94 of the Company's Constitution. **(Resolution 2)**  
  
*[See Explanatory Note (ii)]*
4. To re-elect Mrs Elizabeth Hart, a Director retiring pursuant to Article 100 of the Company's Constitution. **(Resolution 3)**  
  
*[See Explanatory Note (iii)]*
5. To re-elect Mr Nagaraj Sivaram, a Director retiring pursuant to Article 100 of the Company's Constitution. **(Resolution 4)**  
  
*[See Explanatory Note (iv)]*
6. To approve the payment of Directors' fees of S\$150,000 for the financial year ending 30 June 2024, to be paid quarterly in arrears. (2023: S\$150,000) **(Resolution 5)**
7. To re-appoint Messrs RSM Chio Lim LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

## AS SPECIAL BUSINESS

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

8. **Authority to issue shares** **(Resolution 7)**

"That, pursuant to Section 161 of the Companies Act 1967 and the Listing Rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given for 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;

# Notice of Annual General Meeting

- (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 (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuant to any Instruments made or granted by the Directors while the authority was in force, provided always that:

- (a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments, made or granted pursuant to this Resolution) does not exceed fifty per centum (50%) of the Company’s total number of issued shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro-rata basis to shareholders of the Company does not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares subsidiary holdings), and for the purpose of this Resolution, the total number of issued shares (excluding treasury shares and subsidiary holdings) shall be the Company’s total number of issued shares (excluding treasury shares subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below):
- (b) (subject to such manner of calculations as may be prescribed by the Singapore Exchange Securities Limited (“SGX-ST”)) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasure shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for;
  - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed, and
  - (ii) any subsequent bonus issue, consolidation or subdivision of the Company’s shares;

Adjustments in accordance with (i) and (ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

- (c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and



# Notice of Annual General Meeting

- (d) (unless revoked or varied by the Company in general meeting), the authority conferred by this Resolution shall 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 earlier.”

*[See Explanatory Note (v)]*

9. **Authority to allot and issue shares under British and Malayan Holdings Employee Share Option Scheme and British and Malayan Holdings Performance Share Plan** **(Resolution 8)**

“That, authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued pursuant to the exercise of the options under the British and Malayan Holdings Employee Share Option Scheme (“**ESOS**”) and/or vesting of awards under British and Malayan Holdings Performance Share Plan (“**PSP**”), provided always that the aggregate number of additional Shares to be allotted and issued pursuant to the ESOS and PSP shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.”

*[See Explanatory Note (vi)]*

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

BY ORDER OF THE BOARD

Angela Ho Wei Ling  
Chan Lai Yin  
Company Secretaries

Singapore,  
12 September 2023

# Notice of Annual General Meeting

## Explanatory Notes:

- (i) Mr Soh Chung Hian, upon his retirement as a Director, will cease to be Chairman of the Audit and Risk Committee and a member of the Remuneration Committee and Nominating Committee.
- (ii) Mr Ng Kwan Meng will, upon re-election as a Director of the Company, remain as the Chairman of the Remuneration Committee and Nominating Committee and a member of the Audit and Risk Committee. Mr Ng Kwan Meng is considered independent for the purpose of Rule 704(8) of the Listing Manual of SGX-ST. Detailed information on Mr Ng Kwan Meng pursuant to Rule 720(6) of the Listing Manual of SGX-ST can be found on page 14 of the Annual Report 2023.
- (iii) Mrs Elizabeth Hart will, upon re-election as a Director of the Company, remain as a member of the Nominating Committee, Audit and Risk Committee and Remuneration Committee. Mrs Elizabeth Hart is considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information on Mrs Elizabeth Hart pursuant to Rule 720(6) of the Listing Manual of SGX-ST can be found on page 14 of the Annual Report 2023.
- (iv) Mr Nagaraj Sivaram will, upon re-election as a Director of the Company, remain as a member of the Audit and Risk Committee, Remuneration Committee and Nominating Committee. Mr Nagaraj Sivaram is considered independent for the purpose of Rule 704(8) of the Listing Manual of SGX-ST. Detailed information on Mr Nagaraj Sivaram pursuant to Rule 720(6) of the Listing Manual of SGX-ST can be found on page 14 of the Annual Report 2023.
- (v) Ordinary Resolution 7 proposed above, if passed will empower the Directors of the Company, from the date of the passing of Ordinary Resolution 7 to the date of the next Annual General Meeting, to issue shares in the capital of the Company is required by law to be held and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to an amount not exceeding in total 50% of the issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, with a sub-limit of 20% of the issued shares (excluding treasury shares and subsidiary holdings) for issues other than on a pro rata basis to shareholders.
- (vi) Ordinary Resolution 8 proposed above, if passed will empower the Directors of the Company, from the date of the passing of Ordinary Resolution 8 to the date of the next Annual General Meeting is required by law to be held, whichever is earlier, to allot and issue shares in the Company of up to a number not exceeding in total fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time pursuant to the exercise of the options under the ESOS and vesting of the share awards under the PSP.

## Notes:

- (a) The Annual General Meeting (“AGM”) will be held physically at 1 Coleman Street, #06-11 The Adelphi, Singapore 179803.
- (b) A proxy need not be a member of the Company. A member of the Company (who is not a Relevant Intermediary) may appoint not more than two proxies to attend and vote at the general meeting of the Company. Where a member appoints more than one (1) proxy, he/she/it should specify the proportion of his/her/its shareholding (expressed as a percentage as a whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

# Notice of Annual General Meeting

- (c) A member who is a Relevant Intermediary\* is entitled to appoint more than two proxies to attend and vote at the meeting. He/She/It shall specify the proportion of his/her/its shares (expressed as a percentage of the whole) to be represented by each proxy.

**\*Relevant Intermediary is:**

- (i) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who hold shares in that capacity; or
  - (ii) a person holding a capital markets services license to provide a custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
  - (iii) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- (d) The Chairman of the AGM, as proxy, need not be a member of the Company. A member may appoint the Chairman of the meeting as his/her/its proxy. If a member wishes to appoint the Chairman of the meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
- (e) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 1 Coleman Street, #06-11 The Adelphi, Singapore 179803 or email to [angela.ho@bmtrust.com](mailto:angela.ho@bmtrust.com), not less than seventy-two (72) hours before the time appointed for holding the Annual General Meeting. Members are strongly encouraged to submit completed proxy forms electronically via email.
- (f) CPF and SRS Investors who wishes to vote at the AGM should approach their respective agent banks to submit their votes at least seven (7) working days before the date of the AGM (i.e. by 2.30 p.m. on 18 September 2023). CPF and SRS Investors are requested to contact their respective agent banks for any queries they may have with regard to the appointment of proxy/proxies for the AGM.
- (g) Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse the admission of any person or persons appointed under the instrument of proxy, to the Annual General Meeting.

# Notice of Annual General Meeting

## Submission of Questions in Advance:

1. Members may submit questions relating to the items on the agenda of the AGM in advance of the AGM by 11:59 p.m. on 19 September 2023, via email to [angela.ho@bmtrust.com](mailto:angela.ho@bmtrust.com). For verification purposes, a shareholder who wishes to submit their questions by email is required to indicate their full name (for individuals)/company name (for corporate), NRIC/Passport No./Company Registration number, email address, contact number, shareholding type and number of shares held together with their submission of questions, to the email provided.
2. The Board will endeavour to address the substantial and relevant questions submitted in advance of the AGM by publishing responses to such questions on SGXNet and the Company's corporate website at <https://www.bmtrust.com/> by 2.30 p.m. on 22 September 2023 (being not less than forty-eight (48) hours prior to the closing date and time for the lodgement of the proxy forms).

## Submission of Questions During the AGM:

1. Members who attend the AGM will be able to ask questions relating to the agenda of the AGM during the AGM.
2. The responses to questions from members during the AGM will be included in the minutes of the AGM which will be published on the SGXNet within one (1) month after the date of the AGM.

## PERSONAL DATA PRIVACY

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

# Corporate Information – British And Malayan Holdings Limited

## **BOARD OF DIRECTORS**

Mr Colin Lee Yung Shih (Chairman)  
Mr Ng Kwan Meng  
Mr Soh Chung Hian  
Mrs Elizabeth Hart  
Mr Nagaraj Sivaram  
Mr David Anthony Koay Siang Hock

## **AUDIT AND RISK COMMITTEE**

Mr Soh Chung Hian (Chairman)  
Mr Colin Lee Yung Shih  
Mr Ng Kwan Meng  
Mrs Elizabeth Hart  
Mr Nagaraj Sivaram

## **NOMINATING COMMITTEE**

Mr Ng Kwan Meng (Chairman)  
Mr Colin Lee Yung Shih  
Mr Soh Chung Hian  
Mrs Elizabeth Hart  
Mr Nagaraj Sivaram

## **REMUNERATION COMMITTEE**

Mr Ng Kwan Meng (Chairman)  
Mr Colin Lee Yung Shih  
Mr Soh Chung Hian  
Mrs Elizabeth Hart  
Mr Nagaraj Sivaram

## **COMPANY SECRETARIES**

Ms Angela Ho  
Ms Chan Lai Yin

## **REGISTERED OFFICE & SHAREHOLDER SERVICES FOR ORDINARY SHARES**

1 Coleman Street  
#06-11 The Adelphi  
Singapore 179803  
Tel : (65) 6535 4922  
Fax : (65) 6535 1258  
Email : enquiry@bmtrust.com

## **AUDITORS**

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

## Board of Directors



**From left (Back row):**

Mr Soh Chung Hian;

Mr David Anthony Koay Siang Hock

Mr Ng Kwan Meng;

Mrs Elizabeth Hart;

Mr Nagaraj Sivaram

**(Front row):**

Mr Colin Lee Yung-Shih

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## Board of Directors

### **Mr Colin Lee Yung-Shih, *Non-Independent Chairman***

Mr Lee was appointed to the Company's Board of Directors on February 2017. He is also a member of the Company's Audit and Risk Committee. Mr Lee is the Managing Director of Chartered Asset Management Pte Ltd and holds a Bachelor's degree in Science.

Mr Lee holds a Bachelor of Science in Finance from Boston University.

### **Mr Soh Chung Hian, *Independent Director***

Mr Soh was appointed to the Board on February 2017. He is the chairman of the Audit and Risk Committee. Mr Soh graduated from the National University of Singapore with a degree in Bachelor of Accountancy in 1977. He also holds an MBA from the International Management Centre in the United Kingdom. Upon graduation, he joined Ernst & Young in 1977 and was admitted to the partnership in 1990 until his retirement in 2012.

### **Mr David Anthony Koay Siang Hock, *Executive Director and Group CEO of British and Malayan Holdings Limited***

Mr David was appointed to the Board on 20 May 2022 as an Executive Director. He is also Group CEO of British and Malayan Holdings Limited.

He has over 35 years of diversified & extensive banking experience in Private Banking, Corporate & Investment Banking. He has worked in various regions in SEA, Australia and the Middle East.

His areas of expertise includes: Wealth management, Corporate Finance, Corporate Banking, Treasury & Audit. Was involved in numerous green field & start up projects regionally.

Mr David held several senior positions with various International & Regional banks (Public Bank, Citibank, Macquarie bank, Standard Chartered Bank, BNP Paribas, Maybank), and he was the CEO of Measat Satellite Systems Berhad and Group Treasurer of several large companies (Australia & Malaysia).

Mr David holds a MBA from RMIT Australia & a Bachelor of Economics from La Trobe University Australia. Mr David is a regular trainer at Wealth Management Institute.

### **Mr Ng Kwan Meng, *Independent Director***

Mr Ng Kwan Meng joined the Board on February 2017. He is the Chairman of SP Group Treasury Pte. Ltd. and his other directorships include Tasek Jurong Limited, and Singapore Power Limited.

Mr Ng was the Managing Director and Head, Group Global Markets at United Overseas Bank. He was also an Executive Director and Chief Executive Officer of UOB Bullion and Futures Ltd and a Director of Tuas Power Ltd. He was a member of the Singapore Foreign Exchange Market Committee, the working group on Financial Industry Competency Standards and National Integration Working Group for the Community.

Mr Ng holds a Bachelor of Social Science (Honours) degree from the National University of Singapore.

### **Mrs Elizabeth Hart, *Independent Director***

Mrs Elizabeth Hart was appointed as an Independent Director of the Company on 31 January 2023. She is a member of the Audit and Risk Committee and a member of the Remuneration and Nominating Committees.

Mrs Hart is CEO & Founder of Legacy Wealth Advisors Pte Ltd and Managing Director of The Life Academy Pte Ltd. Mrs Hart has over 30 years of experience in the wealth management & trust industry. Mrs Hart is an Associate of the Chartered Institute of Bankers, a member of the Society of Trust and Estate Practitioners, a member of the Singapore Institute of Directors. She also sits on the judging panel for WealthBriefingAsia and is an Ambassador for WealthiHer in Asia.

### **Mr Nagaraj Sivaram, *Independent Director***

Mr Nagaraj Sivaram was appointed as an independent Director of the Company on 17 April 2023. He is a member of the Audit and Risk Committee and a member of the Remuneration and Nominating Committees. Mr Sivaram has forty years of external audit experience and is currently a board member and Audit Committee Chairman of the Land Transport Authority, Singapore Institute of Technology and Singapore Turf Club. Mr Sivaram has a Bachelor of Commerce degree from the University of Bombay, and is a fellow of the Institute of Chartered Accountants in England & Wales and the Institute of Singapore Chartered Accountants.

## Key Management Staff



**Mr David Anthony Koay Siang Hock**, *Executive Director and Group CEO of British and Malayan Holdings Limited*

Mr David was appointed to the Board on 20 May 2022 as an Executive Director. He is also Group CEO of British and Malayan Holdings Limited.

He has over 35 years of diversified & extensive banking experience in Private Banking, Corporate & Investment Banking. He has worked in various regions in SEA, Australia and the Middle East.

His areas of expertise includes: Wealth management, Corporate Finance, Corporate Banking, Treasury & Audit. Was involved in numerous green field & start up projects regionally.

Mr David held several senior positions with various International & Regional banks (Public Bank, Citibank, Macquarie bank, Standard Chartered Bank, BNP Paribas, Maybank), and he was the CEO of Measat Satellite Systems Berhad and Group Treasurer of several large companies (Australia & Malaysia).

Mr David holds a MBA from RMIT Australia & a Bachelor of Economics from La Trobe University Australia. Mr David is a regular trainer at Wealth Management Institute.



**Mr Philip Ngiam Hai Peng**, *Executive Director of British and Malayan Trustees Limited*

Mr Philip was appointed as an Executive Director on 1st July 2021.

Prior to this appointment, he has been a Director and Resident Manager of another Licensed Trust Company for the past 7 years. He has been employed in the finance, administration, accounting and operation roles of various companies since 1985.

Mr Philip holds a degree in Bachelor of Accountancy from the National University of Singapore and a degree from The Institute of Chartered Secretaries and Administrators from London (UK).

He is a Fellow Chartered Accountant of Singapore and is a member of The Institute of Singapore Chartered Accountants (ISCA).



**Ms Angela Ho Wei Ling**, *Group Financial Controller and Company Secretary of British and Malayan Holdings Limited*

Ms Angela is a Chartered Accountant. Prior to joining the Company, she was with a Fund Administrator Company as well as a healthcare listed company. Ms Angela graduates with the professional qualification from the Association of Chartered Certified Accountants (ACCA).

Ms Angela has been appointed as the Group Financial Controller of British and Malayan Holdings with effect from 1 July 2021.



# Chairman's Statement

## Review of the year

For the full year ended 30 June 2023, the Group's Trustee revenue was \$1,391,000 (FY2022: \$3,053,000), a decrease of 54%. The decline in revenue in FY 2023 was due to the winding up of an Estate which matured in September 2021, for which British Malayan Trustees Limited (BMT) received a one-off termination fee.

There was an extraordinary gain in the profit or loss statement of \$8,441,000 resulting from the sale of our Adelphi office. The proceeds will fund the Group's expansion, with the objective of enhancing and diversifying the Group's income stream.

The Group achieved a net profit before tax of \$5,832,000 (FY2022: Loss of \$724,000).

## Dividend

The Board has decided that it would be prudent not to declare a final dividend in view of the development phase that the Group has embarked on. In addition to revitalising its Trust division, the Group will be exploring opportunities to enhance and diversify its revenue and income stream for future growth.

## Outlook

The domestic trust business in Singapore remains competitive and challenging. Notwithstanding, the Management has been increasing BMT's profile with various trust service-support providers, and in that process, has strengthened the pipeline of new customer leads to drive revenue.

The sale of our office property in November 2022 will enable the Group to redeploy capital towards business expansion and to fund strategic opportunities without reliance on external debt. Overall expenses are projected to increase owing to rental expenses.

On 29 December 2022, the Group announced its acquisition of a 35% stake in PreceptsGroup International Pte Ltd (PGI) with the option of increasing our stake in PGI to 65% in 2025 with pricing terms based on key milestones being achieved.

I would like to take this opportunity to express my appreciation and gratitude to clients, shareholders, the Board and staff for their patience, support and dedication over the years. We look forward to continuing this journey together, as well establishing new business partnerships and clients along the way, collectively contributing to the growth of the Group.

# Sustainability Report

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# Sustainability Report

## Message from the Board and Senior Management

Dear Stakeholders,

We are pleased to present to you the British and Malayan Holdings Limited (“**BMH**” or the “**Company**” and together with its subsidiary, the “**Group**”) Sustainability Report 2023, which provides information on the sustainability of our business and practices during the financial year ended 30 June 2023 (“**FY2023**”).

The Group is in a favourable position to address the ever-changing regulatory environment of sustainability and the sustainable economy. Our commitment lies in the seamless integration of a comprehensive environmental, social, and governance (“ESG”) framework across every facet of our value chain, and ingrained in the minds of everyone involved. We continue to prioritise and adhere to robust governance and compliance practices, with a strong focus on accountability and transparency of our fiduciary duties. Stringent data privacy policies continue to be reinforced to ensure the utmost security of our customers’ data in the digital realm.

Alongside the ongoing digital transformation in the economy, the Group has also begun strategizing and mitigating against environmental impacts of our operations. Having always borne in mind the SG Green Plan 2030 and the commitment towards Net Zero by 2050, we hope, by advancing the quality and transparency of assessment of the potential impacts of climate change on our Group, we can continue providing long-term value to Singapore’s sustainability agenda.

The Group places also a strong emphasis on our social and community implications. Equal opportunities and diversity, regardless of gender, age or employment category, are integral to maintaining our organizational resilience and social position. In line with this, all of our employees are offered equal upskilling opportunities, as well as the exposure to community outreach and making a positive social impact. We are very grateful to all employees and partners who supported our very first CSR charity event and we eagerly anticipate the future of our philanthropic journey!

Thank you for staying attentive to BMH as we navigate into the sustainable future and we hope you enjoy reading this report.

# Sustainability Report

## Company Profile

BMH is a holding company which is listed on SGX since 27 July 2017. Its wholly owned subsidiary is British and Malayan Trustees Limited (“**BMT**”), which has been providing trust services to families, companies, financial institutions, charities and high net worth individuals from its headquarters in Singapore since 1924. A pioneer member of the Singapore Stock Exchange, BMT is uniquely positioned as a licensed independent trust company offering the stability and flexibility to meet bespoke needs of clients.

We are a full-service trust company assisting clients globally with our business split between corporate and private trusts. Our clients are located in various regions including Australasia, Asia, the Middle East, Europe and North America.

We have recently acquired 35% of PreceptsGroup International Pte Ltd and this is a key milestone for the Group towards growth aspirations in the legacy and estate planning sector.

For details on the services provided by the Group, please see the introduction page of this Annual Report

Our supply chain entails:

- i. Financial institutions such as banks, brokers, stock exchanges which provide the Group with banking and other financial services;
- ii. Property related companies such as real estate agents, developers and similar companies who provide the Group with property related services such as tenant sourcing, property management and other property related services;
- iii. Regulators of the businesses we operate and the exchange that the Group is listed on; and
- iv. Service providers such as auditors, lawyers and other professionals who provide the Group with professional services.

As a company listed on SGX, and with a wholly owned subsidiary which is a Licensed Trust Company and holder of a Capital Markets Services License in Singapore, compliance with all relevant rules and regulations is an essential prerequisite for the Group’s continued commercial viability.

# Sustainability Report

## Reporting Practice

### Reporting Principles and Statement of Use

This sustainability report is prepared with reference to the Global Reporting Initiative (“GRI”) Standards 2021, covering our Group’s performance from 1 July 2022 to 30 June 2023. The GRI standards were selected as it is one of the globally recognised sustainability reporting standards and represents the global best practices for reporting on economic, environmental and social impacts. The Board has reviewed and approved the reported information, including the material topics.

The following principles have been applied to guide the Group in ensuring the quality and proper presentation of the information in this Report: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness and Verifiability. For more information on the GRI disclosures, please refer to the GRI Content Index.

This Report incorporates recommendations from the Taskforce on Climate-Related Financial Disclosures (“TCFD”) to give stakeholders an overview of the potential financial effects of climate change on the Group’s business model, including assets, revenue, operations, capital, and financing. The TCFD framework enables the Group to evaluate how climate-related risks, such as physical and transition risks, may impact the Group and outlines strategies and actions for managing and mitigating these impacts, as well as potential opportunities.

The United Nations Sustainable Development Goals (“UN SDGs”) have also been incorporated into the Report to highlight the Group’s contributions to sustainable development. This Report is compliant with Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Rules 711A and 711B.

### Reporting Scope

The scope of this report covers 100% of our revenue and operations during the reporting period, including BMH and BMT only. PreceptsGroup International Pte. Ltd., being an associate company newly acquired in April 2023, is not included in this reporting.

### Restatements

There are no restatements of information made from previous reporting periods.

### Assurance

The Group has established internal controls and verification mechanisms to ensure the accuracy and reliability of the narratives and data disclosed within this Report. We have also considered and adopted the recommendations of an external Environmental, Social and Governance (“ESG”) consultant for the selection of material topics as well as compliance with GRI Standards, TCFD recommendations and SGX-ST Listing Rules. The Group will subject the sustainability reporting process to internal review by our internal auditors, as required by SGX-ST Listing Rules 711B. The Board has therefore assessed that independent external assurance is not required at this juncture.

### Availability and Feedback

It is available online at SGXNet and [www.bmtrust.com](http://www.bmtrust.com). Please send your comments or feedback to [enquiry@bmtrust.com](mailto:enquiry@bmtrust.com).

# Sustainability Report

## Sustainability Strategy Overview

The Group's core values are 'Independent', 'Client focused', 'Long term business Partner' and 'Fiduciary duties at the heart of our business'. Our approach to ESG issues is stakeholder-focused and we seek to manage wider risks and opportunities in order to create value for the long term.

We are one of the oldest and most well established trust service provider in Singapore, serving our valued clients since 1924. Our clients have trust in our capabilities in managing their assets and many have remained as our longstanding clients.

In providing our fiduciary service, we comply strictly with all socioeconomic and environmental laws and regulations. We apply robust management and confidentiality to privileged customer data entrusted in our care in compliance with local data privacy laws. Our operations are also guided by robust corporate governance practices and ethical policies and practices. Our supporting frameworks enable us to provide excellent trust services and protect the information of our customers and clients.






Aside from serving our customers and clients, we have considered the possible impact of climate change on our business. In this report, we have disclosed our first climate-related disclosures which articulates our considerations of climate change on our business. The Group have also made efforts to minimise the environmental impacts of paper and energy consumption at our office and we have quantified our Greenhouse Gas emissions to begin monitoring our carbon footprint.

In order to further enforce our ESG approach to create long-term values, the Group has embarked on and will dedicate to a corporate social responsibility (CSR) journey continuously. We are collaborating closely with various stakeholders, including non-profits and charitable organisations and all employees to fulfil meaningful and equitable CSR initiatives. We are committed to go beyond our fiduciary responsibilities while keeping social responsibility in mind and heart.

As part of our commitment to providing excellent trust service, we continue to train and develop our employees to enhance the quality of our services. The Group understands the benefit of having a diverse workforce and strives to promote diversity in our workplace and among our leadership. We strive to effect positive social impacts through the activities of BMH or through the Estates that we manage.

# Sustainability Report







## ESG Performance Highlights

	<ul style="list-style-type: none"> <li>Maintained zero incident of non-compliance in fiduciary duties, socioeconomic and environmental areas</li> </ul>
	<ul style="list-style-type: none"> <li>Maintained zero incident of customer's data breaches</li> <li>Upheld service quality with zero client complaint</li> </ul>
	<ul style="list-style-type: none"> <li>Disclosed climate-related risks aligned to the TCFD recommendations</li> </ul>
	<ul style="list-style-type: none"> <li>Reduced the consumption of paper in the office through rapid digitalisation of operations</li> </ul>
	<ul style="list-style-type: none"> <li>Successfully embarked on our commitment to CSR journey through the Group staff's first Food Drive charity event</li> </ul>

# Sustainability Report

## Contribution to the Sustainable Development Goals

The Group's business focus is aligned with the UN SDGs. The attainment of the UN SDGs is a continuing global effort and forms part of the Group's long-term focus on sustainability. The Group's contributions to the attainment of the relevant UN SDGs are highlighted below.

UN SDG	The Group's Contribution	Read more in the following sections
 <p><b>4</b> QUALITY EDUCATION</p>	Provide training, career appraisal and development opportunities for all our employees	Focus 3: Human Resource Development and Diversity
 <p><b>5</b> GENDER EQUALITY</p>	Provide equal opportunities in employment, training and career development regardless of gender	
 <p><b>10</b> REDUCED INEQUALITIES</p>	Promote social protection policies to help the vulnerable and reduce social inequalities	Focus 5: Corporate Social Responsibility
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	Reduce the usage of paper and energy consumption whenever possible	Focus 4: Environmental Responsibility
 <p><b>13</b> CLIMATE ACTION</p>	Continuously monitor climate-related risks and opportunities and integrate into Group's environment-related policies and initiatives	Focus 2: Climate Risks and Opportunity Focus 4: Environmental Responsibility
 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	Promote good corporate governance and build strong working relationships with financial institutions and government bodies/agencies	Focus 1: Our Fiduciary Services and Governance



# Sustainability Report

## Stakeholder Engagement and Materiality Assessment

The Group believes that stakeholder engagement is integral to the building of a sustainable business. We review sustainability issues based on their materiality to stakeholders. We actively engage in meaningful and productive dialogue with our stakeholders and participate in various industry and government forums to keep abreast of any material stakeholder issues.

We have identified key stakeholders as groups which have material impact or could potentially be impacted by our operations, taking into account inputs from the Senior Management and an external consultant. The following table summarises our key stakeholders, engagement platforms and their key concerns.

Stakeholders	Key concerns	Engagement platforms	Our Responses	Relevant Sections
<b>Customers and Clients</b>	<ul style="list-style-type: none"> <li>Socioeconomic compliance</li> <li>Data privacy and cyber-security threats</li> </ul>	<ul style="list-style-type: none"> <li>Client meetings</li> <li>Client feedback</li> </ul>	<ul style="list-style-type: none"> <li>Understand clients and ensure customer satisfaction</li> <li>Build long-term relationships with clients</li> <li>Implement effective technology risk management and cyber resilience</li> </ul>	<ul style="list-style-type: none"> <li>Focus 1: Our Fiduciary Services and Governance</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Training and development</li> <li>Employee benefits</li> <li>Diversity and equal opportunity</li> <li>Energy and waste</li> <li>Socioeconomic compliance</li> </ul>	<ul style="list-style-type: none"> <li>Annual employee appraisal system</li> <li>Training sessions</li> <li>CSR activities</li> </ul>	<ul style="list-style-type: none"> <li>Establish robust policies on performance appraisals, diversity, and anti-harassment</li> <li>Build a safe and inclusive workplace</li> <li>Collaboration and active involvement in planning and executing CSR</li> </ul>	<ul style="list-style-type: none"> <li>Focus 3: Human Resource Development and Diversity</li> <li>Focus 4: Environmental Responsibility</li> <li>Focus 5: Corporate Social Responsibility</li> </ul>
<b>Tenants or residents of properties under BMT's trusteeship</b>	<ul style="list-style-type: none"> <li>Socioeconomic compliance</li> </ul>	<ul style="list-style-type: none"> <li>Contractual agreements</li> <li>Regular feedback and discussions</li> </ul>	<ul style="list-style-type: none"> <li>Comply strictly with socioeconomic and environmental regulations</li> <li>Evaluate the direct and indirect impacts of our services on estates, charities and real estate clients (among others)</li> </ul>	<ul style="list-style-type: none"> <li>Focus 1: Our Fiduciary Services and Governance</li> <li>Focus 5: Corporate Social Responsibility</li> </ul>

# Sustainability Report

Stakeholders	Key concerns	Engagement platforms	Our Responses	Relevant Sections
<b>Regulators and Market Operators (MAS, SGX)</b>	<ul style="list-style-type: none"> <li>Socioeconomic compliance</li> <li>Anti-money laundering</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Reports</li> <li>Ongoing dialogues</li> <li>Regulatory submissions &amp; applications (if applicable)</li> </ul>	<ul style="list-style-type: none"> <li>Comply strictly with socioeconomic and environmental regulations</li> </ul>	<ul style="list-style-type: none"> <li>Focus 1: Our Fiduciary Services and-Governance</li> <li>Focus 2: Climate Risks and Opportunities</li> </ul>
<b>Suppliers and Service Providers (including financial institutions)</b>	<ul style="list-style-type: none"> <li>Socioeconomic compliance</li> <li>Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Community engagement</li> <li>Annual Reports</li> </ul>	<ul style="list-style-type: none"> <li>Comply strictly with socioeconomic and environmental regulations</li> <li>Regularly assessment of corporate governance practices</li> </ul>	<ul style="list-style-type: none"> <li>Focus 5: Corporate Social Responsibility</li> </ul>
<b>Shareholders and investors</b>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Annual Reports</li> <li>Investor relations</li> </ul>	<ul style="list-style-type: none"> <li>Provide informative and insightful Annual Reports, Sustainability Reports and regulatory filings</li> </ul>	<ul style="list-style-type: none"> <li>Annual Report</li> <li>Focus 3: Human Resource Development and Diversity</li> </ul>

The Group's material topics are reviewed annually and identified based on its actual and potential impacts on our internal and external stakeholders. We focus on reporting on risks and opportunities arising from our most important environmental, social and governance issues, which may ultimately affect our financial performance. With the assistance of our ESG consultant, we have taken the following steps to identify and present the relevant material topics in this Report:

1. Identification: Initial selection of material topics based on the risks and opportunities to the sector.
2. Prioritisation: Material topics are prioritised in order of descending importance based on their alignment with the concerns of internal and external stakeholders including whether they are aligned with key organisational values, policies, operational management systems, goals and targets.
3. Benchmarking : Comparison against competitors and peers to determine how the industry identifies and prioritises material factors
4. Review: Review the relevance of previously identified material topics.
5. Validation: Validate the order of disclosure for the selected material topics in the Sustainability Report with the Board.

# Sustainability Report

With the economy recovering from the COVID-19 pandemic and considering the relevance of the material topics to our business, the Group have renamed our focus areas and revised material topics as illustrated in the table below. The following changes have also been made to this report. These changes include:

- Renamed focus area from “Our Fiduciary Duties” to “Our Fiduciary Duties and Governance” and “Environment Responsibility and Climate Change” to “Environment Responsibility”;
- Added focus area “Climate Risks and Opportunities” and GRI topic standard GRI 406: Non-discrimination;
- Removed focus area “Employee Health and Safety” as it related to managing the impacts of COVID-19 in FY2022;
- Renamed the material topic “Cyber-security and PDPA” to “Protecting our Customers Data” under Focus 1: Our Fiduciary Services and Governance; and
- Removed GRI topic standard GRI 301: Materials as BMH’s operations does not require materials.

The following material ESG factors have been reviewed and approved by the Board:-

Focus Areas	GRI Topic Standards	Boundary Affected
Focus 1: Our Fiduciary Services and Governance	GRI 205: Anti-corruption 2016	Group-wide
	GRI 418: Customer Privacy 2016	
Focus 2: Climate Risks and Opportunities	GRI 201: Economic Performance 2016	
Focus 3: Human Resource Development and Diversity	GRI 401: Employment 2016	
	GRI 404: Training and Education 2016	
	GRI 405: Diversity and Equal Opportunity 2016	
Focus 4: Environmental Responsibility	GRI 406: Non-discrimination 2016	
	GRI 302: Energy 2016	
	GRI 305: Emissions 2016	
Focus 5: Corporate Social Responsibility	GRI 306: Waste 2020	
	GRI 413: Local Communities 2016	

## Changes to the FY2023 target

We have previously reported target under Focus 5: Corporate Social Responsibility as “To achieve at least two community engagement activities”. Back in year 2022, the target meant for donation target for the estates BMH has been managing. In year 2023, we changed this to reflect our commitment of organising at least one community engagement activity by the Group.

# Sustainability Report



## Focus 1: Our Fiduciary Services and Governance

### Compliance with Laws and Regulations

Compliance with all relevant statutes and regulations, both as a trust company and a listed corporation is essential for maintaining the trust of our clients. The Group recognises that the importance of ESG issues for investors and clients is growing and we have been approaching these topics proactively.

We have a General Compliance Policy that is communicated to all our employees. The policy aims to raise the ethics and compliance competencies of the Group's staff and to support the building of a robust framework of policies and procedures to manage the Group's compliance risks.

There was no incident of non-compliance with any relevant laws and regulations (including socioeconomic and environmental) in the reporting period, hence zero monetary or non-monetary sanction in FY2023.

### Internal Controls

We have internal controls, systems, processes and procedures to ensure that all our compliance policies are met. All staff are responsible for performing ongoing monitoring of business relations with customers and for scrutinising all transactions undertaken, to ensure that these transactions are consistent with the information in our customer database and our understanding of each customer's business and risk profile.

We ensure that client reporting complies with all applicable legal and regulatory requirements as well as the provisions under the relevant agreements signed between the client and the Group.

Our Compliance Unit reports directly to the Audit and Risk Committee, with full and direct access to members of the Audit and Risk Committee at all times.

In addition, the Group has in place policies and procedures to manage the business, operating and financial risks of the Group. Risk assessment and evaluation is conducted at each business unit and mitigating actions to manage each significant risk are reviewed and discussed regularly by Management and the Board. The Group has established Standard Operating Procedures that provides guidance on internal control and operational procedures, which includes the following:

- Approved Methods of Payments to Beneficiaries,
- Outsourcing Arrangements and Service providers,
- Individual Accountability and Conduct, and
- Gift and Entertainment Policy.

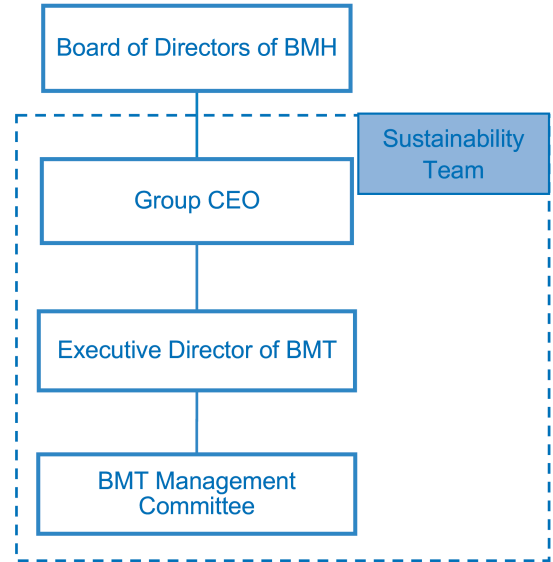
In remediating negative impacts, the Group maintains a Complaint Register yearly to lodge in any compliant cases from any parties. In 2023, the Group has achieved the target of having zero incident of corruption, customer complaints and cyber security breach. We aim to maintain the strong performance and exceed our clients' expectations in FY2023.

# Sustainability Report

## Sustainability Governance

The Board and senior management have assessed sustainability issues as part of the Group's strategic formulation. The Group's senior management has identified the material ESG factors relevant to the Group and oversee the progress of the sustainability initiatives. In FY2023, the Group has put together a Sustainability Team which comprises of the Group's senior management, headed by the Chief Executive Officer ("CEO").

The governance members are selected and scrutinised by Nominating Committee ("NC") before approval by the Board. The CEO is an executive director and reports to the Board on the Group's sustainability achievements and progress, and management of impacts. Management and the Board reviews the effectiveness of the Group's sustainability governance processes quarterly.



In ensuring that all members of the Board understands sustainability, the Singapore Exchange has mandated sustainability training for all board directors of equity issuers listed on SGX. As at 30 June 2023, all of the Group's directors have attended the mandatory sustainability training, conducted by approved service providers.

The Board together with the Sustainability Team has incorporated sustainability issues into the formulation of the Group's strategy and oversees the management and monitoring of these material factors. The Board approves the material ESG factors identified and ensures that the factors identified are well-managed and monitored.

## Risk Management

The Group adopts a precautionary approach in strategic decision making and day-to-day operations by implementing a comprehensive conflict of interest and risk management framework. We have aligned the process for identifying, assessing and managing material ESG related risks with our organization's overall risk management reporting framework. As part of our risk management framework, we have developed (i) Enterprise Risk Management Manual including a risk rating methodology and (ii) risk registers.

Please refer to the Corporate Governance Statement section in the Annual Report for more information on corporate governance practices and risk management structure.

## Ethics and Integrity

Integrity, responsibility and accountability are the core principles of the Group. A zero-tolerance approach to corruption and effective controls, processes and procedures provide the framework for all employees to adhere to in their dealings with customers, business partners and other colleagues. Our stand against corruption and bribery is also clearly communicated to all our business partners before they commence dealings with the Group. We expect our suppliers to comply with applicable anti-corruption laws and regulations.

# Sustainability Report

All of our board members and employees have been communicated with anti-corruption policies and procedures, and received training on anti-corruption.

We are committed to a high standard of compliance with accounting, financial reporting, internal controls, corporate governance and auditing requirements and any legislation relating thereto. In line with this commitment, we have developed a Whistleblowing Policy to provide an avenue for internal and external parties to raise concerns and offer reassurance that they will be protected from reprisals or victimisation for whistleblowing in good faith.

Our operations have been assessed for risks related to corruption, covering money laundering and terrorism financing, theft, fraud, conflicts of interest including insider trading and bribery. The applicable policy includes Anti-Money Laundering/ Combating the Financing of Terrorism Manual. These areas are reviewed by our compliance unit, and both internal and external auditors. In FY2023, there were no reported cases of corruption.

## Protecting our Customers Data

As most of our clients' data are kept in the form of electronic records, we recognise that maintaining cybersecurity is a primary concern and we have made significant investments to ensure the confidentiality of our clients' data is not breached. The Group has taken every effort to secure sensitive customer data. Our Information Technology ("IT") processes and procedures have a strong focus on cybersecurity and we are actively maintaining a technology risk dashboard. Our IT infrastructure is protected using applicable processes, procedures and IT infrastructure and hardware. We conduct periodic penetration tests using external specialists and also have insurance that covers specific cyber risks.

We prioritise the safety and security of our customers' private information. There are sound data policies, namely (i) Personal Data Protection Policy and (ii) Technology Risk Management Policy in place to provide guidance on handling sensitive customer information in accordance with the Singapore Personal Data Protection Act ("PDPA"). Our efforts in this area have helped us meet our FY2023 target to safeguard our customer's data. In FY2023, there were no reported incident of customer's data breach or any complaint concerning breaches of customer privacy.

## Governance and Compliance Targets

FY2023 Targets	Status	Performance Update
Communicate anti-corruption policies and procedures to all employees annually	✓ Met	Anti-corruption policies and practices are made available and are briefed to all employees.
Perform risk assessment annually as part of the risk management framework <sup>1</sup>	✓ Met	We performed risk assessment on an annual basis. The last assessment was performed in November 2022 and the results have been communicated to the Board in February 2023.
Maintain <b>zero</b> incidents of non-compliance in fiduciary duties, socioeconomic and environmental areas	✓ Met	Achieved zero incidents of non-compliance in fiduciary duties, socioeconomic and environmental areas.
Maintain our service quality and achieve <b>zero</b> client complaints	✓ Met	There were zero complaints in FY2023, which were dealt with in accordance with the established complaints procedures.
Maintain <b>zero</b> incidents of cyber security breach	✓ Met	The Group has maintained zero incidents of cybersecurity breaches where applicable.

<sup>1</sup> The target has been reworded to make it clearer, the target was set as "Reflect changes in material issues in our risk management framework annually"

# Sustainability Report

## FY2024 Targets

Provide at least one hour of anti-corruption and anti-money laundering training for each employee on an annual basis

Perform risk assessment annually as part of the risk management framework

Maintain **zero** incidents of non-compliance in fiduciary duties, socioeconomic and environmental areas

Maintain **zero** client complaint

Maintain **zero** incidents of personal data leak

# Sustainability Report



## Focus 2: Climate Risks and Opportunities

Over the past few years, we have witnessed the impact of climate change on our stakeholders and we have increasingly considered climate-related factors into our business decisions. In order to provide greater accountability and transparency in sustainability, we are disclosing our first climate-related report to highlight the Group's actions against climate change.

### Taskforce on Climate-related Financial Disclosures Recommendations







The impacts of climate change are far-reaching, and the Group is not spared from it. As governments and business leaders accelerate decarbonisation efforts, the transition to a low-carbon future is shaping the world around us. The Group has begun considering beyond the impacts of our own operations on the external environment and society and extended our consideration of the impact of climate change on our business operations and stakeholders. This allows the Group to strategize, plan and mitigate against the impact of climate change on our operations.

This section presents a detailed discussion of our approach to the disclosure recommendations of the TCFD framework under the four core elements: governance, strategy, risk management, and metrics and targets.






TCFD Recommended Disclosures		FY2023 Status	Summary and Next Steps
Governance	Describe the Board's oversight of climate-related risks and opportunities	●	<p>Climate risks and opportunities were discussed and identified by the senior management based on the TCFD framework. Alongside the climate risks identified, the senior management team have also articulated their strategies and mitigation on these risks and were presented to the Board.</p> <p>The Board has collectively reviewed and approved the climate risks identified by the management. In mitigating the impact of climate change, the Board will endeavour to implement and continuously fine tune its sustainability governance structure by engaging the assistance of our management to oversee our climate mitigation strategies.</p> <p>Moving forward, the Board will be updated on the progress of the Group's mitigation and strategy against the identified climate risks at least once a year or whenever necessary.</p>
	Describe management's role in assessing and managing climate-related risks and opportunities	●	<p>The identification of climate related risks and opportunities was undertaken by the management team. The management will be supporting the Board to implement the identified climate-related strategies.</p> <p>The Group's management will regularly review the progress and strategies to ensure that the strategies are implemented accordingly.</p> <p>For critical decisions pertaining to sustainability, the management will agree and make critical decisions pertaining to sustainability that might present risks or opportunities to the Group's operations.</p>



# Sustainability Report

TCFD Recommended Disclosures		FY2023 Status	Summary and Next Steps
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term		The Group has engaged an external ESG consultant to assist the senior management in identifying the climate-related risks and opportunities.
	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning		Please refer to the Climate-related Risks and Opportunities section for more information.
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario		In line with SGX's phased implementation approach for TCFD adoption, the Group will incorporate scenario analysis in our subsequent sustainability reports.
Risk Management	Describe the organisation's processes for identifying and assessing climate-related risks		The Group shall identify and assess the relevant climate-related risks and opportunities as outlined in the Climate-related Risks and Opportunities section, and intends to share the process involved and how the material ESG factors contribute to the creation of value for the Group.
	Describe the organisation's processes for managing climate-related risks		Climate-related risks may include impact on operations at asset level and performance at business level arising from a global shift towards a lower carbon economy.  The leadership will meet with the Group's Management regularly to highlight potential climate-related risks and undertake appropriate contingency planning and actions to mitigate these risks.
	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management		Our processes for identifying, assessing, managing and monitoring climate-related risks are in line with our risk management framework.  Consistent with our risk management framework, we will report the identified climate-related risks, together with the recommended actions and strategies, to the Board in February 2024.

# Sustainability Report

TCFD Recommended Disclosures		FY2023 Status	Summary and Next Steps
Metrics and Targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process		<p>For our energy consumption and emissions performance, please refer to Energy and Emissions under Focus 4: Environmental Responsibility. As this report is the Group's initial quantification of our emissions, we shall continue to monitor our emissions footprint before setting any quantitative emissions reduction targets.</p> <p>The Group is evaluating other metrics that may potentially warrant inclusion as targets to manage climate-related risks. In line with SGX's phased implementation approach for TCFD adoption, the Group shall evaluate the need to quantify and monitor Scope 3 emissions in the subsequent years' sustainability reports.</p>
	Disclose Scope 1 <sup>2</sup> , Scope 2 <sup>3</sup> , and if appropriate, Scope 3 <sup>4</sup> greenhouse gas (GHG) emissions, and the related risks		
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets		
<b>FY2023 Status</b>			
 Met		 In Progress	

## Climate-related risks and opportunities

In line with our commitment to align with the TCFD recommendations, our identification and assessment of climate risks considers:

- Transition risks: include changes to policy and legal obligations, technological innovation, changing market demand for products, and changing stakeholder expectations.
- Physical risks: risks relating to the physical impacts of climate change (both acute and chronic).

<sup>2</sup> Scope 1 GHG emissions are emissions resulting from the sources owned or controlled by the Group

<sup>3</sup> Scope 2 GHG emissions are resulted from the generation of purchased electricity consumed by the Group

<sup>4</sup> Scope 3 GHG emissions are emissions from sources not owned or controlled by the Group such as the Group's value chain

# Sustainability Report

As the Group's initial assessment of climate impact on our operations, we have conducted a risk assessment based on the transition and physical risk stipulated by the TCFD framework illustrated below:

TCFD Risks Assessed Factors		Definitions	Risk Assessment
Transition	<b>Policy and Legal</b>	Policy actions around climate change continue to evolve. Their objectives generally fall into two categories—policy actions that attempt to constrain actions that contribute to the adverse effects of climate change or policy actions that seek to promote adaptation to climate change.	As carbon tax increases, the Group is likely to be impacted by the implementation of carbon tax on its electricity usage from the consumption of electricity at its office premises.  There will be an impact on the operational cost.
	<b>Technology</b>	Technological improvement or innovations that support the transition to a lower-carbon, energy-efficient economic system can have a significant impact on organisations.	The Group does not use any office and IT equipment that are exposed to such technological changes.  This risk is not applicable to the Group.
	<b>Market</b>	Products or services could be affected by the demand and supply of the specific product or service as climate-related risks and opportunities are increasingly taken into account.	Given the Group's operations, climate risks and opportunities will not affect the demand and supply of your current services.
	<b>Reputation</b>	Climate change has been identified as a potential source of reputational risk tied to changing customer or community perceptions of an organisation's contribution to or detraction from the transition to a lower carbon economy.	The Group is not exposed to reputational risk resulting from the climate change.
Physical	<b>Acute</b>	Acute Physical Risks refers to those that are event-driven, including increased severity of extreme weather events such as Cyclones, Hurricanes or floods	The Group is headquartered in Singapore and often experience torrential rain from the monsoon season which could result in flooding events.  However, the Singapore government has implemented drainage and flood protection measures to manage flood risks across the country. Acute risk on the Group is assessed low.
	<b>Chronic</b>	Chronic physical risks refer to longer term shifts in climate patterns (e.g. Sustained higher temperatures) that may cause sea level rise or chronic heat waves.	The increase in temperature and torrential rain does not affect the Group as employees do not face any difficulty in execution of their duties. Chronic risk on the Group is low.

Based on our initial assessment, we have derived that the Group will be materially impacted by the increase in carbon taxes imposed by the Singapore government. The Group recognises and is aware that the impact is not exhaustive and we will continue to enhance our understanding and responses to the climate risks.

# Sustainability Report

Transition Risks (Policy and Legal)	Description	Risk Mitigation
Increased carbon taxes leading to higher operational expenses	<ul style="list-style-type: none"> <li>The Group may face higher operational expenses in the form of carbon tax being passed on to consumers by the power generating companies.</li> <li>In Singapore, the existing carbon tax rate of S\$5/tCO<sub>2</sub>e is expected to increase from 2023 onwards. By 2030, carbon tax is expected to cost \$30/ton raising to \$50/ton by 2050</li> </ul>	The Group will implement energy efficiency initiatives in the office, where possible.
	Time Period <sup>5</sup> : Short, Medium, Long	
	Likelihood: Certain	
	Financial Impact: The Group is expecting operational cost of the office premises to increase with increase in carbon tax	

<sup>5</sup> Time period: Short:<3 years, Medium: 3-5 years, Long: > 5 years

# Sustainability Report



## Focus 3: Human Resource Development and Diversity

Qualified and capable employees form the value proposition we offer to our clients. As such, we make every effort to ensure that the skillsets they possess are sufficient to meet the needs of what our clients expect from a reliable trust service.

### Employee Diversity

The Group’s workforce consists of a total headcount of 16 professional staff, all of whom are Singaporeans or Permanent Residents. As at 30 June 2023, all our workforce are permanent and full-time employees, and there are four males and 12 females. We do not have any part-time, temporary, non-guaranteed hour’s employees in our headcount<sup>6</sup>.

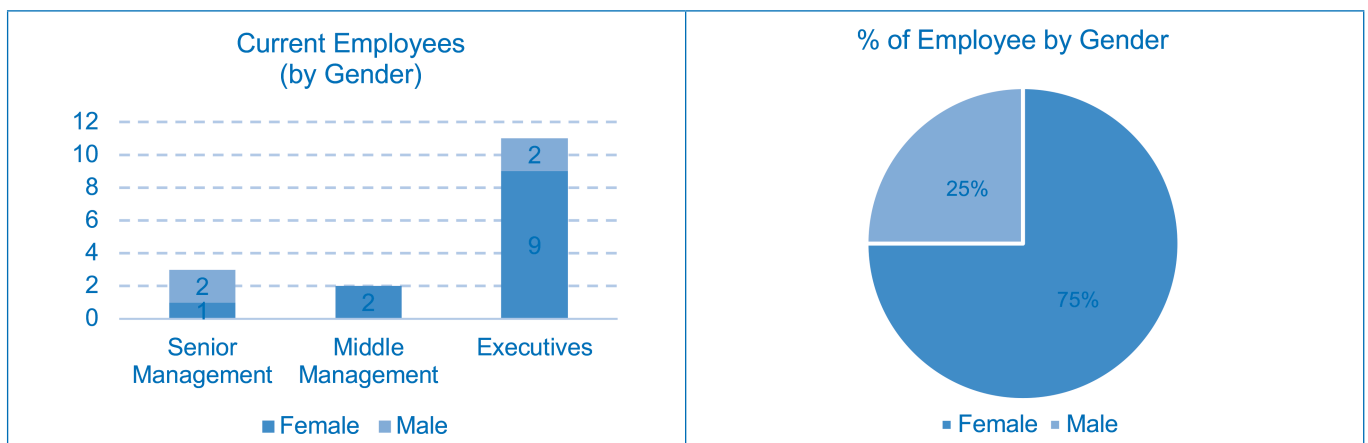
We value diversity and equal opportunity employment. We invest actively into our employees’ career development and maintain a healthy office environment. Our policies to create a conducive working environment include:

- An Open Door Policy for our employees, who have always been strongly encouraged to discuss questions, problems, ideas or job related complaints with their superiors.
- Our Anti-Harassment Policy protects employees from any form of harassment. There were no incidents of harassment during the reporting period.

During FY2023, there were two new hires and one left the Group. Our new hire rate and employee turnover rate is 12.5% and 6.5% respectively.

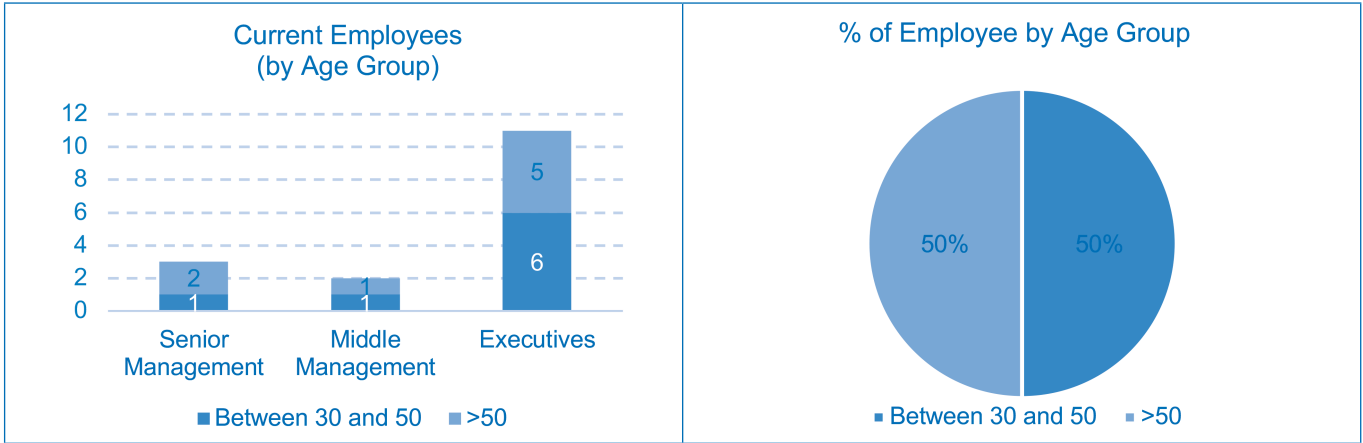
Diversity has played a significant role in improving our competitiveness as an organisation by increasing the range of perspectives shared during discussions and decision making. We do not discriminate by gender, race, religion or age in our employment practices. In FY2023, all six members of our board of directors are above the age of 50. Out of the six Board members, there is one female director (FY2022: 0).

Aside from the Board, the Group also has a diverse senior management team with two males and one female leading the Group towards excellent trust services.

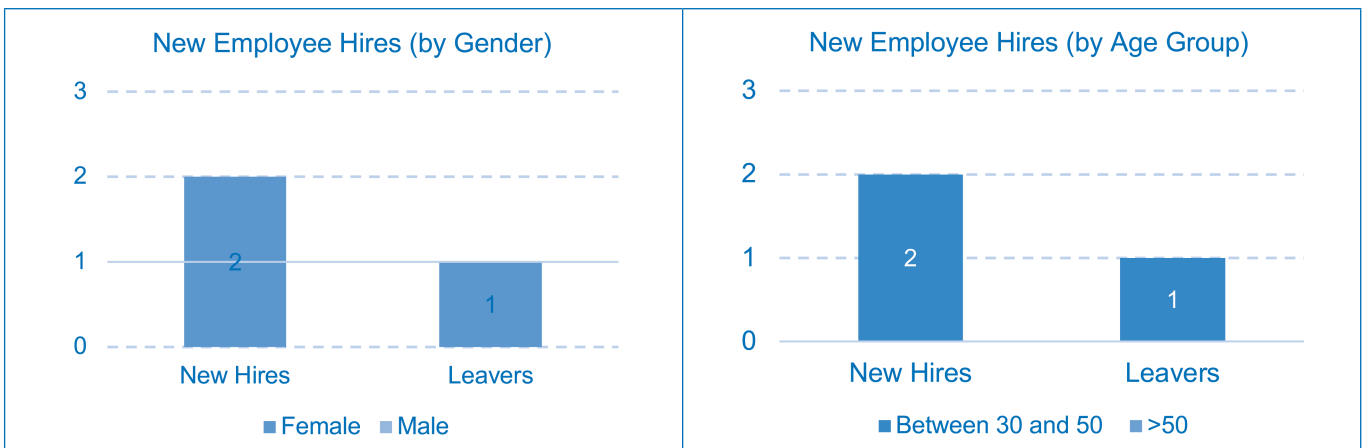


<sup>6</sup> This does not include one worker who is not employee of the Group. It refers to one cleaner who is hired via external cleaning contractor in FY2023.

# Sustainability Report



The profiles of new hires and employees who left the Group are as follows:



The Group strives for age diversity to strengthen the breadth of experience available and provide learning opportunities for younger members of the Group. There is strong female representation and a good balance in the age diversity of our employee profile. The Group aims to enhance age diversity by complying with the Re-employment Terms and Contracts provided for in the Retirement and Re-employment Act which provides for re-employment beyond the statutory retirement age of 63. The Group can re-employ members of our workforce who are Singapore Citizens or Permanent Residents and who are eligible for re-employment for another five years up to age 68, under the following conditions: they have been assessed to have at least a satisfactory work performance; and are medically fit to continue working.

Aside from having a diverse workforce, the Group strives to have an inclusive workforce for our employees. The Group supports employees across all stages of their lives and we abide by the local employment regulation to provide all employees with parental leave<sup>7</sup>. In FY2023, there was one female employee took parental leave. The employee returned to work after her parental leave ended and remained employed until April 2023. There was an employee who took parental leave in FY2022, returned and remained employed for more than 12 months in FY2023.

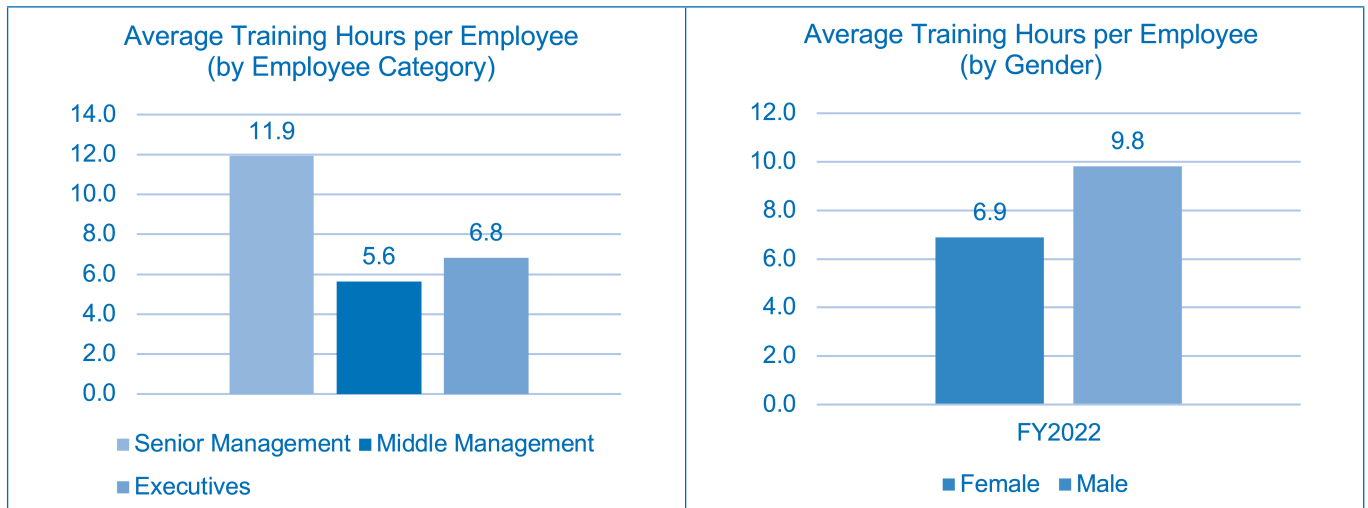
The Group strives to be an inclusive workplace for our employees and we do not tolerate any form of workplace discrimination. In FY2023, there were no reported incidents of workplace discrimination.

<sup>7</sup> Parental leave refers to childbirth leave.

# Sustainability Report

## Training and Development

The Group recognises that our continual focus on training and development has given us a competitive edge by providing our employees with the skills to fulfil client requirements and to navigate the regulations and guidelines of the industry. Training programs aligned with each employee's personal development and business objectives and potential career transition for continued employability are planned at the beginning of the year. The total training hours provided to employees during the year totalled 122 hours. To prepare our employees to operate in an increasingly complex legal and regulatory environment, the training programs attended covered topics related to regulatory and compliance, wealth planning, private banking, tax and investments knowledge to enable our employees to serve our clients better.



Total training hours increased from 93 hours in FY2022 to 122 hours in FY2023, an average of 7.6 hours of training per employee.

We recognize that the performance of our employees, their skills, knowledge and experience which they bring to their work are fundamental ingredients to the realisation of our business objectives and outcomes. This is why we provide performance reviews to each employee to evaluate their growth and achievements. In FY2023, 100% of our employees received performance reviews.

Each employee must therefore have a clear understanding of what they are required to do and how their actions play a part in the achievement of the Group's overall objectives and business outcomes. Hence, our approach is to adopt a continuous dialogue with line managers and employees in respect of work priorities and progress made.

The main emphasis is to maximise the performance of employees by providing the necessary support and giving them the opportunities to develop their knowledge and competencies associated with the work they are doing now - and in preparation for the future. Overall employee development must bring about increased motivation, job satisfaction, sharing of good practices and a greater understanding of the factors affecting work.

To enhance the contribution made by our employees in achieving business aims and to build a supportive and cooperative working environment, the Group has a performance review process for all our employees. This is designed to facilitate communication, direction, and clarification and to reach a shared understanding of our joint priorities. It also provides dedicated time to reflect on past work as well as plan for the future.

# Sustainability Report

## Human Resource Development Targets

FY2023 Target	Status	Performance Update
<p>Maintain the target of conducting at least <b>15</b> hours of training per year for each employee regardless of gender</p>	<p>X Not met</p>	<p>The Group have conducted trainings for all employees, including the new hires.</p> <p>There are only two employees, one each from category “senior management” and “middle management”, who have met the target of having at least 15 hours of training in FY2023. The remaining employees did not receive at least 15 hours of training in FY2023.</p>
FY2024 Target		
<p>To achieve the target of conducting at least <b>15</b> hours of training per year for each employee regardless of gender or employee category.</p>		



# Sustainability Report



## Focus 4: Environmental Responsibility

The economic performance of the Group provides employment to local communities, creating wealth for our employees and supports the integration of sustainable practices into our operations. The Group has reported our first climate-related disclosures which can be found in Focus 2: Climate Risks and Opportunities.

### Energy and Emissions

In FY2023, the Group has considered our employee's hybrid work arrangement and business needs and relocated our office. Despite our lean operations, the Group recognises that energy consumption from our office generates significant carbon footprint to the environment. Thus, we make a constant effort to remind our employees to switch off the lights and gadgets such as their computers when they are not in use to minimise our energy consumption and reduce the environmental impact of our day-to-day operations. In FY2023, the Group have begun tracking our energy consumption of our office operations and quantified our Scope 2 energy-indirect Greenhouse Gas ("GHG") Emissions.

In FY2023, we have consumed 26,931 kilowatt hour ("kWh") of electricity<sup>8</sup> and generated 10,926 kgCO<sub>2</sub>e of GHG Scope 2 emissions<sup>9</sup>. Utilising the Group's new office's Gross Floor Area of 249m<sup>2</sup>, our energy and GHG emissions intensity were 108 kWh/m<sup>2</sup> and 44 kgCO<sub>2</sub>e/m<sup>2</sup>, respectively.

With a result of collaborative energy-saving practices and ongoing improvement in energy efficiency, the Group's electricity consumption and the Scope 2 emission reduced by 8.8% in FY2023, from 28,452 kWh of electricity in FY2022, which was equivalent to 11,543 kgCO<sub>2</sub>e of carbon emissions. The Group have decided to adopt FY2023 as the base year as this is the year which reflects its GHG profiles.

### Waste Management

The main source of paper waste is from the Group's operational activities, such as printing of documents. At the Group level, the amount of paper used is derived from the number of reams or boxes ordered over a 12-month period. This information is obtained from the Group's purchasing records. The number of reams were reduced from 170 ordered to 165 ordered in FY2023, which is a reduction of paper consumption by 3%.

With the COVID-19 pandemic, the Group have rapidly digitalised our day-to-day operations, from documentation to communications, which have significantly reduced our paper consumption. This is a notable achievement to the Group in FY2023. While the Group recognises that paper consumption remains important for key occasions during our business operations, we encourage all employees to save and share files electronically and recycle these used papers. For approvals and contracts, electronic signatures have been recommended. Human Resource Management System were utilized for generating leave applications, payslips and other routine processes, to eliminate the need for printing and filing paper forms.

<sup>8</sup> The data is collated based on the electricity consumed (in kWh) and reflected in the monthly utility bill provided by our electricity provider – SP Group.

<sup>9</sup> The emission factor used in calculating emission intensity is sourced from Singapore's Grid Emission Factor, at 0.4057 kgCO<sub>2</sub>e/kWh. (Source: <https://www.ema.gov.sg/singapore-energy-statistics/Ch02/index2>).

# Sustainability Report

Further, as part of the Group's environmental initiative, we have ceased procuring bottled waters for consumption to reduce the usage of single-use plastic bottles and we procure large bottle of potable water to dispense for our employees and clients consumption in we provide our clients with water in reusable glass mugs.

## Environmental Targets

FY2023 Target	Status	Performance Update
To reduce paper usage and formalise an office environmental policy	Met	The Group have reduced the consumption of paper in the office by 3% in FY2023 despite the growth in our operations.
FY2024 Targets		
To reduce total paper usage by 5%, using FY2023 as the base year		
To reduce Scope 2 carbon emissions by 5%, using FY2023 as the base year		

# Sustainability Report



## Focus 5: Corporate Social Responsibility

The Group's activities can create positive impact on society through charitable contributions from trust funds managed by BMT. Some Estates have made provisions to distribute funds to help less fortunate people with their daily needs in Singapore. The Group also continues to undertake and be actively involved in local charitable causes.

In FY2023, the Group has taken a step further towards reinforcing our position and corporate culture as a socially responsible organisation. In the process of developing corporate social responsibility (CSR) initiatives, the Group's first CSR activity included 100% of all employees' participation in a food drive for the needy.

Our first CSR was in partnership with the well-recognised IPC-status<sup>10</sup> food charity – "Food from the Heart". It is a local non-profit organisation that provides aid to more than 59,300 beneficiaries, mainly low-income<sup>11</sup> individuals and families in welfare homes and housing estates.

More profound integration of such a sense of community and social responsibility into the Group's culture is underway. This is because of BMH's commitment to reaching beyond financial services and continuously creating a positive social impact. The Group's goal is to persistently stride towards fostering a more equitable society and sustainable future.

### Community Impact Targets

FY2023 Target	Status	Performance Update
To achieve at least one community engagement activities <sup>12</sup>	Met	All employees have contributed to the achievement of the Group's first CSR activity, and the CSR involvement target was accomplished in FY2023.
FY2024 Target		
To achieve at least two community engagement activities organised by the Group.		

<sup>10</sup> Institution of a Public Character ("IPC") is a status accorded to a registered charity or an exempt charity for a period of time. In addition to the income tax and property tax benefits enjoyed by registered charities, IPCs are authorised to issue tax deduction receipts for qualifying donations received.

<sup>11</sup> Low-income refers to families with monthly per capita income below S\$690.

<sup>12</sup> FY2023 target was previously set as "to achieve at least two community engagement activities". It referred to the community engagement performed by the estates managed by the Group.

# Sustainability Report

## SGX Six Primary Components Index

S/N	Primary Component	Section Reference
1	Material Topics	<ul style="list-style-type: none"> <li>Stakeholder Engagement and Materiality Assessment</li> </ul>
2	Climate-related disclosures consistent with the TCFD recommendations	<ul style="list-style-type: none"> <li>Focus 2: Climate Risks and Opportunities</li> </ul>
3	Policies, Practices and Performance	<ul style="list-style-type: none"> <li>Message from the Board and Senior Management</li> <li>Sustainability Strategy Overview</li> <li>Focus 1 to 5</li> </ul>
4	Board Statement	<ul style="list-style-type: none"> <li>Message from the Board and Senior Management</li> <li>Sustainability Governance</li> </ul>
5	Targets	<ul style="list-style-type: none"> <li>Governance and Compliance Targets</li> <li>Human Resource Development Targets</li> <li>Environmental Targets</li> <li>Community Impact Targets</li> </ul>
6	Sustainability Reporting Framework	<ul style="list-style-type: none"> <li>Reporting Practice</li> </ul>

# Sustainability Report

## GRI Standards Content Index

<b>Statement of use</b>	British and Malayan Holdings Limited have reported with reference to the GRI Standards for the period from 1 July 2022 to 30 June 2023
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI Standards	Disclosure Content	Section Reference
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	Company Profile
	2-2 Entities included in the organization's sustainability reporting	Reporting Practice
	2-3 Reporting period, frequency and contact point	Reporting Practice
	2-4 Restatements of information	Not applicable – There is no information restated
	2-5 External Assurance	Reporting Practice
	2-6 Activities, value chain and other business relationships	Company Profile
	2-7 Employees	Focus 3: Human Resource Development and Diversity – Employee Diversity
	2-8 Workers who are not employees	Focus 3: Human Resource Development and Diversity – Employee Diversity
	2-9 Governance structure and composition	Corporate Governance Statement
	2-10 Nomination and selection of the highest governance body	Corporate Governance Statement
	2-11 Chair of the highest governance body	Corporate Governance Statement
	2-12 Role of the highest governance body in overseeing the management of impacts	Focus 1: Our Fiduciary Duties and Governance – Sustainability Governance
	2-13 Delegation of responsibility for managing impacts	Focus 1: Our Fiduciary Duties and Governance – Sustainability Governance
	2-14 Role of the highest governance body in sustainability reporting	Focus 1: Our Fiduciary Duties and Governance – Sustainability Governance
	2-15 Conflicts of interest	Focus 1: Our Fiduciary Duties and Governance – Risk Management
	2-16 Communication of critical concerns	Focus 1: Our Fiduciary Duties and Governance – Ethics and Integrity
	2-17 Collective knowledge of the highest governance body	Corporate Governance Statement
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Statement
	2-19 Remuneration policies	The remuneration of the Group is currently not linked to this sustainability-related performance
	2-20 Process to determine remuneration	Corporate Governance Statement
	2-21 Annual total compensation ratio	Confidentiality constraints – Details about annual total compensation ratio is considered proprietary and not disclosed publicly

# Sustainability Report

GRI Standards	Disclosure Content	Section Reference
	2-22 Statement on sustainable development strategy	Message from the Board and Senior Management
	2-23 Policy commitments	Respective focus areas
	2-24 Embedding policy commitments	Respective focus areas
	2-25 Processes to remediate negative impacts	Focus 1: Our Fiduciary Duties and Governance – Risk Management
	2-26 Mechanisms for seeking advice and raising concerns	Focus 1: Our Fiduciary Duties and Governance – Ethics and Integrity
	2-27 Compliance with laws and regulations	Focus 1: Our Fiduciary Duties and Governance – Compliance with Laws and Regulations
	2-28 Membership associations	BMT is a member of Singapore Business Federation
	2-29 Approach to stakeholder engagement	Stakeholder Engagement and Materiality Assessment
	2-30 Collective bargaining agreements	Not applicable – BMH does not have any collective bargaining agreements with the employees
<b>Material Topics</b>		
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Stakeholder Engagement
	3-2 List of material topics	Stakeholder Engagement
<b>Our Fiduciary Duties and Governance</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Focus 1: Our Fiduciary Duties and Governance
<b>GRI 205: Anti-Corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Focus 1: Our Fiduciary Duties and Governance – Ethics and Integrity
	205-2 Communication and training on anti-corruption policies and procedures	Focus 1: Our Fiduciary Duties and Governance – Ethics and Integrity
	205-3 Confirmed incidents of corruption and actions taken	Focus 1: Our Fiduciary Duties and Governance – Ethics and Integrity
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Focus 1: Our Fiduciary Duties and Governance – Protecting our Customers Data
<b>Climate Risks and Opportunities</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Focus 2: Climate Risks and Opportunities
<b>GRI 201: Economic Performance 2016</b>	201-2: Financial implications and other risks and opportunities due to climate change	Focus 2: Climate Risks and Opportunities – Taskforce on Climate-related Financial Disclosures Recommendations
<b>Human Resource Development and Diversity</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Focus 3: Human Resource Development and Diversity
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	Focus 3: Human Resource Development and Diversity – Employee Diversity
	401-3 Parental Leave	Focus 3: Human Resource Development and Diversity – Employee Diversity

# Sustainability Report

GRI Standards	Disclosure Content	Section Reference
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	Focus 3: Human Resource Development and Diversity – Training and Development
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Focus 3: Human Resource Development and Diversity – Training and Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Focus 3: Human Resource Development and Diversity – Training and Development
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Focus 3: Human Resource Development and Diversity – Employee Diversity
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	Focus 3: Human Resource Development and Diversity – Employee Diversity
<b>Environmental Responsibility</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Focus 4: Environmental Responsibility
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organisation	Focus 4: Environmental Responsibility – Energy and Emissions
	302-3 Energy Intensity	Focus 4: Environmental Responsibility – Energy and Emissions
	302-4 Reduction of energy consumption	Focus 4: Environmental Responsibility – Energy and Emissions
<b>GRI 305: Emissions 2016</b>	305-2 Energy indirect (Scope 2) GHG emissions	Focus 4: Environmental Responsibility – Energy and Emissions
	305-4 GHG emissions intensity	Focus 4: Environmental Responsibility – Energy and Emissions
	305-5 Reduction of GHG emissions	Focus 4: Environmental Responsibility – Energy and Emissions
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste related impacts	Focus 4: Environmental Responsibility – Waste Management
	306-2 Management of significant waste related impacts	Focus 4: Environmental Responsibility – Waste Management
<b>Corporate Social Responsibility</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Focus 5: Corporate Social Responsibility
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programmes	Focus 5: Corporate Social Responsibility

# Sustainability Report

## TCFD Content Index

	TCFD Recommendations	Section reference
Governance	a) Board's oversight of climate related risks	Focus 2: Climate Risks and Opportunities
	b) Management's role in assessing and managing climate-related risks	
Strategy	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Focus 2: Climate Risks and Opportunities
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 degree or lower scenario	The Group is taking a phased approach to TCFD adoption. The Group will incorporate scenario analysis and planning into our subsequent sustainability reports when more information and tools are available for greater accuracy and relevant analysis
Risk Management	a) Describe the organisation's processes for identifying and assessing climate-related risks.	Focus 2: Climate Risks and Opportunities
	b) Describe the organisation's processes for managing climate-related risks.	
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	
Metrics and Targets	a) Disclose the metrics used by organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Focus 2: Climate Risks and Opportunities
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Focus 2: Climate Risks and Opportunities Focus 4: Environmental Responsibility
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Focus 2: Climate Risks and Opportunities



# Corporate Governance Statement

The Board of Directors (the “**Board**”) of British and Malayan Holdings Limited (“**BMH**”, the “**Company**”) is committed to upholding good corporate governance practices and has adopted the principles of the Code of Corporate Governance 2018 (the “**Code**”) to enhance transparency and accountability as well as to protect the interests of the Company’s shareholders. The Board confirms that the Company had, for the financial year ended 30 June 2023 (FY 2023), complied with and observed the Principles set out in the Code, and where there are deviations from the Provisions of the Code, explanations, including the provision from which it has varied, reasons for deviation and how the Company’s practices adopted are consistent with the intent, aim and philosophy of the Principle in question, have been provided in the relevant sections below.

## BOARD MATTERS

### THE BOARD’S CONDUCT OF AFFAIRS

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

The primary role of the Board is to protect and enhance long-term shareholders’ value and to ensure that the Company is run in accordance with best international management and corporate governance practices, appropriate to the needs and development of the Company.

All Directors are fiduciaries who objectively discharge their duties and responsibilities at all times in the interest of the Company. The principal functions of the Board apart from its statutory responsibilities include:

- (a) providing entrepreneurial leadership and setting strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;
- (b) ensuring that adequate resources are available to meet strategic objectives;
- (c) establishing and maintaining a sound risk management framework to effectively monitor and manage risks and achieving an appropriate balance between risks and company performance;
- (d) constructively challenging Management and reviewing and monitoring their performance towards achieving organisational goals;
- (e) oversees the management and affairs of the Company and approves important business decisions involving the Company’s corporate strategy and direction;
- (f) reviewing the strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance reviews and corporate governance practices;
- (g) reviewing and evaluating the adequacy and integrity of the Group’s internal controls, compliance, risk management and financial report systems;
- (h) instilling an ethical corporate culture for the Group and ensuring that the corporate values, standards, policies and practices are consistent with the culture;
- (i) ensuring transparency and accountability to key stakeholder groups; and

# Corporate Governance Statement

- (j) delegating responsibility for the day-to-day operations and leadership of the Company to the Management team, the Board has implemented a system of processes and procedures to ensure that significant issues, risks and major strategic decisions are monitored and considered at the Board level.

## Conflicts of Interest

Each Director is required to promptly disclose any conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Group as soon as is practicable after the relevant facts have come to his/her knowledge. On an annual basis or as and when necessary, each Director is required to submit details of his/her other directorships and interests in other entities. Where a Director has a conflict of interest in relation to any matter, he/she will recuse himself/herself from discussions and decisions involving the issues of conflict.

## Delegation by the Board

In addition, to assist in carrying out its responsibilities, the Board has delegated certain functions to various board committees, namely the Audit and Risk Committee (“**ARC**”), Nominating Committee (“**NC**”), and Remuneration Committee (“**RC**”). Each Committee has its own written Terms of Reference, which clearly sets out its objectives, duties, powers and responsibilities. The Board accepts that while these board committees have the authority to examine particular issues they will report back to the Board with their decisions and /or recommendations, the ultimate responsibility on all matters lies with the Board.

All the Board members are actively engaged and play an important role in ensuring good corporate governance within the Company. Visits to the Company’s business premises are also arranged to acquaint the non-executive Directors with the Company’s operations and ensure that the Directors are familiar with the Company’s business, policies and governance practices.

Directors are also provided with an insight into the Company’s operational facilities and periodically meet with the Management to gain a better understanding of the Company’s business operations. The Board as a whole is updated on risk management and the key changes in the relevant regulatory provisions which have an important bearing on the Company and the Directors’ obligations to the Company.

The profile of each Director is presented in the section headed “Board of Directors” of this Annual Report.

## Board Approval

The Board has adopted and documented internal guidelines setting forth matters that require Board approval. The types of material transactions that require Board approval under such guidelines are listed below:

- Strategies and objectives of the Company;
- Annual budgets and business plans;
- Announcement of half yearly and full year results and release of annual reports;
- Issuance of shares;
- Declaration of interim dividends and proposal of final dividends;
- Convening of shareholders’ meetings;
- Investments, divestments or capital expenditure exceeding S\$ 1 million;
- Commitments to term loans and lines of credits from banks and financial institutions if any; and
- Interested party transactions.

# Corporate Governance Statement

Apart from the matters that specifically require the Board's approval, the Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to management so as to optimize operational efficiency.

The schedules of all the Board and Board Committee meetings for the financial year are given to all directors well in advance. To assist directors in planning their attendance, the Company Secretaries consult every director before fixing the dates of these meetings. The Board meets at least four (4) times a year and ad hoc meetings are also convened to deliberate on urgent substantive matters. Telephonic attendance and conference via audio-visual communication at Board and Board Committee meetings are allowed under the Company's Constitution. The Board and Board Committees may also make decisions by way of written resolutions.

The number of Board and Board Committee meetings held and the attendance of each Director for FY 2023 where relevant are as follows:

	Board	Board Committees		
		Audit and Risk Committee	Remuneration Committee	Nominating Committee
<b>No. of Meetings Held</b>	4	4	2	2
		No. of Meetings Attended		
Mr Colin Lee Yung-Shih	4	4	2	2
Mr Lee Boon Huat <sup>(1)</sup>	2	2	1	1
Mr Ng Kwan Meng	4	4	2	2
Mr Soh Chung Hian	4	4	2	2
Mrs Elizabeth Hart <sup>(2)</sup>	2	2	1	1
Mr Nagaraj Sivaram <sup>(3)</sup>	1	1	1	1
Mr David Anthony Koay Siang Hock	4	4	2	2

<sup>(1)</sup> Mr Lee Boon Huat resigned as an Independent Director, member of the Audit and Risk Committee, Nominating Committee Chairman and member of Remuneration Committee on 31 January 2023.

<sup>(2)</sup> Mrs Elizabeth Hart was appointed as an Independent Director, member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee on 31 January 2023.

<sup>(3)</sup> Mr Nagaraj Sivaram was appointed as an Independent Director, member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee on 17 April 2023.

## Induction of Directors

The Directors have access to the Company Secretaries and Management. They may also seek independent professional advice concerning the Company's affairs at the Company's expense when necessary. Prior to their respective appointments to the Board, each of the Directors was given an orientation and induction programme, so as to familiarize themselves with the Company's business activities, strategic directions and policies. In addition, newly appointed directors are also introduced to the senior Management team. The Company does not provide a formal appointment letter detailing the duties and obligations of the incoming new directors as this is discussed verbally with each director prior to his/her appointment.

New directors, Mrs Elizabeth Hart and Mr Nagaraj Sivaram were briefed by the CEO on the Company's operations so as to familiarize with ongoing matters of the Company.

# Corporate Governance Statement

## Training of Directors

The Company Secretaries and auditors provide regular updates on the latest governance, listing rules and financial reporting standards during Board meetings, as and when required. All Directors are updated regularly concerning any changes in company policies. During the year, the Board was briefed and/or updated on the following: (1) Current issues in corporate governance; (2) Overview of the changes in accounting standards, laws and regulations; (3) changes to the regulatory environment and requirements in both Singapore and other jurisdictions; (4) Cyber security and (5) Prevention of money laundering and countering the financing of terrorism.

The Directors may also attend training, conferences and seminars at the Company's expense, to keep themselves updated on the latest developments concerning the Company and to keep abreast of regulatory changes.

## Access to Information

The Board has separate and independent access to the senior Management and the Company Secretary at all times. Requests for information are dealt with promptly by Management. The Board is informed of all material events and transactions as and when they occur. The Management consults Board members as necessary and appropriate. Detailed board paper agenda and related material, background or explanatory information relating to matters to be discussed such as quarterly and yearly financial results, progress reports of the Company's operations, corporate developments, business developments, budgets, capital expenditure, shares price movements and shareholders trading transactions, HR matters and relevant regulatory updates are sent out to the Directors prior to each meeting so that all Directors may better understand the issues beforehand, allowing more time at such meetings for questions and deliberations that the Directors may have.

Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations. Employees who can provide additional insight into matters to be discussed will be present at the relevant time during the Board and Board Committee meetings. In order to keep the Directors abreast of the Group's operations, the Directors are also updated on initiatives and developments on the Group's business as soon as practicable and/or possible and on an on-going basis.

The Company Secretaries administer, attend and document all Board meetings, and assist the Chairman in implementing appropriate Board procedures to facilitate effective compliance with the Company's Constitution. The Company Secretaries also ensure the requirements of the Companies Act 1967, Listing Manual and other relevant rules and regulations applicable to the Company are complied with. The Company Secretaries work together with the respective divisions of the Company to ensure that the Company complies with all relevant rules and regulations. The appointment and removal of the Company Secretaries are subject to the approval of the Board.

The Board in fulfilling its responsibilities can, as a collective body or individually as Board members, when deemed appropriate, direct the Company, at the Company's expense, to appoint independent professionals to render advice.

# Corporate Governance Statement

## BOARD COMPOSITION AND GUIDANCE

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

The Board consists of six (6) Directors, comprising five (5) Non-Executive Directors and one Executive Director. Of the Non-Executive Directors, four (4) of them are Independent Directors. The Company has adopted the Code's definition of "Independent Director" and its guidance in respect of relationships which would deem a Director to be regarded as non-independent.

As four out of six Directors are Independent Directors, the Board recognizes that this is in accordance with the Code's guidelines that Independent Directors should make up a majority of the Board where the Chairman of the Board is not an Independent Director. Independent Directors comprised at least one-third of the Board in compliance with Rule 210(5)(c) of the Listing Manual.

Non-executive directors also make up a majority of the Board. The Board is of the view that the current Board size and composition are appropriate and effective to provide the necessary objective inputs to the various decisions made by the Board. The Board will periodically examine its composition to ensure a strong and independent element on the Board.

Each year, the Board's composition is reviewed by the NC to ensure that the Board has the appropriate mix of expertise and experience. The NC is of the view that the current Board comprises persons whose diverse skills, experience and attributes provide for an effective Board.

The Board in concurrence with the NC is of the view that the current Board and Board Committees comprises an appropriate balance and diversity of skills, experience and knowledge of the Company which provides broad diversity of expertise such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge who as a group provide core competencies necessary to meet the Company's requirements. Further details on the key information and the profile of the Directors including their academic and professional qualification, and other directorship in other listed companies are set out under the section "Board of Directors" in this Annual Report.

The Non-Executive Directors provide constructive views and assist the Board to facilitate and develop proposals on strategy and monitor the performance of the Management in meeting agreed objectives. The Non-Executive Directors have full access to and co-operation from the Company's Management and officers. They have full discretion to have separate meetings without the presence of Management and to invite any Directors or officers to the meetings as and when warranted.

To facilitate a more effective review, the Non-Executive Directors meet as and when necessary and at least once a year with Internal Auditors and External Auditors without the presence of Management. The Non-Executive Directors met with the Internal Auditors and External Auditors without the presence of Management for reviews related to FY2023.

The Board and Management fully appreciate that an effective and robust Board comprised of directors engaged in open and constructive debate and challenge Management on its assumptions whose proposal is a fundamental to good corporate governance. The Company has adopted initiatives to put in place processes to ensure that the non-executive directors are well supported by accurate, complete and timely information, have unrestricted access to management and have sufficient time and resources to discharge their oversight function effectively. These initiatives include informal meetings for management to brief the directors on prospective deals and providing the Board with regular updates on projects and initiatives at early stage, circulation of relevant information on business initiatives on matters in relation to the Company and the industries in which it operates to keep the board abreast of the business developments.

# Corporate Governance Statement

The Board recognises and embraces the importance and benefits of having a diverse Board to enhance the quality of the Board's performance and in supporting its strategic objectives and sustainable development. The Board has implemented a board diversity policy (the "Board Diversity Policy") which takes into account relevant measurable objectives such as skills, experience and knowledge, gender, age, ethnicity and other relevant factors. The current Board composition also reflects a diversity of skills, experience and knowledge, comprising business leaders and professionals from varied backgrounds, and other aspects of diversity such as age and experience, contributing to improved risk management and more robust decision making for the strategic future of the Company. During the financial year, the appointment of Mrs Elizabeth Hart as an independent director brings gender diversity, and together with the appointment of Mr Nagaraj Sivaram, the Board has further diversity of skills, experience, age & ethnicity. The Board and NC would consider which aspect of diversity to focus on. The NC and the Board will also consider the benefits of all aspects of diversity, including diversity of background, experience, gender, age and other relevant factors, as and when appropriate.

## Directors' independent review

The NC is tasked to determine on an annual basis and as and when the circumstances require whether or not a director is independent, bearing in mind the Guidelines set forth in the Code of Corporate Governance and any salient factors which would render a director to be deemed not independent. Each Director is required to declare his/her independence based on the guidelines set forth in Guideline 2.1 of the Code by submitting a "Confirmation of Director's Independence Form" which requires each Director to assess whether he/she considers himself/herself independent and not having any relationships identified in the Code. The NC will review and deliberate the independence of each Independent Director before giving its recommendation to the Board for deliberation. The NC has reviewed and determined that all the Independent Directors are considered independent.

The Board is of the view that the four (4) Independent Directors namely, Mr Ng Kwan Meng, Mr Soh Chung Hian, Mrs Elizabeth Hart, and Mr Nagaraj Sivaram continue to demonstrate strong independence in character and judgement in the discharge of their responsibilities as directors of the Company. The Board has determined that Mr Ng Kwan Meng, Mr Soh Chung Hian, Mrs Elizabeth Hart, and Mr Nagaraj Sivaram continue to be considered as independent directors based on the Confirmation of Director's Independence Form received from Mr Ng Kwan Meng, Mr Soh Chung Hian, Mrs Elizabeth Hart, and Mr Nagaraj Sivaram combined with the fact that they have no association with the Management or substantial shareholders that could compromise their independence.

None of the Independent Directors has served on the Board beyond nine (9) years from their respective date of appointment.

The Independent Directors have full access to and co-operation of the Company's Management and officers. They also have full discretion to convene separate meetings without the presence of Management and to invite any Directors or officers to the meetings as and when warranted by certain circumstances. For FY 2023, the Non-Executive Director and Independent Directors have met in the absence of key management personnel.

## **CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

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

Mr Colin Lee Yung-Shih is the Non-Executive Chairman, while Mr David Anthony Koay Siang Hock is the Executive Director and Group Chief Executive Officer ("CEO"). Ms Angela Ho Wei Ling holds the position of Group Financial Controller and Mr Philip Ngiam Hai Peng is an Executive Director of BMT.

Mr David Anthony Koay Siang Hock, Mr Philip Ngiam and Ms Angela Ho's profiles are disclosed in the section on the Key Management Staff of the Annual Report.

# Corporate Governance Statement

There is a clear division of responsibilities between the Chairman and Group CEO of the Company, which ensures a balance of power and authority at the top of the Company. With the separation of roles, the Chairman will bear responsibility for providing guidance on the corporate direction of the Company and leadership to the Board. The Chairman ensures that Board meetings are held when necessary and sets the agenda in consultation with other Directors. The Chairman reviews all Board papers, prior to their distribution to the Board, and ensures that Board members are provided with complete, accurate and timely information on a regular basis to enable them to be fully cognizant of the affairs of the Company.

In addition, the Chairman monitors communications and relations between the Company and its shareholders and between the Board and Management with a view to encourage constructive relations and dialogues amongst them. Also, the Chairman works to facilitate the effective contribution of directors and assists to ensure procedures are in accordance with the Company's guidelines on corporate governance.

The Group CEO sets the business strategies and directions for the Company and manages the business operations of the Company with senior management. The Chairman and the Group CEO are not related to each other.

Taking into account the relatively small size of the Board and that Independent Non-Executive Directors make up majority of the Board, the Board is of the view that there is currently no need to appoint one of them as the Lead Independent Director. The Chairman of each Board Committee will provide feedback to the Board after the meeting. The Board has been demonstrating it is able to exercise independent decision-making with a strong independent element on the Board. The Board is of the view that the Board's decision-making process is based on collective decisions of the Board. Shareholders can channel any concerns they may have to any one of the Independent Non-Executive Directors.

The Board's size, composition and diversity of skills and experiences are considered appropriate for the Company to ensure that the board will make independent decisions. Matters requiring the board's approval are discussed and deliberated with participation from each member of the board and collective decisions ensure that no individual influences or dominates the decision-making process. The Board will constantly review the contribution of its directors to ensure a strong and independent element of the Board.

## BOARD MEMBERSHIP

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

The NC comprises five (5) Directors, a majority of whom, including the Chairman of the NC, are Independent Non-Executive Directors:

- (i) Mr Ng Kwan Meng (Chairman)
- (ii) Mr Colin Lee Yung-Shih
- (iii) Mr Soh Chung Hian
- (iv) Mrs Elizabeth Hart
- (v) Mr Nagaraj Sivaram

According to the written terms of reference of the NC, the NC assists in performing the following functions:

- (a) nominates directors (including Independent Directors) taking into consideration each Director's contribution, performance and ability to provide valuable insights and strategic networking to enhance the businesses of the Company;

# Corporate Governance Statement

- (b) reviews and recommends to the Board the composition of the ARC, and RC;
- (c) re-nominate directors for re-election in accordance with the Constitution at each annual general meeting ("AGM") having regard to the director's contribution and performance;
- (d) reviews and determines annually whether or not a director of the Company is independent;
- (e) decides whether or not a director is able to and has been adequately carrying out his/her duties as a director;
- (f) assesses the performance of the Board as a whole and the contribution of each director to the effectiveness of the Board;
- (g) reviews and recommends succession plans for directors, in particular, the Chairman, the Group CEO and key management personnel; and
- (h) reviews and recommends training and professional development programs for the Board.

The process for the selection and appointment of new Board members is as follows:

- the NC evaluates the balance of skills, knowledge and experience of the Board and prepares a summary description of the role and the required competencies for the appointment;
- if required, the NC may engage consultants to undertake research on, or assess, candidates for new positions on the Boards;
- the NC meets with short-listed candidates to assess their suitability and to ensure that the candidates are aware of the expectations; and
- the NC makes recommendations to the Board for approval.

Pursuant to Article 100 of BMH's Constitution, any person so appointed by the Directors shall hold office only until the next annual general meeting. He/She shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. Under Article 94 of BMH's Constitution, at each annual general meeting, one-third of the Directors for the time being (of, if their number is not multiple of three, the number nearest to but not less than one-third), selected in accordance with Article 95, shall retire from office by rotation.

The Directors who retire in every year shall be those subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

The NC makes a recommendation to the Board on the re-election of Directors based on their contributions and performance, a review of the range of expertise, skills and attributes of current board members, and the needs of the Board.

For the year under review, the NC evaluated the Board's performance as a whole and the contribution of each Director to the effectiveness of the Board. The NC has adopted a formal process and criteria to assess the effectiveness of the Board and each of the directors. The evaluation is carried out annually.



## Corporate Governance Statement

Pursuant to Article 94 of the Company's Constitution, Mr Ng Kwan Meng and Mr Soh Chung Hian respectively are due for re-election at the forthcoming AGM of BMH. Mr Ng Kwan Meng had accordingly abstained from reviewing and approving his own re-election. Mr Soh Chung Hian will not be standing for re-election at this coming AGM.

A director appointed during the year shall be eligible for re-election at the next AGM. Mrs Elizabeth Hart, who was appointed as an Independent Director on 31 January 2023 and Mr Nagaraj Sivaram was appointed as an Independent Director on 17 April 2023. Accordingly, Mrs Elizabeth Hart and Mr Nagaraj Sivaram is subject to re-election at the forthcoming AGM pursuant to Article 100 of the Company's Constitution.

The NC had recommended to the Board that Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram be nominated for re-election at the forthcoming AGM. In making the recommendation, the NC had considered their integrity, independence, mindfulness, contribution and performance (such as attendance, participation, preparedness and candour).

Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the following is the information relating to the retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MR NG KWAN MENG	MRS ELIZABETH HART	MR NAGARAJ SIVARAM
Date of Appointment	10 February 2017	31 January 2023	17 April 2023
Date of last re-appointment	21 October 2021	N.A.	N.A.
Age	66	53	64
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this re-appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Ng Kwan Meng for re-appointment as Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mr Ng Kwan Meng possess the experience, expertise, knowledge, and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mrs Elizabeth Hart for re-appointment as Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mrs Elizabeth Hart possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Nagaraj Sivaram for re-appointment as Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mr Nagaraj Sivaram possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive

# Corporate Governance Statement

	MR NG KWAN MENG	MRS ELIZABETH HART	MR NAGARAJ SIVARAM
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director, Chairman of the Nominating and Remuneration Committee and a member of the Audit and Risk Committee.	Independent Non-Executive Director, Member of the Audit and Risk, Nominating and Remuneration Committee.	Independent Non-Executive Director, Member of the Audit and Risk, Nominating and Remuneration Committee.
Professional qualifications	Bachelor of Arts and Social Science (Honours) from the National University of Singapore	<ul style="list-style-type: none"> <li>– Member of Society of Trust and Estate Practitioners (STEP)</li> <li>– Member of Singapore Institute of Directors</li> <li>– Associate of London Institute of Banking &amp; Finance</li> <li>– Member of Women in Banking &amp; Finance</li> <li>– Business Mastery Management Training</li> </ul>	Member of the Institute of Chartered Accountants in England and Wales and the Institute of Singapore Chartered Accountants (ISCA)
Working experience and occupation(s) during the past 10 years	April 1983 to August 2013 United Overseas Bank, Managing Director & Head, Group Global Markets	<p>2020 to Present CEO &amp; Founder, Legacy Wealth Advisors Pte Ltd, Singapore</p> <p>2019 to 2022 Managing Director, Wealth Management Alliance Pte Ltd, Singapore</p> <p>2017 to 2018 Managing Director of LGT Bank (Singapore) Ltd</p> <p>2004 to 2016 Managing Director, Head of South East Asia of Rothschild Wealth Management (Singapore) Limited, Singapore</p> <p>2004 to 2016 Director, Rothschild Trust (Singapore) Ltd, Singapore</p>	<p>An assurance partner in Ernst &amp; Young, Singapore and retired from the firm on 30th June 2019 after 35 years with the firm.</p> <p>He was the technical partner for many years. As technical partner he advised other partners on complex accounting and auditing issues, conducted training and set policies relating to risk management for the assurance practice of the firm. He was a member of the Accounting Standards Council, the standard setter in Singapore for nine years.</p> <p>He is currently a Board Member and Audit Committee Chairman of the Singapore Institute of Technology, Land Transport Authority, ESR-LOGOs REIT and Frasers Hospitality Trust.</p>

# Corporate Governance Statement

	MR NG KWAN MENG	MRS ELIZABETH HART	MR NAGARAJ SIVARAM
Shareholding interest in the listed issuer and its subsidiaries	No	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No.	No	No
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years)	<ul style="list-style-type: none"> <li>• Aestiwood Pte Ltd</li> <li>• British and Malayan Trustees Limited</li> <li>• Singapore Power Limited</li> <li>• Singapore Power Group Treasury</li> </ul>	Nil	<ul style="list-style-type: none"> <li>• Audit Partner of Ernst &amp; Young LLP</li> <li>• Board Member and Audit Committee Chairman of Urban Redevelopment Authority (URA)</li> </ul>
Present	<ul style="list-style-type: none"> <li>• Tasek Jurong Limited</li> <li>• Raffles Education Corporation Limited</li> </ul>	Nil	<ul style="list-style-type: none"> <li>• Singapore Institute of Technology</li> <li>• Land Transport Authority</li> <li>• Singapore Turf Club</li> <li>• ESR-Logos REIT</li> <li>• Frasers Hospitality Trust</li> </ul>

**Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.**

a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram
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# Corporate Governance Statement

b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram
c) Whether there is any unsatisfied judgment against him?	No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram

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<p>j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–</p> <ul style="list-style-type: none"> <li>i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</li> <li>ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</li> <li>iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</li> <li>iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere</li> </ul> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	<p>No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram</p>
<p>k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	<p>No for Mr Ng Kwan Meng, Mrs Elizabeth Hart and Mr Nagaraj Sivaram</p>

# Corporate Governance Statement

As at the date of this Report, the Board comprises six (6) Directors. Details of the Directors' qualifications, initial appointment, last re-election and their directorships are as follows:

Name of Directors	Position	Date of initial appointment	Date of last re-election	*Present Directorship or Chairmanship in other listed companies	*Past Directorship or Chairmanship in other listed companies	Other principal commitment
Mr Colin Lee Yung-Shih	Non-Executive Director	10 February 2017	21 October 2022	–	CAM-GTF Limited	Nil
Mr Ng Kwan Meng	Independent Non-Executive Director	10 February 2017	20 October 2021	Raffles Education Corporation Limited	–	Nil
Mr Soh Chung Hian	Independent Non-Executive Director	10 February 2017	20 October 2021	Vicom Limited; and Sunright Limited	Lum Chang Holdings Limited;	Nil
Mrs Elizabeth Hart	Independent Non-Executive Director	31 January 2023	Nil	–	–	Nil
Mr Nagaraj Sivaram	Independent Non-Executive Director	17 April 2023	Nil	ESR-Logos Reit and Frasers Hospitality Trust	G.K. Goh Holdings Limited	Nil
Mr David Anthony Koay Siang Hock	Executive Director	20 May 2022	21 October 2022	–	–	Nil

\* Within the past three years

During FY 2023, the NC is satisfied that sufficient time and attention was given by the Directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations there is presently no need to implement internal guidelines to address their competing time commitments. The NC is also of the opinion that the current board size is adequate for the effective functioning of the Board. The NC will continue to review from time to time, the Board representations and other principal commitments to ensure that Directors continue to meet the demands of the Company and are able to discharge their duties adequately.

The Company does not have a practice of appointing alternate directors.

# Corporate Governance Statement

## BOARD PERFORMANCE

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

The NC is responsible for setting the performance criteria to assess the effectiveness of the Board. In the assessment, the NC takes into consideration a number of factors, namely the size and composition of the Board, the Board's access to information, Board's proceedings, the discharge of the Board's functions and the communications and guidance given by the Board to the Management.

A formal review of the Board's performance was undertaken collectively by the Board annually. Each Director undertakes a self-assessment to evaluate their contribution to the Board. This self-assessment process takes into account, amongst other things, the board commitment, standard of conduct, competency, training and development and interaction with the other Directors, Management & Stakeholders. The Board's performance was also being reviewed by the NC with inputs from other Board members. The completed assessment forms are collated by one of the Company Secretaries and the results of the evaluation exercise are subsequently considered by the NC before making recommendations to the Board. The Chairman of the Board will act on the results of the performance evaluation and recommendation, and where appropriate, propose new members to be appointed to the Board or seek resignation of the Directors, in consultation with the NC.

The performance of each individual Director are assessed based on various factors which includes their attendance and participation to the Board and Board Committee Meetings and contributions to the Board in the business strategies including their industry and business knowledge. The performance criteria are not subject to changes annually and where circumstances deem it necessary for any of the criteria to be changed, the onus should be on the Board to justify this decision.

The NC is satisfied that each member of the Board has been effective in carrying out their duties and contributed to the Board during the year.

The Board has not engaged any external facilitator in conducting the assessment of the effectiveness of the Board, the Board Committees and the performance of individual Directors. Where relevant, the NC may consider such engagements.

Each member of the NC shall abstain from voting on any resolution and making any recommendation and/or participating in any deliberation of the NC in respect of the assessment of his/her own performance.

## REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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

The RC comprises the following five (5) Non-Executive Directors, a majority of whom including the Chairman are Independent Directors:

- (i) Mr Ng Kwan Meng (Chairman)
- (ii) Mr Colin Lee Yung-Shih

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- (iii) Mr Soh Chung Hian
- (iv) Mrs Elizabeth Hart
- (v) Mr Nagaraj Sivaram

According to the written terms of reference of the RC, the RC assists in performing the following functions:

- (a) recommends to the Board a framework of remuneration for the directors and key management personnel;
- (b) determines specific remuneration packages for each executive director and key management personnel;
- (c) reviews annually the remuneration of employees related to the directors and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- (d) performs such other acts as may be required by the SGX-ST and the Code from time to time; and
- (e) administers the British and Malayan Holdings Employee Share Option Scheme (“**BMH ESOS**”) and British and Malayan Holdings Performance Share Plan (“**BMH PSP**”)

The RC is responsible for ensuring formal and transparent procedures for developing policies on executive remuneration and reviewing the remuneration packages of individual directors, key management personnel and employees related to the Executive Director and Controlling Shareholders of the Company.

The recommendations of the RC is submitted for endorsement by the Board as a whole. Each member of the RC abstains from voting on any resolutions in respect of his/her own remuneration package. Also, in the event that a member of the RC is related to the employee under review, he/she abstains from participating in the review. Directors were not involved in the discussion and/or participating in the deliberation of their own remuneration.

The RC has established a framework of remuneration for the Board and key management personnel covering all aspects of remuneration but not limited to directors’ fees, salaries, allowances, bonuses, incentives schemes and benefits-in-kind.

The RC reviews the fairness and reasonableness of the termination clauses of the service agreements of the Executive Director and key management personnel to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance.

When necessary, the RC will consult external professionals on remuneration matters of Directors and key management personnel. In FY 2023, the Company did not engage any consultant to deal with the remuneration of the Directors.

## LEVEL AND MIX OF REMUNERATION

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

In making its recommendations to the Board on the level and mix of remuneration, the RC strives to be competitive, linking rewards with performance. It takes into consideration the essential factors to attract, retain and motivate the Directors and senior management needed to run the Company successfully, linking rewards to corporate and individual performance, aligning



# Corporate Governance Statement

their interest with those of the shareholders and giving due regard to the financial and commercial health and business needs of the Company. The performance of the Group CEO together with the Executive Director of BMT and other Key Management Personnel is reviewed annually by the RC and the Board.

The Company has adopted the BMH ESOS and BMH PSP that were approved by shareholders at the extraordinary general meeting held on 4 July 2017 with 10 years tenure commencing on the establishment date. The RC would oversee the administration of the BMH ESOS and BMH PSP upon the rules as defined in the BMH ESOS and BMH PSP. There were no ESOS or PSP granted by the Company during FY 2023.

The Group CEO and the Executive Director of BMT are remunerated as member of Management. The remuneration for the Group CEO, Executive Director of BMT and key management personnel comprises fixed and variable components under their respective service agreements. The fixed component is in the form of monthly salary whereas the variable component is linked to the performance of the Company and individual. In addition, short term and long term incentives such as BMH ESOS and BMH PSP, are in place to strengthen the pay-for-performance framework by rewarding and recognizing the key executives' contributions to the growth of the BMH group. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long term growth of BMH.

The RC is of the view that it is currently not necessary to use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Group CEO, Executive Director of BMT and key management personnel in exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company. The Group CEO, Executive Director of BMT and key management personnel owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Group CEO, Executive Director of BMT and key management personnel in the event of such a breach of their fiduciary duties.

The RC ensures that the remuneration of the Non-Executive Directors is appropriate to their level of contribution taking into account factors such as effort and time spent, as well as their responsibilities and obligations. The RC also ensures that the Non-Executive Directors should not be over-compensated to the extent that their independence may be compromised. Each member of the RC abstains from voting on any resolution, participating in any deliberation of the RC, and making any recommendation in respect of his/her remuneration.

The Non-Executive Directors receive a basic fixed fee and the Directors' fees will be subject to shareholders' approval at the AGM.

## DISCLOSURE ON REMUNERATION

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

The remuneration of the Directors and the top two key management personnel for FY 2023, are disclosed below. The Group only has top two key management personnel. The disclosure is to enable investors to understand the link between remuneration paid to Directors and key management personnel, and performance.

The remuneration of each Director and the top two key management personnel has been disclosed in the respective bands. The remuneration for the Executive Director and the top two key management personnel comprises fixed and variable components. The fixed component is in the form of monthly salary whereas the variable component is linked to the performance of the Group and individual. The Board is of the opinion that given the confidentiality of and commercial sensitivity attached to remuneration matters and to be in line with the interest of the Company, the remuneration will not be disclosed in dollar terms.

# Corporate Governance Statement

The Board, with the concurrence of the RC, is of the opinion that the remuneration of the Independent Directors is appropriate to the level of contribution, taking into consideration the effort and time spent and responsibilities, the prevailing market conditions and referencing Directors' fees against comparable benchmarks, such that Independent Directors are not over-compensated to the extent that their independence may be compromised.

The breakdown (in percentage terms) of each Director and the top two key management personnel's remuneration for FY 2023, are as follows:

Directors	Directors' Fees %	Salary %	Bonus %	Allowance %	Total %
<b>Below \$250,000</b>					
Mr Colin Lee Yung-Shih	100	–	–	–	100
Mr Lee Boon Huat	100	–	–	–	100
Mr Soh Chung Hian	100	–	–	–	100
Mr Ng Kwan Meng	100	–	–	–	100
Mrs Elizabeth Hart <sup>(1)</sup>	100	–	–	–	100
Mr Nagaraj Sivaram <sup>(2)</sup>	100	–	–	–	100
<b>\$250,000 to \$500,000</b>					
Mr David Anthony Koay Siang Hock	–	92	8	–	100

Key Management Personnel	Designation	Salary* %	Bonuses %	Allowance %	Total %
<b>Below \$250,000</b>					
Mr Philip Ngiam Hai Peng	Executive Director of BMT	92	8	–	100
Ms Angela Ho Wei Ling	Group Financial Controller	92	8	–	100

\* Salary includes Central Provident Fund employer contributions

#### Notes:

- (1) Mrs Elizabeth Hart was appointed as an Independent Director, member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee on 31 January 2023.
- (2) Mr Nagaraj Sivaram was appointed as an Independent Director, member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee on 17 April 2023.

Notwithstanding Guidelines 8.1(b) of the Code, the Company is disclosing the remuneration of two Key Management Personnel because the Company had only such a number of Key Management Personnel (who were not also directors and CEO) during FY 2023.

The annual aggregate remuneration paid to all the above mentioned Key Management Personnel (who were not also directors and CEO) of the Company in FY 2023 was S\$478,775.

# Corporate Governance Statement

There is no employee of the Company who is substantial shareholder of the Company or an immediate family member of the Director, the CEO or a substantial shareholder of the Company whose remuneration exceeded S\$100,000 in FY 2023.

The RC is of the view that their remunerations are in line with the Company's staff remuneration guidelines and commensurate with their job scopes and level of responsibilities.

There are no termination, retirement and/or post-employment benefits granted to Directors or Key Management Personnel during FY 2023.

## ACCOUNTABILITY AND AUDIT

### RISK MANAGEMENT AND INTERNAL CONTROLS

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

The Board recognizes the importance of maintaining a system of internal controls, procedures and processes for safeguarding the shareholders' investments and Company's assets. The ARC undertakes the oversight responsibilities for risk governance of the Group and determines the nature and extent of risks which the Company is willing to take in achieving its strategic objectives and value creation. The ARC 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 and reports to the Board.

The Company has outsourced the internal audit function to BDO LLP as Internal Auditors, who adopts the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The Company's internal controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial information and to safeguard and maintain accountability of assets. Procedures are in place to identify major business risks and evaluate potential financial effects, as well as for the authorization of capital expenditure and investments.

BDO LLP is an international accounting firm and they provide outsourced internal audit services through their Risk Advisory Services division. BDO Risk Advisory Services comprises dedicated internal audit professionals who are mostly accountancy graduates or who might have relevant professional qualifications such as Chartered Accountant or Certified Internal Auditor certifications and they conduct outsourced internal audits based on the BDO Global Internal audit Methodology which is consistent with the International Professional Practice Framework established by the Institute of Internal Auditors. The Engagement Partner has more than 20 years of auditing experience and is a Chartered Accountant (Singapore), Certified Internal Auditor and a Certified Information System Auditor. He also has a Certification in Risk Management Assurance and he is a Practising Management Consultant. The ARC is satisfied that the internal audit function is independent, effective and adequately resourced.

The Company employs the Enterprise Risk Management ("**ERM**") framework developed by BDO LLP, an independent professional firm, to perform risk assessment reviews on areas of significant business risks as well as appropriate measures to control and mitigate these risks. The Management reviews regularly and updates the ARC and Board quarterly on the Company's business and operational activities in respect of the key risk control areas including financial, operational, compliance and information technology controls and continues to apply appropriate measures to control and mitigate these risks. Any significant matters are highlighted to the Board and the ARC for further discussion.

# Corporate Governance Statement

RSM Chio Lim LLP, the external auditors of the Company carry out, in the course of their statutory audit, an annual review of the effectiveness of the Company's key internal controls, including financial, operational, compliance, information technology controls as well as risk management systems to the extent of their scope as laid out in their audit plan. Any material weaknesses in internal controls, together with recommendations for improvement, are reported to the ARC.

Every year, the Company appoints Internal Auditors to carry out a review of the adequacy and effectiveness of the Company's key internal controls, including financial, operational, compliance and information technology controls as well as risk management systems to the extent of their scope as laid out in their audit plan.

It is the opinion of the Board that the system of internal controls maintained by the Company's Management that was in place throughout the financial year and up to the date of this Report, provides reasonable assurance against material financial misstatements or losses, and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practices, and the identification and containment of financial, operational and compliance and information technology risks.

Based on the internal controls system established and maintained by the Company, work performed by the internal and external auditors and reviews performed by Management, the Board is satisfied with the Company's internal controls systems in addressing financial, operational, compliance and information technology risks, and risks management systems were adequate and effective as at the date of this Report. The ARC concurred with the Board's comments as aforementioned.

The Board has received assurance from the Group CEO and the Executive Director of BMT and Group Financial Controller that the financial records as at 30 June 2023 have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances and also that the Group's risk management and internal control system are adequate and effective.

## AUDIT COMMITTEE

*Principle 10 – The Board has an Audit Committee which discharges its duties objectively.*

The ARC comprises the following five (5) Non-Executive Directors, a majority of whom including the Chairman are Independent Directors:

- (i) Mr Soh Chung Hian (Chairman)
- (ii) Mr Colin Lee Yung-Shih
- (iii) Mr Ng Kwan Meng
- (iv) Mrs Elizabeth Hart
- (v) Mr Nagaraj Sivaram

The Board ensures that the members of the ARC are appropriately qualified to discharge their responsibilities and they possess the requisite accounting and financial management expertise and experience.

The ARC is governed by its terms of reference which highlights its primary responsibilities as follows:-

- (a) to assist the Board in discharging their responsibility to safeguard the Company's assets, maintain adequate accounting records, and develop and maintain effective systems of internal controls with the overall objective of ensuring that the Company's management creates and maintains an effective control environment;

# Corporate Governance Statement

- (b) to provide a channel of communication between the Board, the management team and the external auditors on matters relating to the audit;
- (c) to monitor management's commitment to the establishment and maintenance of a satisfactory control environment and an effective system of internal controls (including any arrangements for internal audit); and
- (d) to monitor and review the scope and results of external audit, its cost effectiveness and the independence and objectivity of the external auditors.

In addition, the functions of the ARC shall include the following:

- (a) review with the external auditors the audit plans, their evaluation of the systems of internal controls, their management letter and the management's response thereto;
- (b) review with the internal auditors the internal audit plans and their evaluation of the adequacy of the Company's internal controls and accounting system before submission of the results of such review to the Company's Board for approval;
- (c) review the assurance from the Senior Management on the financial records and financial statements;
- (d) review quarterly and annual financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Listing Manual and any other relevant statutory or regulatory requirements;
- (e) review the internal controls and procedures and ensure co-ordination between the external auditors and the management, review the assistance given by management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of management where necessary);
- (f) review and consider the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors;
- (g) review interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual;
- (h) review the Company's hedging policies, procedures and activities (if any) and monitor the implementation of the hedging procedure/policies, including reviewing the instruments, processes and practices in accordance with any hedging policies approved by the Board;
- (i) review potential conflicts of interest, if any, and to set out a framework to resolve or mitigate such potential conflicts of interests;
- (j) undertakes such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the ARC;
- (k) review and discusses with investigators, any suspected fraud, irregularity, or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and the management's response thereto;

# Corporate Governance Statement

- (l) generally to undertake such other functions and duties as may be required by statute or the Listing Manual, and by such amendments made thereto from time to time;
- (m) review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;
- (n) review the key financial risk areas, with a view to providing an independent oversight of the Company's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, to be immediately announced via SGXNET;
- (o) review arrangements by which the staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matters and for appropriate follow-up; and
- (p) The ARC approves the hiring, removal, evaluation and compensation of the internal audit service provider.

The ARC has the power to conduct or authorize investigations into any matters within its scope of responsibility. The ARC is authorized to obtain independent professional advice whenever deemed necessary for the discharge of its responsibilities. Such expenses will be borne by the Company.

The ARC has been given full access to and is provided with the co-operation of the Company's management. In addition, the ARC has independent access to the external auditors. Both the external auditors and internal auditors report directly to the ARC in respect of their findings and recommendations. The ARC also has full discretion to invite any director or executive officer to attend the meetings, and has been given reasonable resources to enable the discharge of its functions. Each member of ARC shall abstain from voting on any resolutions in respect of matters in which he/she is interested.

As at the Report date, the ARC has:

- (a) reviewed the scope of work of the external auditors;
- (b) reviewed the audit plans and discussed the results of the respective findings and their evaluation of the Company's system of internal accounting controls;
- (c) reviewed the interested person transactions of the Company;
- (d) met with the Company's external auditors and internal auditors at least annually without the presence of the management;
- (e) reviewed the external auditors' independence and objectivity;
- (f) reviewed the Company's procedures for detecting fraud and whistle-blowing matters and to ensure that arrangements are in place by which any employee, may in confidence, raise concerns about improprieties in matters of financial reporting, financial control, or any other matters. A report is presented to the ARC on quarterly basis wherever there is a whistle-blowing issue; and
- (g) ARC meetings are held quarterly to review the financial statements of the Company before recommending to the Board for approval of the release of the financial results. In the process, the ARC also reviewed significant financial reporting matters and judgements to ensure that the appropriate disclosure and accounting policies are applied.

The ARC has reviewed the external auditors' non-audit services and is satisfied that the nature and extent of such services have not prejudiced the independence and objectivity of the external auditors. The ARC recognizes the need to maintain a balance between the independence and objectivity of the external auditors and the work carried out by the external auditors based on value for money consideration. The aggregate amount of fees paid to RSM Chio Lim LLP for FY 2023 was S\$206,891 comprising of audit fees of S\$108,760 and non-audit fees of S\$98,131.

# Corporate Governance Statement

The ARC having assessed the independence of auditors and size of resources and expertise, has recommended to the Board, the nomination of RSM Chio Lim LLP for re-appointment as independent auditors of the Company. The Board has approved the recommendation and will put forth the resolution to vote at the forthcoming AGM.

The Company confirms that Rules 712 and 715 of the Listing Manual have been complied with.

No former partner or director of the Company's existing auditing firm or auditing corporation has acted as a member of the Company's AC: (a) within a period of two years commencing on the date of his/her ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case (b) for as long as he/she has any financial interest auditing firm or auditing corporation.

The ARC is kept abreast by the external auditors of changes to accounting standards, SGX-ST Listing Rules and other regulations which could have an impact on the Company's business and financial statements.

The Internal Auditor's primary reporting line is to the Chairman of the ARC and administratively to the Executive Director of BMT and Group Financial Controller. The Internal Auditor has unfettered access to all the Company's documents, records, properties and personnel including access to the ARC.

The ARC approves the hiring, removal, evaluation and compensation of BDO LLP to which the internal audit functions is outsourced. The ARC also reviews and approved the annual internal audit plan and ensures that the Internal Auditor has adequate resources to perform its functions. The ARC also reviews the results of the internal audits and management's actions in resolving any audit issues reported. The ARC is satisfied with the suitability of the Internal Auditors and is of the view that the internal audit function is adequately resourced and has effectively performed its functions, and has appropriate standing within the Company.

The Internal Auditors conduct audits based on the standards set by internationally recognized profession bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The internal audit plan is submitted to the ARC for approval prior to the commencement of the internal audit work. The Internal Auditors review the effectiveness of key internal controls in accordance with the internal audit plan. The Internal Auditors have a direct and primary reporting line to the ARC and assist the ARC in overseeing and monitoring the implementation and improvements required on internal control weaknesses identified. The ARC will review the adequacy and effectiveness of the internal audit function annually.

The Company has established a whistle-blowing policy where the whistleblower may, in confidence, raise concerns and report about possible improprieties in matters of financial reporting, fraudulent acts and other matters relating to the Company and its officers, and ensure that arrangements are in place for independent investigations of such matters and for appropriate follow up actions. The Company is committed to keep the identity of the whistleblower confidential and ensure protection of the whistleblower against detrimental or unfair treatment. The ARC is responsible for oversight and monitoring of whistleblowing.

# Corporate Governance Statement

## SHAREHOLDERS RIGHTS AND ENGAGEMENT

### SHAREHOLDERS' RIGHTS AND CONDUCT OF GENERAL MEETINGS

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

The Company strongly encourages shareholders' participation during the AGM which will be held in a central location in Singapore. At the AGM, the Company ensures that shareholders are given the opportunity to voice their views and seek clarification on questions regarding the Company. Shareholders are able to proactively engage the Board and the Management on the Company's business activities, financial performance and other business related matters through dialogue sessions. The Company believes in regular, effective and fair communication with shareholders and is committed to hearing shareholders' view and addressing their concerns. The Directors, Management and the external auditors will be present at the AGM to address shareholders' queries. Shareholders are also informed of the rules and voting procedures governing such meetings.

Notices of general meetings are published in the newspapers and reports or circular are dispatched to all shareholders by post. The notices are also released via SGXNet and published in the local newspaper.

Every matter requiring shareholders' approval is proposed as a separate resolution. Where the resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting.

The Company fully supports the Code's principle to encourage shareholders' participation in and vote at all the general meetings. For greater transparency, the Company has adopted the voting of all its resolutions by poll at all the general meetings where shareholders are accorded rights proportionate to their shareholding and all votes counted. The detailed results of the number of votes cast for and against for each resolution and the respective percentage are announced at the meeting and via announcement made on the same day.

The Company's Constitution allows the appointment of one or two proxies by shareholders, to attend the AGM and vote in his/her place. The Company, however, have not implemented measures to allow shareholders who are unable to vote in person at the Company's AGM the option to vote in absentia, such as via mail, electronic mail or facsimile transactions as the authentication of shareholder indemnity information and other related security issues still remain a concern.

The Company Secretaries prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings and responses from the Board and Management, and to make these minutes, subsequently approved by the Board, available to shareholders on SGXNET within 1 month from AGM. Minutes of AGM held on 21 October 2022 was published via SGXNET on 16 November 2022.

The Company does not have a formal dividend policy. The Board considers, inter alia, the Company's capital structure, cash requirements, expansion plans and other factors that the Board may deem appropriate in declaring dividend for each year. Any dividend payouts are clearly communicated to shareholders in public announcements and via announcements on SGXNET when the Company discloses its financial results. Barring any unforeseen circumstances, the Company will endeavor to declare dividends at sustainable rates.



# Corporate Governance Statement

## ENGAGEMENT WITH THE SHAREHOLDERS

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

The Company is committed to regular and open communication with its shareholders. In line with the continuous obligations of the Company pursuant to the Listing Manual and the Singapore Companies Act, the Board's policy is that all shareholders should be equally informed of all major developments and any material or price-sensitive information impacting the Company in a clear, detailed and timely manner. The Company ensures that it does not practice selective disclosure of information to any particular group of persons. In the event that unpublished material information is inadvertently disclosed to any selected group in the course of the Company's interactions with investing community, a media release or announcement will be released to the public via SGXNet.

Information is disseminated to shareholders on a timely basis through:

- SGXNET announcements;
- Annual Reports prepared and issued to all shareholders;
- Letters and circulars to shareholders;
- Half yearly and Annual Financial Statements containing a summary of the financial information and affairs of the Company for the period; and
- Notice of general meetings.

Given the size of the Company, the Company does not appoint a dedicated team to oversee the investor relations function. Nevertheless, the Directors and Management are available to respond to the shareholders' enquiry, if any. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arises.

## MANAGING STAKEHOLDERS RELATIONSHIPS

### ENGAGEMENT WITH STAKEHOLDERS

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

The Company has appropriate channels in place to identify and engage with its key stakeholder groups. The Company recognizes the importance of understanding the Group's business and regular interactions with key stakeholders to determine material issues for the Group's businesses.

The Company's engagement with all stakeholders is set out in detail in the Sustainability Report published annually in its Annual Report on pages 17 to 47. The Company ensures that all material information relating to the Company and its financial performance is disclosed in a timely manner via SGXNet.

The Company's corporate website at <https://www.bmtrust.com/> also provides updated information to its stakeholders. The website, which is updated regularly, contains various information on the Group and the Company which serves as an important resource for investors and all stakeholders.

# Corporate Governance Statement

## ***Dealing in Securities***

The Company has in place a policy prohibiting share dealings by the Company, its Directors and employees of the Company when in possession of price sensitive information and for the period commencing one month before the release of half yearly results and the full-year results, with the restriction ending on the day of the announcement of the relevant results. The Company, Directors and employees are expected to observe the insider trading laws at all times even when dealing in securities within permitted trading periods. An officer should also not deal in the Company's securities on short-term consideration and/or possession of unpublished material price-sensitive information relating to the relevant securities.

As part of the efforts to comply with Listing Rule 1207(19), the Company will circulate written reminders before each relevant prohibition period of one month before the announcement of the company's half year and full year financial statements to remind the Company and officers of the Company and its subsidiary, British Malayan Trustee Limited, on the prohibition to deal in the Company's securities during the close window period.

In addition, the Company's internal policy requires all employees of the Company and its subsidiary to disclose all their personal holdings in securities and unit trust funds of any other forms of trading / investments every quarter.

Such information as disclosed by the employees will be checked and verified by the Head of Compliance to ensure that all employees do not trade in shares of the Company to avoid any potential insider trading.

The Company's internal policy also requires all employees to submit a pre-trade clearance form to the Resident Manager or the Head of Compliance of British Malayan Trustee Limited for approval. The purpose of the pre-trade clearance is to ensure that all employees who wishes to trade in the Company shares and/or trading of any new forms of investment, received an official approval, thus pre-empting the Company's management team to be mindful of the relevant prohibition / close window period of one month in lieu of the Listing Rule 1207(19), in reference to the Company shares. Therefore, the internal policy is in line with the Listing Rule 1207(19).

## ***Material Contracts***

There were no material contracts of the Company, including loans, involving the interests of any Director, Group CEO or the controlling shareholders during FY 2023.

## ***Risk Management***

The Company has in place policies and procedures to manage the business, operating and financial risks of the Company. Risk assessment and evaluation is conducted at each business unit and mitigating actions to manage each significant risk are reviewed and discussed by Management and the Board. The Company has implemented the Enterprise Risk Management (ERM) Framework for its procedures and processes.

# Corporate Governance Statement

## Interested Person Transactions

The ARC reviewed the Company's Interested Party Transaction ("IPT") to ensure transactions were carried out on normal commercial terms and are not prejudicial to the interests of the Company or its non-controlling shareholders. On a quarterly basis, Management reports to the ARC the IPT, if any. The ARC is satisfied that the internal controls over the identification, evaluation, review, approval and reporting of the IPTs was effective.

In compliance with Rule 907 of the Mainboard Listing Rules, the aggregate value of the IPT conducted during the financial year ended 30 June 2023 by the Company are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested persons transactions during the financial year under review (including transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Mrs Elizabeth Hart	<p>Mrs Elizabeth Hart is an Independent Director, member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee.</p> <p>The nature of the transaction is payment of a Consulting Service to Legacy Wealth Advisors Pte Ltd, where Mrs Elizabeth Hart is a Director. This relates to an independent review of British and Malayan Trustees' business from a new perspective.</p>	S\$ 16,000 (estimated)	–

# Statement by Directors

The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 30 June 2023.

## 1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and
- (b) at the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

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

## 2. Directors

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

Colin Lee Yung Shih	
Ng Kwan Meng	
Soh Chung Hian	
David Anthony Koay Siang Hock	
Elizabeth Hart	(Appointed on 31 January 2023)
Nagaraj Sivaram	(Appointed on 17 April 2023)

## 3. Directors' interests in shares and debentures

The directors of the company holding office at the end of the reporting year were not interested in shares in or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Singapore Companies Act 1967 (the "Act") except as follows:

Name of director and company in which interests are held	Direct interest		Deemed interest	
	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
<b>Parent and ultimate parent company - The Nyalas Rubber Estates Limited</b>	<b>Number of ordinary shares of no par value</b>			
Colin Lee Yung Shih	–	–	6,161,694	6,161,694

Colin Lee Yung Shih is deemed interested in the shares held by The Nyalas Rubber Estates Limited of 6,147,294 shares and his father, Lee Thor Seng of 14,400 shares.

# Statement by Directors

## 3. Directors' interests in shares and debentures (cont'd)

By virtue of section 7 of the Act, Mr Colin Lee Yung Shih is deemed to have an interest in the company and in all the related body corporates of the company.

The directors' interests as at 21 July 2023 were the same as those at the end of the reporting year.

## 4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

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

## 5. Options

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

During the reporting year, there were no shares of the company or other body corporate in the group issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares of the company or other body corporate in the group under option.

## 6. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

## 7. Report of audit and risk committee

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

Soh Chung Hian (Chairman of audit and risk committee)  
Colin Lee Yung Shih  
Ng Kwan Meng  
Elizabeth Hart  
Nagaraj Sivaram

# Statement by Directors

## 7. Report of audit and risk committee (cont'd)

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

- (a) Reviewed with the independent external auditor their audit plan;
- (b) Reviewed with the independent external auditor their evaluation of the company's internal accounting controls relevant to their statutory audit, their report on the financial statements and the assistance given by management to them;
- (c) Reviewed with the internal auditor the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by management to the internal auditor;
- (d) Reviewed the financial statements of the group and the company prior to their submission to the directors of the company for adoption; and
- (e) Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

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

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

## 8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the audit and risk committee and the board are of the opinion that the company's internal controls, addressing financial, operational and compliance risks, are adequate as at the end of the reporting year 30 June 2023.

# Statement by Directors

## 9. 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 23 August 2023, 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

.....  
Colin Lee Yung Shih  
Director

.....  
David Anthony Koay Siang Hock  
Director

23 August 2023

# Independent Auditor's Report

To the members of British and Malayan Holdings Limited

## Report on the audit of the financial statements

### Opinion

We have audited the accompanying financial statements of British and Malayan Holdings Limited (the “company”) and its subsidiary (the “group”), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 30 June 2023, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including accounting policies.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)”) so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 30 June 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and of the changes in equity of the company for the reporting year ended on that date.

### Basis for opinion

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

### Key audit matters

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



# Independent Auditor's Report

To the members of British and Malayan Holdings Limited

## Key audit matters (cont'd)

### *Assessing the adequacy of the accounting of the monies held in trust for customers*

The group's principal operations include the provision of trustee services that are conducted by its subsidiary, British and Malayan Trustees Limited ("BMT"). BMT handles large sums of customer's money in the course of its work as agents in receiving, holding or paying out sums of monies on their behalf. BMT is required to comply with the Trust Companies Act 2005 to ensure that the customers' monies received by BMT in its fiduciary capacity as trustee are properly accounted for in accordance with the Trust Companies Act 2005 and are kept distinct and separate from its own monies so that the trust monies do not form part of, or are not mixed with, its general assets.

We identified the proper accounting of the monies held in trust as a key audit matter because there is a potential risk of inaccurate accounting of BMT's cash accounts by virtue of its principal business which involves handling voluminous transactions involving customers' monies held in trust accounts that includes the receiving, holding or paying out sums of monies for its customers or third parties.

In response to this risk, our audit procedures included, amongst others, the following:

- We reviewed and tested management's processes and controls surrounding proper segregation and appropriate recognition of monies held in trust in the customers' accounts;
- We performed testing of outflows on monies to verify whether these transactions are for valid purposes and appropriately supported by requisite documentation;
- We circularised bank confirmations for trust bank accounts, reviewed the year end bank reconciliations for trust bank accounts and verified to underlying supporting documents such as invoices and bank advices to ensure that the reconciling items are appropriate; and
- We assessed the adequacy of the disclosures made in the financial statements in relation to the group's cash and cash equivalents in Note 18.

## Other information

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

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

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

# Independent Auditor's Report

To the members of British and Malayan Holdings Limited

## Responsibilities of management and directors for the financial statements

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

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

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

## Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- (c) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (d) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

# Independent Auditor's Report

To the members of British and Malayan Holdings Limited

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

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- (e) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (f) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- (g) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (h) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Independent Auditor's Report

To the members of British and Malayan Holdings Limited

## Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Chow Khen Seng.

RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

23 August 2023

Engagement partner – effective from year ended 30 June 2019

# Consolidated Statement of Comprehensive Income

Year ended 30 June 2023

	Notes	Group	
		2023 \$	2022 \$
<b>Revenue</b>	5	1,390,897	3,052,767
Other income and gains	6	132,084	163,818
Gain from disposal of asset held for sale	15	8,441,487	–
Interest income		221,671	4,275
Employee benefits expense	7	(2,284,420)	(2,157,048)
Other expenses	8	(1,912,639)	(1,625,871)
Depreciation of property, plant and equipment	12	(63,502)	(134,257)
Depreciation of right-of-use-assets	22	(112,376)	(11,135)
Other losses	6	(53,999)	(10,046)
Finance costs		(28,306)	(732)
Share of profit (loss) from equity-accounted associates	14	101,543	(5,777)
<b>Profit (loss) before tax</b>		5,832,440	(724,006)
Income tax expense	9	–	–
<b>Profit (loss) for the year</b>		5,832,440	(724,006)
<b>Profit (loss) per share</b>		<b>Dollar</b>	<b>Dollar</b>
Basic and diluted profit (loss) per share	10	0.67	(0.08)

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

# Statements of Financial Position

As at 30 June 2023

	Notes	Group		Company	
		2023 \$	2022 \$	2023 \$	2022 \$
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	12	253,267	47,642	–	–
Right-of-use assets	22	706,842	21,343	–	–
Financial assets - derivatives	20	287,000	–	287,000	–
Investment in subsidiary	13	–	–	2,736,900	2,736,900
Investments in associates	14	1,858,043	–	1,774,000	–
<b>Total non-current assets</b>		<b>3,105,152</b>	<b>68,985</b>	<b>4,797,900</b>	<b>2,736,900</b>
<b>Current assets</b>					
Asset held for sale	15	–	2,701,049	–	–
Trade and other receivables	16	270,013	245,689	10,355	5,000
Other financial assets	19	2,401,750	–	–	–
Other non-financial assets	17	16,477	35,070	–	–
Cash and cash equivalents	18	7,667,740	3,527,720	1,680,970	520,729
<b>Total current assets</b>		<b>10,355,980</b>	<b>6,509,528</b>	<b>1,691,325</b>	<b>525,729</b>
<b>Total assets</b>		<b>13,461,132</b>	<b>6,578,513</b>	<b>6,489,225</b>	<b>3,262,629</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	21	2,736,900	2,736,900	2,736,900	2,736,900
Retained earnings		8,837,512	3,136,443	3,198,675	368,174
<b>Total equity</b>		<b>11,574,412</b>	<b>5,873,343</b>	<b>5,935,575</b>	<b>3,105,074</b>
<b>Non-current liabilities</b>					
Lease liabilities	22	568,237	14,011	–	–
Provisions	25	387,323	–	352,930	–
<b>Total non-current liabilities</b>		<b>955,560</b>	<b>14,011</b>	<b>352,930</b>	<b>–</b>
<b>Current liabilities</b>					
Lease liabilities	22	151,241	10,569	–	–
Trade and other payables	23	543,933	452,411	200,720	157,555
Other non-financial liabilities	24	235,986	228,179	–	–
<b>Total current liabilities</b>		<b>931,160</b>	<b>691,159</b>	<b>200,720</b>	<b>157,555</b>
<b>Total liabilities</b>		<b>1,886,720</b>	<b>705,170</b>	<b>553,650</b>	<b>157,555</b>
<b>Total equity and liabilities</b>		<b>13,461,132</b>	<b>6,578,513</b>	<b>6,489,225</b>	<b>3,262,629</b>

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

# Statements of Changes in Equity

Year ended 30 June 2023

<b>Group</b>	<b>Total equity \$</b>	<b>Share capital \$</b>	<b>Retained earnings \$</b>
<b>Current year:</b>			
Opening balance at 1 July 2022	5,873,343	2,736,900	3,136,443
<b>Changes in equity:</b>			
Total comprehensive income for the year	5,832,440	–	5,832,440
Dividends paid (Note 11)	(131,371)	–	(131,371)
Closing balance at 30 June 2023	11,574,412	2,736,900	8,837,512
<b>Previous year:</b>			
Opening balance at 1 July 2021	6,597,349	2,736,900	3,860,449
<b>Changes in equity:</b>			
Total comprehensive loss for the year	(724,006)	–	(724,006)
Closing balance at 30 June 2022	5,873,343	2,736,900	3,136,443
<b>Company</b>	<b>Total equity \$</b>	<b>Share capital \$</b>	<b>Retained earnings \$</b>
<b>Current year:</b>			
Opening balance at 1 July 2022	3,105,074	2,736,900	368,174
<b>Changes in equity:</b>			
Total comprehensive income for the year	2,961,872	–	2,961,872
Dividends paid (Note 11)	(131,371)	–	(131,371)
Closing balance at 30 June 2023	5,935,575	2,736,900	3,198,675
<b>Previous year:</b>			
Opening balance at 1 July 2021	3,522,609	2,736,900	785,709
<b>Changes in equity:</b>			
Total comprehensive loss for the year	(417,535)	–	(417,535)
Closing balance at 30 June 2022	3,105,074	2,736,900	368,174

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

# Consolidated Statement of Cash Flows

Year ended 30 June 2023

	Group	
	2023	2022
	\$	\$
<b>Cash flows from operating activities</b>		
Profit (loss) before tax	5,832,440	(724,006)
Adjustments for:		
Depreciation of property, plant and equipment	63,502	134,257
Depreciation of right-of-use assets	112,376	11,135
Interest income	(221,671)	(4,275)
Fair value loss on derivative financial assets	39,000	–
Gain on disposal of associate	–	(39,513)
Gains on disposal of asset held for sale	(8,441,487)	–
Plant and equipment written off	12,849	–
Interest expense	28,306	732
Share of (profit) loss from equity-accounted associates	(101,543)	5,777
Operating cash flows before changes in working capital	(2,676,228)	(615,893)
Trade and other receivables, current	63,483	50,788
Other non-financial assets, current	18,593	8,723
Trade and other payables, current	91,522	123,857
Other non-financial liabilities, current	7,807	(3,685)
Net cash flows used in operations	(2,494,823)	(436,210)
Income taxes paid	–	–
Net cash flows used in operating activities	(2,494,823)	(436,210)
<b>Cash flows from investing activities</b>		
Other financial assets	(2,401,750)	–
Purchase of plant and equipment	(249,127)	(29,073)
Proceeds for disposal of asset held for sale	11,144,080	–
Acquisition of associate	(1,729,570)	–
Disposal of investment in associate	–	200,000
Interest received	133,864	4,104
Net cash flow from investing activities	6,897,497	175,031
<b>Cash flows from financing activities</b>		
Lease liabilities – principal portion paid	(102,977)	(10,309)
Dividends paid to equity owners (Note 11)	(131,371)	–
Interest paid	(28,306)	(732)
Net cash flows used in financing activities	(262,654)	(11,041)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>4,140,020</b>	<b>(272,220)</b>
Cash and cash equivalents, consolidated statement of cash flows, beginning balance	3,527,720	3,799,940
<b>Cash and cash equivalents, consolidated statement of cash flows, ending balance (Note 18)</b>	<b>7,667,740</b>	<b>3,527,720</b>

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



# Notes to the Financial Statements

30 June 2023

## 1. General

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the company (referred to as “parent”) and the subsidiary.

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

The principal activity of the company is that of investment holding. It is listed on the Singapore Exchange Securities Trading Limited, (“SGX-ST”).

The principal activity of the subsidiary, British and Malayan Trustees Limited (the “subsidiary”) is the provision of trustee services in Singapore.

The registered office and principal place of business of the company is located at 1 Coleman Street, #06-01 The Adelphi, Singapore 179803.

### Statement of compliance with financial reporting standards

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

### Accounting convention

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

### Basis of preparation of the financial statements

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

# Notes to the Financial Statements

30 June 2023

## 1. General (cont'd)

### Basis of presentation

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

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

The company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the company's separate statement of comprehensive income is not presented.

## 2. Significant accounting policies and other explanatory information

### 2A. Significant accounting policies

#### Revenue and income recognition

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

Trustee fees – Fees from the provision of trustee services consist of acceptance fee, periodic trustee fees and a proportion of trustee fees collected upfront. For a contract that includes a single performance obligation (series of distinct services that are substantially the same and have the same pattern of transfer and has time based measure of progress) that is satisfied over time the revenue is recognised over time. Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Revenue and income recognition (cont'd)

Interest income – Interest income from fixed deposits and interest-bearing securities is recognised in profit or loss on a time-proportion basis. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instruments and thereafter amortising the discount as interest income.

Dividend income – Dividend income from equity securities is recognised in profit or loss in the financial year in which the right to receive payment is established.

#### Government grants

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

#### Employee benefits

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

#### Foreign currency transactions

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

# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Income tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the statements of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is: recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

#### Property, plant and equipment

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

Leasehold improvements	–	5 years
Furniture and fittings	–	5 years
Office equipment	–	5 years
Computer equipment	–	3 years

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

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

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

# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The right-of-use assets is depreciated over 3 to 5 years.

#### Leases of lessee

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

#### Subsidiary

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity. The investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

#### Associates

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

# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Associates (cont'd)

In the consolidated financial statements, the accounting for investments in an associate is on the equity method. Under the equity method the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The carrying value and the net book value of the investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Losses of an associate in excess of the reporting entity's interest in the relevant associate are not recognised except to the extent that the reporting entity has an obligation. Profits and losses resulting from transactions between the reporting entity and an associate are recognised in the financial statements only to the extent of unrelated reporting entity's interests in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are changed where necessary to ensure consistency with the policies adopted by the reporting entity. The reporting entity discontinues the use of the equity method from the date that when its investment ceases to be an associate and accounts for the investment in accordance with the financial reporting standard on financial instruments from that date. Any gain or loss is recognised in profit or loss. Any investment retained in the former associate is measured at fair value at the date that it ceases to be an associate.

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

#### Business combinations

A business combination is a transaction or other event which requires that the assets acquired and liabilities assumed constitute a business. It is accounted for by applying the acquisition method of accounting. The cost of a business combination includes the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree. The acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received except for any costs to issue debt or equity securities are recognised in accordance with the financial reporting standard on financial instruments. As of the acquisition date, the acquirer recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree measured at acquisition-date fair values as defined in and that meet the conditions for recognition under the financial reporting standard on business combinations. If there is gain on bargain purchase, for the gain on bargain purchase a reassessment is made of the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination and any excess remaining after this reassessment is recognised immediately in profit or loss.

# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is recognised as of the acquisition date measured as the excess of (a) over (b); (a) being the aggregate of: (i) the consideration transferred which generally requires acquisition-date fair value; (ii) the amount of any non-controlling interest in the acquiree measured in accordance with the financial reporting standard on business combinations (measured either at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets); and (iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and (b) being the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with the financial reporting standard on business combinations.

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised. Irrespective of whether there is any indication of impairment, goodwill and also any intangible asset with an indefinite useful life or any intangible asset not yet available for use are tested for impairment at least annually. Goodwill impairment is not reversed in any circumstances.

For the purpose of impairment testing and since the acquisition date of the business combination, goodwill is allocated to each cash-generating unit, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and is not larger than a segment.

#### Carrying amounts 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 end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Financial instruments

Recognition and derecognition of financial instruments:

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

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

Classification and measurement of financial assets:

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

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically, trade and other receivables, bank and cash balances are classified in this category.
- Financial asset classified as measured at fair value through profit or loss (FVTPL): All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.



# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Financial instruments (cont'd)

Classification and measurement of financial liabilities:

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

#### Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### Derivative financial instruments

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

#### Fair value measurement

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

# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Fair value measurement (cont'd)

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

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

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

### 2B. Other explanatory information

#### Segment reporting

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

#### Assets classified as asset held for sale

Identifiable assets and liabilities and any disposal groups are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted by the financial reporting standard on non-current assets held for sale and discontinued operations, in certain circumstances. It can include a subsidiary acquired exclusively with a view to resale. Assets that meet the criteria to be classified as held for sale are measured at the lower of carrying amount and fair value less costs of disposal and are presented separately on the face of the statement of financial position. Once an asset is classified as held for sale or included in a group of assets held for sale no further depreciation or amortisation is recorded. Impairment losses on initial classification of the balances as held for sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement.

# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2B. Other explanatory information (cont'd)

#### Provisions

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

### 2C. Critical judgements, assumptions and estimation uncertainties

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

Expected credit loss allowance on trade receivables:

The allowance for expected credit losses (ECL) assessment requires a degree of estimation and judgement. It is based on the lifetime ECL for trade receivables. In measuring the expected credit losses, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of future economic conditions. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the Note 16 on trade and other receivables.-

Assessing the impairment loss on associate:

Where there is a negative change in the market demand that leads to weaker performance for the associate, a test is made whether the investment in the investee has suffered any impairment loss. This measurement 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. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the asset or liability affected. The carrying amount of the specific asset or liability (or class of assets or liabilities) at the end of the reporting year affected by the assumption is \$1,858,043.

# Notes to the Financial Statements

30 June 2023

## 2. Significant accounting policies and other explanatory information (cont'd)

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

Assessment of fair value of contingent consideration:

A contingent consideration is measured at fair value at the acquisition date. Subsequent adjustments to the contingent consideration are recognised against the cost of the acquisition only to the extent that they arise from new information obtained within the measurement period (maximum one year from the acquisition date) about the fair value at the date of acquisition. All other subsequent adjustments to the contingent consideration classified as an asset or a liability are recognised in profit or loss. No subsequent adjustment is required for contingent consideration settled within and classified as equity. The fair value measurement requires the selection among a range of different valuation methodologies, making estimates about expected future cash flows and discount rates. The carrying amount is disclosed in the Note 26. Actual outcomes could vary from these estimates.

Estimation of claims from beneficiaries:

In the normal course of the subsidiary's business acting as trustees, beneficiaries may from time to time, make claims on the basis of alleged discrepancies in the amounts of distributions by the company or the alleged non-compliance to contractual requirements. The merits and settlement of any claims brought by beneficiaries are subject to, inter alia, calculations by professional services firm, verification to agreed contractual terms and consideration of other relevant circumstances and events. In making its judgment as to whether it is probable that any such claim will result in a liability and whether any such liability can be measured reliably, management relies on past experience such as the facts related to each case, claims awarded in similar cases and, if necessary, the opinion of legal and technical expertise. No disclosures are made if the probability of a claim is remote.

## 3. Related party relationships and transactions

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

### 3A. Members of a group

Name	Relationship	Country of incorporation
The Nyalas Rubber Estates Limited	Parent and ultimate parent company	Singapore

Related companies in these financial statements include the members of the above group of companies. The ultimate controlling parties are Colin Lee Yung Shih, a director of the company and Justin Lee Chung Shih who are deemed interested in the shares held by The Nyalas Rubber Estates Limited and Lee Thor Seng.

# Notes to the Financial Statements

30 June 2023

## 3. Related party relationships and transactions (cont'd)

### 3B. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise. The transactions were not significant.

### 3C. Key management compensation:

	Group	
	2023	2022
	\$	\$
Salaries and other short-term employee benefits	1,113,835	1,055,786

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

	Group	
	2023	2022
	\$	\$
Remuneration of key management personnel of the group	963,835	905,786
Fees to directors of the company	150,000	150,000

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 entity, directly or indirectly.

## 4. Financial information by operating segments

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

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

The group's activities are carried out in Singapore. For management purposes, the group has only one single reportable segment as the principal activity of the group is the provision of trustee services in Singapore through its subsidiary.

#### *Information about major customers*

Revenue from two major customers, amounting to \$481,256 and \$225,436 (2022: \$1,659,433 and \$449,710) respectively. The revenue from the two major customers arises from provision of trustee services in Singapore.

# Notes to the Financial Statements

30 June 2023

## 5. Revenue

	Group	
	2023	2022
	\$	\$
Trustee fees	1,209,968	2,897,943
Other service fees	180,929	154,824
Total revenue	<u>1,390,897</u>	<u>3,052,767</u>

The reporting entity offers a variety of services with one or more customers with services covered by a single contract or separately in individual contracts. An amount of \$636,517 (2022: \$2,189,004) is recognised based on point in time and the balance is over time. The customers are private trust, corporate trust and corporate customers.

## 6. Other income and gains and (other losses)

	Group	
	2023	2022
	\$	\$
Foreign exchange adjustment losses	(2,150)	(476)
Government from job support scheme <sup>(a)</sup>	–	74,678
Government grant income	114,126	–
Other income	17,958	49,627
Fair value loss on derivative financial instruments (Note 20)	(39,000)	–
Plant and equipment written off	(12,849)	–
Gain from disposal of associate	–	39,513
Bad debts written off trade receivables	–	(9,570)
Net	<u>78,085</u>	<u>153,772</u>
Presented in profit or loss as:		
Other income and gains	132,084	163,818
Other losses	(53,999)	(10,046)
Net	<u>78,085</u>	<u>153,772</u>

<sup>(a)</sup> The purpose of the Job Support Scheme is to provide wage support to employers to help them retain their local employees during this period of economic uncertainty amid Covid-19 for 17 months from April 2020 to August 2021.

## 7. Employee benefits expense

	Group	
	2023	2022
	\$	\$
Short term employee benefits expense	2,116,468	1,979,529
Contributions to defined contribution plan	167,952	177,519
Total employee benefits expense	<u>2,284,420</u>	<u>2,157,048</u>

# Notes to the Financial Statements

30 June 2023

## 8. Other expenses

	Group	
	2023	2022
	\$	\$
Audit fees to the auditors of the company	108,760	88,000
Non-audit fees to auditors of the company	98,131	29,140
Non-audit fees to other auditors	49,440	44,000
Advertising expense	35,346	4,840
Building and office maintenance and repairs	119,205	208,991
Consultancy fee expense	21,600	267,924
Directors' fees	150,000	150,000
General expense	112,550	88,761
Insurance expense	277,899	256,428
Other expense	246,998	217,506
Professional fees	645,132	104,350
Printing and stationery	15,254	14,619
Staff recruitment expense	27,600	150,650
Training fees	4,724	662
	1,912,639	1,625,871

## 9. Income tax expense

### 9A. Components of tax expense recognised in profit or loss include:

	Group	
	2023	2022
	\$	\$
<u>Current tax expense:</u>		
Current tax expense	-	-

There is no income tax expense recognised due to tax losses noted in the year.

The income tax in profit or loss varied from the income tax amount determined by applying the Singapore income tax rate of 17.0% (2022: 17.0%) to profit (loss) before income tax as a result of the following differences:

	Group	
	2023	2022
	\$	\$
Profit (loss) before tax	5,832,440	(724,006)
Share of profit (loss) from equity-accounted associates	101,543	5,777
	5,933,983	(718,229)

# Notes to the Financial Statements

30 June 2023

## 9. Income tax expense (cont'd)

### 9A. Components of tax expense recognised in profit or loss include (cont'd):

	Group	
	2023	2022
	\$	\$
Income tax expense (benefit) at the above rate	1,008,777	(122,099)
Expenses not deductible for tax purposes	325,796	37,147
Income not subject to tax	(1,472,737)	(7,774)
Unrecognised deferred tax assets	157,773	108,496
Other minor items less than 3% each	(19,609)	(15,770)
Total income tax expense	-	-

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

As at the end of the reporting year, the group has unabsorbed capital allowances and unutilised tax losses of approximately \$118,465 and \$7,549,182 (2022: \$522,547 and \$6,621,106) respectively that are available for offset against future taxable profits of the group.

Deferred tax assets arising from capital allowances and tax loss carry forwards have not been recognised as the future profit streams are not probable against which the deductible temporary difference can be utilised. The realisation of the future income tax benefits from tax loss carry forwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

## 10. Profit (loss) per share

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

	2023	2022
	\$	\$
A. Numerator: profit (loss) attributable to equity:		
Continuing operations:		
Total basic and diluted profit (loss) attributable to equity holders	5,832,440	(724,006)
B. Denominator: weighted average number of equity shares		
Basic and diluted	8,758,080	8,758,080

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

The profit (loss) per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. There is no difference between the basic and diluted weighted average number of shares.



# Notes to the Financial Statements

30 June 2023

## 11. Dividends on equity shares

	Group and Company	
	2023	2022
	\$	\$
Interim exempt (1-tier) dividend paid of \$1.50 cents (2022: \$Nil) per share	131,371	–
Total dividends paid in the year	131,371	–

## 12. Property, plant and equipment

	Leasehold property \$	Leasehold improvements \$	Furniture and fittings \$	Office equipment \$	Computer equipment \$	Total \$
<b>Cost:</b>						
At 1 July 2021	4,656,986	62,755	47,481	41,316	394,434	5,202,972
Additions	–	–	–	–	29,073	29,073
Transfer to asset held for sale	(4,656,986)	–	–	–	–	(4,656,986)
At 30 June 2022	–	62,755	47,481	41,316	423,507	575,059
Additions	–	229,067	–	16,636	37,817	283,520
Disposals and written off	–	(62,755)	(29,377)	(19,139)	(304,266)	(415,537)
At 30 June 2023	–	229,067	18,104	38,813	157,058	443,042
<b>Accumulated depreciation:</b>						
At 1 July 2021	1,862,797	62,755	47,481	40,215	335,849	2,349,097
Depreciation for the year	93,140	–	–	440	40,677	134,257
Transfer to asset held for sale	(1,955,937)	–	–	–	–	(1,955,937)
At 30 June 2022	–	62,755	47,481	40,655	376,526	527,417
Depreciation for the year	–	30,525	–	2,365	30,612	63,502
Disposals and written off	–	(62,755)	(29,377)	(18,624)	(290,388)	(401,144)
At 30 June 2023	–	30,525	18,104	24,396	116,750	189,775
<b>Carrying value:</b>						
At 1 July 2021	2,794,189	–	–	1,101	58,585	2,853,875
At 30 June 2022	–	–	–	661	46,981	47,642
At 30 June 2023	–	198,542	–	14,417	40,308	253,267

# Notes to the Financial Statements

30 June 2023

## 13. Investment in subsidiary

	Company	
	2023	2022
	\$	\$
Movements during the year. At cost:		
Balance at beginning and end of the year	2,736,900	2,736,900
Carrying value in the books of the company comprising:		
Unquoted equity shares at cost	2,736,900	2,736,900
Total at cost	2,736,900	2,736,900
Net book value of subsidiary	8,291,694	5,505,170

The subsidiary owned by the company is listed below:

Name of subsidiary, country of incorporation, place of operation, principal activity and independent auditor	Cost in books of company		Effective percentage of equity held by group	
	2023	2022	2023	2022
	\$	\$	%	%
<b>Held by the company</b>				
British and Malayan Trustees Limited Singapore Provision of trustee services	2,736,900	2,736,900	100	100

# Notes to the Financial Statements

30 June 2023

## 14. Investments in associates

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Carrying value comprising:				
Unquoted equity shares at cost	1,858,043	–	1,774,000	–
Movements in carrying value:				
Balance at beginning of the year	–	166,264	–	166,264
Additions	2,100,000	–	2,100,000	–
Share of profit (loss) for the year	101,543	(5,777)	–	(5,777)
Dividends	(17,500)	–	–	–
Call option asset	(326,000)	–	(326,000)	–
Disposal	–	(160,487)	–	(160,487)
Balance at end of the year	1,858,043	–	1,774,000	–

On 5 April 2023, the Group acquired 35% of the issued and paid-up share capital of PreceptsGroup International Pte. Ltd. (“Precepts”), with a European Call Option (the “Call Option”) granted to the Group to purchase an additional 30% of the issued and paid-up share capital of Precepts to the Group at date of exercise of the Call Option.

The aggregate consideration payable for the sale shares is up to \$2,100,000, which comprise of (1) base consideration of \$1,750,000 paid in cash upon completion and (2) Additional consideration of up to \$350,000 upon the achievement of certain performance targets of Precepts (“Earn-out targets”) for the financial years 31 December 2022 (“FY2022”) and 31 December 2023 (“FY2023”). Following this transaction, the Group gained significant influence and the investee became an associate. The transaction was accounted for by the equity method of accounting. See Note 26. The purchase price allocation exercise is expected to be completed not later than 12 months from the date of acquisition.

In FY2022, on 15 March 2022, the group disposed its investment in associate, Taurus Point Capital Pte. Ltd. for a sale consideration of \$200,000 and recorded a gain on disposal amounting to \$39,513.

The listing of and information on the associate is given below:

Name of associate, country of incorporation, place of operations, principal activities and independent auditors	Cost in books of group		Effective percentage of equity held by group	
	2023	2022	2023	2022
	\$	\$	%	%
<b>Held by the Company</b>				
PreceptsGroup International Pte. Ltd. <sup>(a)</sup> Singapore Provision of wealth succession and management services (MRI Moores Rowland LLP)	1,858,043	–	35	–

<sup>(a)</sup> Other independent auditor. Audited by firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member.

# Notes to the Financial Statements

30 June 2023

## 14. Investments in associate (cont'd)

This associate is considered material to the reporting entity. The summarised financial information of each of the material associate and the amounts (and not the reporting entity's share of those amounts) based on the financial statements of the associates are as follows.

	<b>Group 2023 \$</b>
Dividends received from the associate	17,500
Revenues	1,806,386
Profit from continuing operations and total comprehensive income	290,124
Current assets	3,150,867
Current liabilities	(2,254,549)
Non-current assets	663,285
Non-current liabilities	(15,000)
Net assets of the associate (100%)	<u>1,544,603</u>
Interest at 35% (2022: Nil)	540,611
Goodwill (Note 26)	1,233,389
Dividend income from associate	(17,500)
Share of profit for the year	101,543
Carrying amount of the interest in the associate	<u>1,858,043</u>

## 15. Asset held for sale

On 8 August 2022, the company granted an option to purchase to an independent third party purchaser in relation to the property situated at 1 Coleman Street #08-01, the Adelphi, Singapore 179803 for an aggregate consideration of \$11,316,000. The option was exercised on 29 August 2022.

Subsequently, the disposal of the asset held for sale was completed on 21 November 2022 with a transacted price of \$11,316,000. A gain on disposal of the asset held for sale of \$8,441,487 was included in the profit or loss statement. The gain was derived from the net of the transaction price, net book value of asset held for sale at the date of disposal and costs directly attributable to the sale of asset held for sale.

In 2022, an office building is presented as asset held for sale following the decision of management on 9 March 2022 to sell the office building due to low utilisation of the property and management is in the view that the proceeds of the proposed sale could be used towards the organic expansion of the group and provides greater flexibility to deploy capital for potential new synergistic businesses for the group.

# Notes to the Financial Statements

30 June 2023

## 15. Asset held for sale (cont'd)

	2023 \$	2022 \$
Assets held for sale:		
Office building at net book value	2,701,049	2,701,049
Less: impairment loss included in other losses in profit or loss	–	–
Disposal	(2,701,049)	–
Carrying value in statement of financial position	–	2,701,049

The fair value of the property of \$11,300,000 was measured in March 2022 based on the market approach valuation techniques based on the concept of comparables to reflect the actual market state and circumstances as of the end of the reporting year. The fair value was based on a full valuation made by Edmund Tie & Company (SEA) Pte Ltd, a firm of independent professional valuers on a systematic basis at least once yearly. The firm holds a recognised and relevant professional qualification with sufficient recent experience in the location and category of the investment property being valued. There has been no change to the valuation technique during the year.

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

Asset:	An office unit located on the 8 <sup>th</sup> storey of The Adelphi, a 10 storey commercial building at 1 Coleman Street, Singapore
Tenure period:	999 years commencing 12 May 1828 and expires on 11 May 2827
Fair Value and Fair value hierarchy – Level:	\$11,300,000; Level 3
Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent transaction prices for similar properties.
Significant observable inputs and range (weighted average):	Price per square foot: \$2,685
Relationship of unobservable inputs to fair value:	Favourable (adverse) changes in discount rates reflecting current market assessments of the uncertainty in the amount and timing of cash flows will increase (decrease) fair value.
Sensitivity on management's estimates – 10% variation from estimate	Impact – lower by \$1,130,000; higher by \$1,130,000

# Notes to the Financial Statements

30 June 2023

## 16. Trade and other receivables

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade receivables	200,385	236,564	–	–
<b>Other receivables</b>				
Refundable deposits	6,020	5,900	5,000	5,000
Outside parties	13,166	200	5,355	–
Other deposits	49,470	3,025	–	–
Receivables from brokers	972	–	–	–
Net other receivables – subtotal	69,628	9,125	10,355	5,000
Total trade and other receivables	270,013	245,689	10,355	5,000

The expected credit losses (ECL) on the trade receivables and accrued income are based on the simplified approach to measuring expected credit losses (ECL) which uses a lifetime ECL allowance approach for all balances recognised from initial recognition of these assets. The reporting entity has only a few customers and which can be credit risk graded individually and these are recorded at inception net of expected lifetime ECL. For the few customers with large balances the credit risk is graded individually. For these large balances, at the end of the reporting year a loss allowance is recognised if there has been a significant increase in credit risk since initial recognition. No loss allowance was necessary for the large balances. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The ageing of the balance is as follows:

	Gross amount		Loss allowance	
	2023	2022	2023	2022
	\$	\$	\$	\$
Trade receivables:				
Current	8,759	44,335	–	–
1 to 30 days past due	–	–	–	–
31 to 60 days past due	21,600	–	–	–
61 to 90 days past due	5,400	–	–	–
Over 90 days past due	62,205	64,735	–	–
Total	97,964	109,070	–	–

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

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade customers is between 30 days (2022: 30 days).

# Notes to the Financial Statements

30 June 2023

## 16. Trade and other receivables (cont'd)

Concentration of trade receivable customers as at the end of reporting year:

	Group	
	2023	2022
	\$	\$
Top 1 customer	62,100	56,175
Top 2 customers	83,700	93,398
Top 3 customers	91,800	101,958

The group determines concentrations of credit risk by monitoring the customers' profile of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables at the end of the reporting year is as follows:

	2023		2022	
	\$	% of total	\$	% of total
Corporate customers	21,600	22	15,286	14
Individual customers	76,364	78	93,784	86

The other receivables shown above are subject to the expected credit loss (ECL) allowance assessment under the financial reporting standard on financial instruments. The other receivables can be graded for credit risk individually. At inception they are recorded net of any expected 12 month expected credit losses. At the end of the reporting year a loss allowance is recognised if there has been a significant increase in credit risk since initial recognition. For any significant increase or decrease in credit risk an adjustment is made to the loss allowance. The credit risk grade assessed is based on predictive nature of the risk of loss (such as the use of internal and external ratings, audited financial statements, management accounts and cash flow projections and available published information about debtors that is available without undue cost or effort) and applying experienced credit judgement.

Other receivables are normally with no fixed terms and therefore there is no maturity. Related company other receivables are regarded as of low credit risk if they are guaranteed by the parent or a related company with the ability to settle the amount.

## 17. Other non-financial assets

	Group	
	2023	2022
	\$	\$
Prepayments	16,477	35,070

# Notes to the Financial Statements

30 June 2023

## 18. Cash and cash equivalents

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Cash and cash equivalents	7,667,740	3,527,720	1,680,970	520,729

The weighted average effective interest rates for the cash balances is 0.02% to 1.94% (2022: 0.01% to 0.16%) per annum.

Certain customer cash accounts were held in trust for customers through segregated escrow bank accounts amounting to \$27,617,053 (2022: \$31,654,050). The cash balances held by the reporting entity are not available for use by the reporting entity. The contractual terms and conditions and economic substance of the arrangements for holding customer money is not a resource controlled by the reporting entity and did not confer a right that has the potential to produce economic benefits to the reporting entity. As such, the entity did not record the customers' money as an asset or the corresponding liability.

## 18A. Reconciliation of liabilities arising from financing activities

	2022	Cash flows	Non-cash changes	2023
	\$	\$	\$	\$
Lease liabilities	24,580	(102,977)	797,875 <sup>(a)</sup>	719,478
Total liabilities from financing activities	24,580	(102,977)	797,875	719,478

	2021	Cash flows	non-cash changes	2022
	\$	\$	\$	\$
Lease liabilities	34,889	(10,309)	–	24,580
Total liabilities from financing activities	34,889	(10,309)	–	24,580

<sup>(a)</sup> Arising from recognition of right-of-use assets. See Note 22.



# Notes to the Financial Statements

30 June 2023

## 19. Other financial assets

	Group	
	2023	2022
	\$	\$
Balance is made up of:		
Investments at FVTPL	2,401,750	–

## 19A. Movements in balances

	2023	2022
	\$	\$
Movements during the year:		
Fair value at beginning of the year	–	–
Additions	2,401,750	–
Fair value at end of the year	2,401,750	–

## 19B. Disclosures relating to investments in FVTPL

The information gives a summary of the investment portfolio including Level 1, 2 and 3 securities:

	Level	2022	2021
		\$	\$
<b>Financial assets:</b>			
Singapore government treasury bills	1	1,491,621	–
Debt assets investments – commercial paper	1	910,129	–
		2,401,750	–

There were no transfers between Level 1, 2 and 3 of the fair value hierarchy during the year.

Ratings of investments in FVTPL:

	2023	2022
	\$	\$
Balances with investment grade credit rating with one or more reputable rating agencies	1,491,621	–
Not rated	910,129	–
Fair value at end of the year	2,401,750	–

Sensitivity analysis for price risk:

The investments are exposed to market price risk arising from uncertainties about future values of the investment securities.

# Notes to the Financial Statements

30 June 2023

## 19. Other financial assets (cont'd)

### 19B. Disclosures relating to investments in FVTPL (cont'd)

Sensitivity analysis: The effect is as follows:

	<b>2023</b>
	<b>\$</b>
A 10% increase market price of debt securities would have had a favourable effect on net assets attributable to holders of participating shares of	<u>240,175</u>

For similar price decreases in the fair value of the above financial assets, there would have been comparable impacts in the opposite direction.

The change in basis points is based on observable market data.

## 20. Financial assets – derivatives

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Derivatives not designated as hedging instruments:		
Call option asset	<u>287,000</u>	<u>–</u>
Movements during the year:		
At beginning of the year	–	–
Additions	326,000	–
Fair value loss on financial asset through profit or loss (Note 6)	(39,000)	–
At end of the year	<u>287,000</u>	<u>–</u>

Details of the call option are included in Note 26. The fair value of the call option was estimated using the Black-Scholes pricing model.

Sensitivity analysis: The effect is as follows:

	<b>2023</b>
	<b>\$</b>
A 10% increase market price of derivative would have had a favourable effect on net assets attributable to holders of participating shares of	<u>28,700</u>

For similar price decreases in the fair value of the above derivative financial assets, there would have been comparable impacts in the opposite direction.

# Notes to the Financial Statements

30 June 2023

## 21. Share capital

Group and Company	Number of shares issued	Share capital \$
Ordinary shares of no par value:		
Balance at 1 July 2021, 30 June 2022 and 2023	8,758,080	2,736,900

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

### Capital management:

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

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital. There are no significant external borrowings. The debt-to-adjusted capital ratio does not provide a meaningful indicator of the risk of borrowing.

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

The group's wholly owned subsidiary is required to comply with the risk-based capital ratio requirements prescribed under the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations. The subsidiary met these requirements.

# Notes to the Financial Statements

30 June 2023

## 22. Lease liabilities and right-of-use assets

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

	Group	
	2023	2022
	\$	\$
Lease liabilities, current	151,241	10,569
Lease liabilities, non-current	568,237	14,011
	719,478	24,580

Lease for right-to-use asset - The reporting entity has leases relating to office spaces and office equipment. Other information about the leasing activities are summarised as follows: the lease prohibits the lessee from selling or pledging the underlying leased asset as security unless permitted by the owner. There are no variable payments linked to an index. The leases are for terms between 3 to 5 years. There are options to extend the leases for a further term.

Group	Office space \$	Office equipment \$	Total \$
<b>Cost:</b>			
At 1 July 2021 and 30 June 2022	–	54,749	54,749
Additions	772,329	44,104	816,433
Disposals	–	(54,749)	(54,749)
At 30 June 2023	772,329	44,104	816,433
<b>Accumulated depreciation:</b>			
At 1 July 2021	–	(22,271)	(22,271)
Depreciation for the year	–	(11,135)	(11,135)
At 30 June 2022	–	(33,406)	(33,406)
Depreciation for the year	(102,977)	(9,399)	(112,376)
Disposal	–	36,191	36,191
At 30 June 2023	(102,977)	(6,614)	(109,591)
<b>Carrying value:</b>			
At 1 July 2021	–	32,478	32,478
At 30 June 2022	–	21,343	21,343
At 30 June 2023	669,352	37,490	706,842

There are restrictions or covenants imposed by the leases to sublet the asset to another party. Unless permitted by the owner, the leases prohibit the lessee from selling or pledging the underlying leased assets as security; require insurance; require maintenance fees on the right-of-use assets; provide terms for: either non-cancellable or may only be cancelled by incurring a substantive termination fee; some leases contain an option to purchase the underlying leased asset outright at the end of the lease; extension of the leases for a further term; require those assets in a good state of repair. For leases over properties the leases require the return the properties in their original condition at the end of the lease.

# Notes to the Financial Statements

30 June 2023

## 22. Lease liabilities and right-of-use assets (cont'd)

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

Lease liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default.

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

A summary of the maturity analysis of lease liabilities is disclosed in Note 28E. Total cash outflows from leases are shown in the statement of cash flows.

The weighted average incremental borrowing rate applied to lease liabilities recognised was 5.66% (2022: 2.50%) per annum.

## 23. Trade and other payables

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Trade payables</b>				
Outside parties and accrued liabilities	509,680	445,156	200,720	157,441
Trade payables - subtotal	509,680	445,156	200,720	157,441
<b>Other payables</b>				
Outside parties	14,253	7,255	–	114
Deferred income	20,000	–	–	–
Other payables - subtotal	34,253	7,255	–	114
Total trade and other payables	543,933	452,411	200,720	157,555

# Notes to the Financial Statements

30 June 2023

## 24. Other non-financial liabilities

	Group	
	2023	2022
	\$	\$
The amount is made up of:		
Advanced trustee services billings	235,986	228,179

The movements in contract liabilities are as follows:

	Group	
	2023	2022
	\$	\$
At beginning of the year	228,179	231,864
Consideration received or receivable	235,986	228,179
Performance obligation satisfied – revenue recognised	(228,179)	(231,864)
At end of the year	235,986	228,179

## 25. Provisions

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Provision for earn-out <sup>(a)</sup>	352,930	–	352,930	–
Provision for reinstatement costs <sup>(b)</sup>	34,393	–	–	–
	387,323	–	352,930	–

The movements of provisions are as follows:

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
Balance at beginning of the year	–	–	–	–
Additions	387,323	–	352,930	–
Balance at end of the year	387,323	–	352,930	–

<sup>(a)</sup> The sales and purchase agreement for the acquisition of PreceptsGroup International Pte. Ltd. (“Precepts”) provides for an “earn-out” arrangement upon the achievement of certain performance targets of Precepts for the financial years 31 December 2022 and 31 December 2023. See Note 26.

<sup>(b)</sup> The provision is based on the present value of costs to be incurred to remove the leasehold improvements from leased property. The estimate is based on quotations from external contractors.

# Notes to the Financial Statements

30 June 2023

## 26. Acquisition of interest in associate

On 5 April 2023, the Group acquired 35% of the issued and paid-up share capital of PreceptsGroup International Pte. Ltd. ("Precepts"), with a European Call Option (the "Call Option") granted to the Group to purchase an additional 30% of the issued and paid-up share capital of Precepts to the Group at date of exercise of the Call Option.

The consideration transferred is as follows:

	<b>Group 2023 \$</b>
Cash paid	1,750,000
Additional consideration <sup>(#a)</sup>	350,000
Fair value of call option <sup>(#b)</sup>	<u>(326,000)</u>
Total consideration	1,774,000
Less: fair value of identifiable net assets acquired	<u>(540,611)</u>
Provisional goodwill	<u>1,233,389</u>

<sup>(#a)</sup> This is for the contingent liability payable consideration arrangements with the vendor. The sales and purchase agreement for the acquisition of PreceptsGroup International Pte. Ltd. ("Precepts") provides for an "earn-out" arrangement upon the achievement of certain performance targets of Precepts for the financial years 31 December 2022 and 31 December 2023. The acquirer is required to pay an additional consideration of up to \$350,000 to the vendor should these targets be met.

The above liability amount recognised is the measured fair value (Level 3) of this arrangement at the acquisition date. Subsequent adjustments to the consideration are recognised against the cost of the acquisition only to the extent that they arise from new information obtained within the measurement period of not more than twelve months about the fair value at the date of acquisition. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

<sup>(#b)</sup> The call option is exercisable within 6 months upon the receipt of the 31 December 2024 ("FY2024") audited financial statements of Precepts. The exercise price is equivalent to 30% of the relevant valuation of Precepts ("Call Option Price"), which is the amount equivalent to 6.5 times of the average of Precepts earnings before interest, tax, depreciation and amortization expense (including all revenue and reflecting rental expenses) ("EBITDA") based on the audited financial statements of Precepts for FY2022 to FY2024.

The fair value of the call option was estimated using the Black-Scholes pricing model (Level 3) and the following assumptions were used.

	<b>Group and Company 2023</b>
Share price per share (S\$)	1,490,000
Exercise price per share (S\$)	1,650,000
Risk-free annual interest rates	2.67% to 2.98%
Volatility expected	34.42% to 34.51%
Annualized dividend yield on stock	1.01%
Expected option term of years	<u>2.34 – 2.57</u>

There were no transfers between Level 1, 2 and 3 of the fair value hierarchy during the year.

# Notes to the Financial Statements

30 June 2023

## 27. Contingent liabilities

During the reporting year, there was a claim commenced by certain beneficiaries of an indenture of Settlement dated 10 September 1921 made between the settlor and various supplemental indentures (the “claimants”). The claimants alleged that the subsidiary of the Group, British and Malayan Trustees Limited (“BMT”) had breached its trustee’s duties in administration of the settlement. Amongst others, the claimants seek an order for BMT to be made personally liable for sums which were underpaid to the claimants and the represented beneficiaries from May 2014 onwards as a result of mistaken construction of the settlement deed applied by BMT since 2001.

BMT maintains that it has acted in accordance with its duties as a trustee and that there is no basis for the claimants’s claim. BMT has sought legal advice on the matter and is defending the claim. As at 30 June 2023, no provision for contingent liabilities was deemed necessary.

## 28. Financial instruments: information on financial risks

### 28A. Categories of financial assets and liabilities

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

	Group		Company	
	2023	2022	2023	2022
	\$	\$	\$	\$
<b>Financial assets:</b>				
Financial assets at amortised cost	7,835,332	3,645,915	1,691,325	525,729
Financial assets at FVTPL	2,688,750	–	287,000	–
At end of the year	10,524,082	3,645,915	1,978,325	525,729
<b>Financial liabilities:</b>				
Financial liabilities at amortised cost	1,263,411	476,991	200,720	157,555
At end of the year	1,263,411	476,991	200,720	157,555

Further quantitative disclosures are included throughout these financial statements.



# Notes to the Financial Statements

30 June 2023

## 28. Financial instruments: information on financial risks (cont'd)

### 28B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate and currency risk exposures. Management has certain practices for the management of financial risks. The following guidelines are followed:

1. Minimise interest rate, currency 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 (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following acceptable market practices.

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

### 28C. Fair value of financial instruments

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

### 28D. Credit risk on financial assets

Financial assets are principally from cash balances with banks, cash equivalents, receivables and other financial assets at amortised cost. They are potentially subject to credit risk due to failures by counterparties to discharge their obligations in full or in a timely manner. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances and any other financial instruments with banks and other financial institutions is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses (ECL) on financial assets, the general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the ECL allowance. Under this general approach the financial assets move through the three stages as their credit quality change. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. However, for trade receivables that do not contain a significant financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a significant financing component, the reporting entity applies the simplified approach in calculating ECL as is permitted by the financial reporting standard on financial instruments. Under the simplified approach, the reporting entity does not track changes in credit risk, but instead recognises the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life at each reporting date.

# Notes to the Financial Statements

30 June 2023

## 28. Financial instruments: information on financial risks (cont'd)

### 28D. Credit risk on financial assets (cont'd)

For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

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

### 28E. Liquidity risk – financial liabilities maturity analysis

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

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

<u>Group</u>	<b>Less than 1 year \$</b>	<b>1 – 3 years \$</b>	<b>4 – 5 years \$</b>	<b>Total \$</b>
Non-derivative financial liabilities:				
<b>2023:</b>				
Gross lease liabilities	186,480	559,440	61,360	807,280
Trade and other payables	543,933	–	–	543,933
At end of the year	<u>730,413</u>	<u>559,440</u>	<u>61,360</u>	<u>1,351,213</u>
<b>2022:</b>				
Gross lease liabilities	11,040	14,200	–	25,240
Trade and other payables	452,411	–	–	452,411
At end of the year	<u>463,451</u>	<u>14,200</u>	<u>–</u>	<u>477,651</u>

# Notes to the Financial Statements

30 June 2023

## 28. Financial instruments: information on financial risks (cont'd)

### 28E. Liquidity risk – financial liabilities maturity analysis (cont'd)

<u>Company</u>	<u>Less than 1 year \$</u>	<u>1 – 3 years \$</u>	<u>Total \$</u>
Non-derivative financial liabilities:			
<b>2023:</b>			
Trade and other payables	200,720	–	200,720
At end of the year	200,720	–	200,720
<b>2022:</b>			
Trade and other payables	157,555	–	157,555
At end of the year	157,555	–	157,555

### 28F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position. The interest from financial assets including cash balances is not significant.

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

	<u>2023 \$</u>	<u>2022 \$</u>
Financial assets with interest:		
Fixed rates	2,401,750	–
Total at end of the year	2,401,750	–

# Notes to the Financial Statements

30 June 2023

## 28. Financial instruments: information on financial risks (cont'd)

### 28G. Foreign currency risk

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

Analysis of amounts denominated in non-functional currency:

Group:	US dollars \$
<b>2023:</b>	
<b>Financial assets:</b>	
Cash	47,480
Total financial assets	<u>47,480</u>
<b>2022:</b>	
<b>Financial assets:</b>	
Cash	47,277
Total financial assets	<u>47,277</u>

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

Sensitivity analysis:

	Group	
	2023	2022
	\$	\$
A hypothetical 10% strengthening in the exchange rate of the functional currency Singapore dollars against US dollars would have a favourable effect on pre-tax profit of	<u>4,748</u>	<u>4,728</u>

# Notes to the Financial Statements

30 June 2023

## 29. Changes and adoption of financial reporting standards

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

SFRS (I) No.	Title
SFRS (I) 1-16	Property, Plant and Equipment: Proceeds before Intended Use – Amendments to
Various	Annual Improvements to SFRS (I)s 2018-2020 - Amendments to SFRS(I) 1 First-time Adoption of SFRS(I); IFRS 9 Financial Instruments and SFRS(I) 16 Leases

## 30. New or amended standards in issue but not yet effective

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

SFRS (I) No.	Title	Effective date for periods beginning on or after
SFRS (I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 January 2024
SFRS (I) 1-1	Disclosure of Accounting Policies - Amendments to SFRS (I) 1-1 and SFRS (I) Practice Statement 2 Making Materiality Judgements	1 January 2023
SFRS (I) 1-8	Definition of Accounting Estimates - Amendments to the Conceptual Framework for Financial Reporting	1 January 2023

# Shareholding Statistics

As at 17 August 2023

<b>Number of Issued Shares</b>	:	8,758,080
<b>Class of shares</b>	:	Ordinary Shares
<b>Voting rights</b>	:	One vote per share
<b>Treasury shares</b>	:	Nil

## DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	Number of Shareholders	Percentage of Shareholders (%)	Number of Shares Held	Percentage of Shares Held (%)
1 - 99	6	7	240	0.00
100 - 1,000	45	50	22,860	0.26
1,001 - 10,000	21	23	72,204	0.82
10,001 - 1,000,000	16	18	915,770	10.46
1,000,001 - and above	2	2	7,747,006	88.46
<b>Total</b>	<b>90</b>	<b>100</b>	<b>8,758,080</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

	Name of Shareholders	Number of Shares	Percentage of Shareholdings (%)
1	The Nyalas Rubber Estates Ltd	6,147,294	70.19
2	Estate of Sat Alsagoff, Deceased	1,599,712	18.27
3	Chan Wing Cheng	262,742	3.00
4	Lim Guan Chiang	115,200	1.32
5	Lim Guan Teck Victor	115,200	1.32
6	Catzavelos Peter John	96,000	1.10
7	Lee Ah Bah @ Ong Kee	81,800	0.93
8	Teo Guat Hui	43,500	0.50
9	HSBC (Singapore) Nominees Pte Ltd	32,000	0.37
10	Est of Tan Hin Jin, Dec'd	32,000	0.37
11	Alwee Alkaff	28,800	0.33
12	DBS Nominees Pte Ltd	23,600	0.27
13	Wong Cecil Vivian Richard	16,128	0.18
14	Lee Thor Seng	14,400	0.16
15	Tan Hiang Lee	14,400	0.16
16	Tan Sieu Lee Amelia	14,400	0.16
17	Raffles Nominees (Pte) Ltd	13,600	0.16
18	Khoo Thomas Clive	12,000	0.14
19	OCBC Securities Pte Ltd	6,500	0.07
20	Heng Boon Liat Brian	6,000	0.07
		<b>8,675,276</b>	<b>99.07</b>

# Shareholding Statistics

As at 17 August 2023

## SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
The Nyalas Rubber Estates Ltd	6,147,294 <sup>(1)</sup>	70.19	–	–
Estate of Sat Alsagoff, Deceased	1,599,712	18.27	–	–
Lee Yung Shih Colin	–	–	6,161,694 <sup>(2)</sup>	70.35
Lee Chung Shih Justin	–	–	6,161,694 <sup>(3)</sup>	70.35

### Note:

<sup>(1)</sup> The Nyalas Rubber Estates Ltd. acquired all of the Shares previously owned by BMT Investment Holdings Pte Ltd (and held on their behalf by Citibank Noms Singapore Pte Ltd) pursuant to a share purchase agreement dated 13 May 2016, and the transfer upon completion thereof was recorded by the Registrar of the Company on 23 September 2016.

<sup>(2)</sup> Mr Lee Yung Shih Colin is deemed interested in the shares held by The Nyalas Rubber Estates Ltd and Mr Lee Thor Seng.

<sup>(3)</sup> Mr Lee Chung Shih Justin is deemed interested in the shares held by The Nyalas Rubber Estates Ltd and Mr Lee Thor Seng.

## PUBLIC FLOAT

Based on Shareholders' Information as at 17 August 2023 and to the best knowledge of the Directors, approximately 11.38% of the total numbers of issued ordinary shares of the Company is held by the public.

# BRITISH AND MALAYAN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

Company Registration No.: 201632914Z

## IMPORTANT:

- For investors who have used their CPF monies to buy British and Malayan Holdings Limited' shares, the Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
- A Relevant Intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see Note 3 for the definition of "Relevant Intermediary").
- This Proxy Form is not valid for use by CPF investors and SRS investors and shall be ineffective for all intents and purported to be used by them.

## PERSONAL DATA PRIVACY

By submitting this proxy form, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 12 September 2023.

## PROXY FORM

\*I/We \_\_\_\_\_ (Name)

\*NRIC/Passport No./Co. Registration No. \_\_\_\_\_

of \_\_\_\_\_ (Address)

being a \*member/members of the Company, hereby appoint

Name	NRIC/Passport No.	Proportion of Shareholdings to be represented by proxy	
		No. of Shares	%
Address:			

and/or

Name	NRIC/Passport No.	Proportion of Shareholdings to be represented by proxy	
		No. of Shares	%
Address:			

or \*the Chairman of the Annual General Meeting of the Company ("AGM") as \*my/our \*proxy/proxies to vote for \*me/us on \*my/our behalf at the AGM to be held at the Board Room of British and Malayan Holdings Limited at 1 Coleman Street, #06-11 The Adelphi, Singapore 179803 on Wednesday, 27 September 2023 at 2:30 p.m. and at any adjournment thereof.

I/We\* direct my/our\* proxy/proxies to vote for or against or abstain from voting on the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, in respect of a resolution, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion. Where the Chairman of the AGM is appointed as proxy and in the absence of specific directions as to voting is given, the appointment of the Chairman of the AGM as proxy will be treated as invalid.

The Ordinary Resolutions put to the vote at the AGM shall be decided by way of poll.

No.	Ordinary Resolutions	No. of votes For <sup>#</sup>	No. of votes Against <sup>#</sup>	No. of votes Abstain <sup>#</sup>
1.	To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2023 together with the Directors' Statement and the Independent Auditor's Report thereon.			
2.	To re- elect Mr Ng Kwan Meng as Director.			
3.	To re-elect Mrs Elizabeth Hart as Director.			
4.	To re-elect Mr Nagaraj Sivaram as Director.			
5.	To approve the payment of Directors' fees of S\$150,000 for the financial year ending 30 June 2024, to be paid quarterly in arrears.			
6.	To re-appoint Messrs RSM Chio Lim LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
7.	To authorise Directors to allot and issue shares.			
8.	To authorise Directors to allot and issue shares under British and Malayan Holdings Employee Share Option Scheme and British and Malayan Holdings Performance Share Plan.			

<sup>#</sup> If you wish for your proxy to cast all your votes "For" or "Against" a resolution, please indicate (X) or (√) within the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish for your proxy to abstain from voting on that resolution, please indicate (X) or (√) within the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of votes that your proxy is directed to abstain from voting in the "Abstain" box provided in respect of that resolution.

\* Delete accordingly.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Total number of shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

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

**IMPORTANT.** Please read notes overleaf.



## Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this proxy form shall be deemed to relate to all the shares held by you.
2. A proxy need not be a member of the Company. A member of the Company (who is not a Relevant Intermediary) may appoint not more than two proxies to attend and vote at the general meeting of the Company. Where a member appoints two proxies, he/she/it shall specify the proportion of his/her/its shares (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
3. A member who is a **Relevant Intermediary\*** is entitled to appoint more than two proxies to attend and vote at the meeting. He shall specify the proportion of his shares (expressed as a percentage of the whole) to be represented by each proxy.

### **\*Relevant Intermediary is:**

- (a) *a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who hold shares in that capacity; or*
  - (b) *a person holding a capital markets services license to provide a custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or*
  - (c) *the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.*
4. A corporation which is a member may appoint an authorised representative or representatives in accordance with Section 179 of the Companies Act 1967 of Singapore to attend and vote for and on behalf of such corporation.
  5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or signed on its behalf by an officer or attorney duly authorised in writing.
  6. Where an instrument appointing a proxy is signed on behalf of the appointor by the attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
  7. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 1 Coleman Street, #06-11 The Adelphi, Singapore 179803 or email to [angela.ho@bmtrust.com](mailto:angela.ho@bmtrust.com), not less than seventy-two (72) hours before the time appointed for holding the Annual General Meeting. Members are strongly encouraged to submit completed proxy forms electronically via email.
  8. CPF and SRS Investors who wishes to vote at the AGM should approach their respective agent banks to submit their votes at least seven (7) working days before the date of the AGM (i.e. by 2.30 p.m. on 18 September 2023). CPF and SRS Investors are requested to contact their respective agent banks for any queries they may have with regard to the appointment of proxy/proxies for the AGM.
  9. In the case of joint shareholders, all shareholders must sign the instrument appointing a proxy or proxies.
  10. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse the admission of any person or persons appointed under the instrument of proxy, to the Annual General Meeting.
  11. 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 shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such member(s) are not shown to have shares entered against his/her/their name(s) in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.
  12. 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/her name appears on the Depository Register 72 hours before the time appointed for the Annual General Meeting.

## Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the members accept and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 12 September 2023.

BRITISH AND MALAYAN HOLDINGS LIMITED

Company Registration Number 201632914Z

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