

BRITISH AND MALAYAN TRUSTEES LIMITED

(Company Registration No.: 192400010M)

(Incorporated in Singapore)

ANNOUNCEMENT

**PROPOSED CORPORATE RESTRUCTURING OF BRITISH AND MALAYAN TRUSTEES LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 210 OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE**

1. INTRODUCTION

- 1.1 Restructuring.** The board of directors (the "**Board**" or the "**Directors**") of British and Malayan Trustees Limited (the "**Company**") wishes to announce the proposed corporate restructuring of the Company (the "**Restructuring**") by way of a scheme of arrangement (the "**Scheme**"), in accordance with Section 210 of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"). Pursuant to the Restructuring, it is proposed that a new holding company, British and Malayan Holdings Limited ("**NewCo**"), will be interposed between the shareholders of the Company (the "**Shareholders**") and the Company through the acquisition by NewCo of all the issued and paid-up ordinary shares in the capital of the Company (the "**Shares**") in exchange for new ordinary shares in NewCo (the "**NewCo Shares**") on a one-for-one basis.
- 1.2 Delisting of the Company and Listing of NewCo.** Following the completion of the Restructuring, subject to the approval of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Company will become a wholly-owned subsidiary of NewCo and be delisted from the Official List of the SGX-ST, followed by the listing and quotation of the NewCo Shares on the Mainboard of the SGX-ST.

2. INFORMATION ON THE COMPANY AND NEWCO

- 2.1 The Company.** The Company is a public company limited by shares incorporated in Singapore on 19 March 1924 and whose Shares are listed on the Mainboard of the SGX-ST. The Company is regulated by the Monetary Authority of Singapore (the "**MAS**") and holds a capital markets services licence under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**") as well as a trust business licence under the Trust Companies Act, Chapter 336 of Singapore (the "**TCA**"), and is an approved trustee approved under Section 289 of the SFA. The Company has been providing trust services to families, companies, financial institutions, charities and high net worth individuals from its home in Singapore since 1924. As a pioneer member of the SGX-ST, the Company is uniquely positioned as a licenced independent trust company offering the stability and flexibility to meet bespoke needs of clients. The Company is a full service Singapore based trust company assisting clients globally.

As at the date of this Announcement (the "**Announcement Date**"), the Company has an issued and paid-up share capital of S\$2,736,900, comprising 8,758,080 Shares. The Company does not have any Shares held in treasury.

As at the Announcement Date, the Board comprises the following:

- (i) Mr. Lee Yung Shih Colin (Non-Executive Chairman);
- (ii) Mr. James William Cox (Executive Director and Chief Executive Officer);
- (iii) Mr. Lee Boon Huat (Independent Non-Executive Director);
- (iv) Mr. Ng Kwan Meng (Independent Non-Executive Director); and
- (v) Mr. Soh Chung Hian (Independent Non-Executive Director).

- 2.2 NewCo.** NewCo is a public company limited by shares incorporated in Singapore on 2 December 2016 with an issued and paid-up share capital of S\$2.00, comprising two NewCo Shares held by Mr. Paul Martin Pavey (the "**NewCo Interim Shareholder**"), the Chief Operating Officer / Chief Financial Officer of the Company and one of the Company Secretaries of the Company as at the Announcement Date. Upon completion of the Restructuring, the principal activity of NewCo will be that of a holding company. The Company will become a wholly-owned subsidiary of NewCo and will continue to operate its existing businesses.

As at the Announcement Date, the board of directors of NewCo comprises Mr. Lee Yung Shih Colin, Mr. Lee Boon Huat, Mr. Ng Kwan Meng and Mr. Soh Chung Hian, all of whom are existing Directors.

It is currently contemplated that Mr. James William Cox, the remaining existing Director, will also be appointed as a director of NewCo on or prior to the date on which the Scheme, if approved, becomes effective in accordance with its terms (the "**Effective Date**").

3. THE RESTRUCTURING

3.1 The Scheme. Under the Scheme:

- (i) all the Shares held by the Shareholders as at a books closure date to be announced by the Company (the "**Entitled Shareholders**") on which the Transfer Books and the Register of Members of the Company will be closed in order to determine the entitlements of the Shareholders in respect of the Scheme (the "**Books Closure Date**") will be transferred to NewCo:
 - (a) fully paid-up;
 - (b) free from all liens, equities, mortgages, charges, encumbrances, security interests, hypothecations, easements, pledges, title retention, trust arrangement, hire purchase, judgment, preferential right, rights of pre-emption and other rights or interests conferring security or similar rights in favour of a third party ("**Encumbrances**"); and
 - (c) together with all rights, benefits and entitlements as at the Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, announced or paid by the Company on or after the Announcement Date, save for any dividends that may be declared, announced or paid by the Company prior to the Books Closure Date;
- (ii) subject to paragraphs 3.1(iii) and 9 below, in consideration for the transfer of the Shares held by the Entitled Shareholders, each of the Entitled Shareholders will be entitled to receive one NewCo Share to be allotted and issued by NewCo in

exchange for each Share owned by him and transferred to NewCo, such NewCo Shares to be duly authorised, validly issued, credited as fully paid-up, free from any Encumbrances and shall rank *pari passu* in all respects with one another as well as with the two existing issued NewCo Shares held by the NewCo Interim Shareholder (the "Share Exchange"); and

- (iii) the NewCo Interim Shareholder will transfer the two existing issued NewCo Shares to The Nyalas Rubber Estates Limited, an existing Shareholder (the "Undertaking Shareholder"), fully paid-up and free from any Encumbrances, as part of such Undertaking Shareholder's entitlement to receive NewCo Shares under the Share Exchange, with a corresponding reduction of two NewCo Shares to be allotted and issued by NewCo to such Undertaking Shareholder under the Share Exchange.

3.2 Irrevocable Undertaking. In this regard, the Undertaking Shareholder has given an irrevocable undertaking to the Company to, *inter alia*, waive its rights to receive two NewCo Shares out of its total entitlement of NewCo Shares under the Share Exchange (the "Irrevocable Undertaking"). Accordingly, based on the 6,147,294 Shares held by the Undertaking Shareholder as at the Announcement Date, 6,147,292 new NewCo Shares will be allotted and issued by NewCo to the Undertaking Shareholder under the Share Exchange.

3.3 Scheme Document. Further information on the Scheme and the terms and conditions upon which the Scheme will be implemented by the Company and NewCo will be set out in the document to be issued by the Company to the Shareholders containing, *inter alia*, details of the Scheme (the "Scheme Document").

3.4 Employee Share Option Scheme and Performance Share Plan. Subject to, *inter alia*, the approval of the Shareholders being obtained at the extraordinary general meeting of the Company to be held following the conclusion of the Court Meeting (as defined below) and the Scheme being effective, NewCo proposes to adopt and implement an employee share option scheme and a performance share plan (the terms of which are to be finalised and approved), with effect from the Effective Date. Further information on the proposed employee share option scheme and the proposed performance share plan will be set out in the Scheme Document.

3.5 Delisting of the Company and Listing of NewCo. Following the completion of the Restructuring, the Company will become a wholly-owned subsidiary of NewCo, and will, subject to the approval of the SGX-ST, be delisted from the Official List of the SGX-ST. Thereafter, subject to the approval of the SGX-ST, the NewCo Shares will be listed and quoted on the Mainboard of the SGX-ST.

4. SCHEME CONDITIONS

4.1 Scheme Conditions. The Scheme will be subject to and conditional upon the satisfaction or waiver (as the case may be) of, *inter alia*, the following conditions precedent:

- (i) **Regulatory Approvals:** all consents, authorisations, approvals or waivers from any court of competent jurisdiction or government or governmental, semi-governmental, administrative, regulatory, fiscal or judicial agency, authority, body, commission, department, exchange, tribunal or entity in Singapore or otherwise ("Governmental Agencies") necessary or desirable to implement the Scheme and/or the Restructuring having been obtained, and not having been withdrawn or revoked on or before the date falling on the business day immediately preceding the Effective Date (the "Record Date"), including the following:

- (a) the approval of the MAS for the Restructuring under Section 97A of the SFA and Section 17 of the TCA (the "**MAS Restructuring Approval**");
 - (b) a declaration from the MAS that, pursuant to Section 273(5) of the SFA, Subdivisions (2) and (3) of Division 1 of Part XIII of the SFA (other than Section 257 of the SFA) shall not apply to the offer of NewCo Shares made to the Shareholders pursuant to the Share Exchange, for a period of six months from the date of the declaration and subject to any conditions as may be imposed by the MAS which are acceptable to the Company and NewCo (the "**MAS Declaration**");
 - (c) a confirmation from the SGX-ST that the provisions relating to the new listing requirements and delisting requirements under Chapter 2 and Chapter 13 of the Listing Manual of the SGX-ST ("**Listing Manual**") respectively will not apply to the Restructuring and the Scheme (the "**SGX-ST Confirmation**"); and
 - (d) the approval-in-principle from the SGX-ST for the Scheme, the Scheme Document and the listing and quotation of all the NewCo Shares (the "**SGX-ST Approval**");
- (ii) **Authorisations:** in addition to the approvals mentioned in sub-paragraph (i) above:
- (a) in relation to NewCo, all authorisations, consents, clearances, permissions and approvals as are necessary or required (for or in respect of the Restructuring and the implementation of the Scheme) by NewCo under any and all applicable laws from all Governmental Agencies or third parties; and
 - (b) in relation to the Company, all authorisations, consents, clearances, permissions and approvals as are necessary or required (for or in respect of the Restructuring and the implementation of the Scheme) by the Company under any and all applicable laws from all Governmental Agencies or third parties,
- (collectively, the "**Authorisations**") having been obtained prior to the Record Date, and not having been withdrawn or revoked (if applicable) on or before the Record Date and if any of such Authorisations is subject to any conditions or requires any actions or obligations to be taken or performed, all such actions or obligations having been duly taken or performed on or prior to the Record Date save where the failure to obtain any such Authorisation, the withdrawal or revocation of any such Authorisation, or the failure to meet any such condition or take any such action or perform any such obligation in relation to such Authorisation would not have a material effect on NewCo or the Company;
- (iii) **Shareholders' Approval:** the approval of the Scheme by a majority in number of Shareholders present and voting, either in person or by proxy, at a meeting of the Shareholders to be convened by the High Court of the Republic of Singapore (the "**Court**") to approve the Scheme (the "**Court Meeting**"), such majority holding not less than three-fourths in value of the Shares held by the Shareholders present and voting either in person or by proxy at the Court Meeting, in compliance with the requirements under Section 210(3) of the Companies Act;

- (iv) **Court Order:** assuming the approval in sub-paragraph (iii) above is obtained, the sanction of the Scheme by the Court being granted by way of an order of the Court (the "Court Order") and such Court Order having become final;
- (v) **ACRA Lodgement:** the lodgement of the Court Order with the Accounting and Corporate Regulatory Authority of Singapore pursuant to Section 210(5) of the Companies Act; and
- (vi) **No Legal or Regulatory Restraint:** between the Announcement Date and up to the Record Date, no injunction or other order, legal or regulatory restraint, prohibition or condition preventing the consummation of the Restructuring or the implementation of the Scheme (or the proposed transactions relating to the Scheme) having been issued by any Governmental Agency or by any court of competent jurisdiction and remaining in effect as at the Record Date.

4.2 Regulatory Approvals

- (i) **MAS Restructuring Approval.** The approval-in-principle of the MAS for the commencement of the Restructuring pursuant to Section 97A of the SFA was granted on 11 August 2015, subject to the following conditions:
 - (a) the MAS' formal approval under Section 97A of the SFA being granted prior to the Effective Date; and
 - (b) the MAS' prior approval for NewCo to become a controller of the Company pursuant to Section 17 of the TCA being granted.

The MAS has subsequently granted the abovementioned approvals on 31 March 2017. Accordingly, the condition set out in paragraph 4.1(i)(a) above in relation to the MAS Restructuring Approval has been satisfied.

- (ii) **MAS Declaration.** The MAS Declaration was granted on 31 March 2017 for a period of six months from 31 March 2017, subject to the following conditions:
 - (a) the shareholders of, and the composition of their shareholdings in, NewCo immediately after the completion of the Restructuring must be the same as that of the Company immediately prior to the completion of the Restructuring; and
 - (b) the Company must issue a shareholders' circular (together with the notice convening the Court Meeting) to all Shareholders containing all relevant information relating to NewCo, the Restructuring and the Scheme (including but not limited to the terms of the Scheme) for the Shareholders' decisions in relation to the Scheme, in accordance with the Listing Manual and any other requirements which may be imposed by the SGX-ST.

Accordingly, the condition set out in paragraph 4.1(i)(b) above in relation to the MAS Declaration has been satisfied.

- (iii) **SGX-ST Confirmation and SGX-ST Approval.** The Company will further make an application to the SGX-ST to seek the SGX-ST Confirmation and the SGX-ST Approval in due course.
- (iv) **Singapore Code on Take-overs and Mergers Not Applicable.** As the Restructuring is a corporate restructuring implemented by way of a scheme of arrangement where there is no change in the effective control of the Company, the

provisions of the Singapore Code on Take-overs and Mergers are not applicable to the Restructuring.

5. RATIONALE FOR THE RESTRUCTURING

The Restructuring is an internal restructuring exercise undertaken by the Company and NewCo to interpose NewCo as a new holding company between the Shareholders and the Company, thereby enabling the Company to:

- (i) align its structure with other similar institutions in the industry through the establishment of a holding company to hold separate subsidiaries for carrying on distinct businesses;
- (ii) have the flexibility of engaging in potential new businesses in the future that the group may wish to carry on or acquire in the future, which can be housed in new subsidiaries held by NewCo instead of within the Company, the regulated entity. As the nature of such potential new businesses may not be the same as the type of businesses currently carried on by the Company, the group considers it more appropriate to house such new businesses under a new holding company instead of the Company; and
- (iii) ring-fence the regulated businesses of the Company from the new ancillary/non-regulated businesses of the group.

There are currently no firm plans as to the new businesses that the group may conduct in the future. The Company and/or NewCo will make an appropriate announcement in the event that there are any material developments.

6. FINANCIAL EFFECTS OF THE RESTRUCTURING

The expenses of approximately S\$294,000 estimated to be incurred in relation to the Restructuring have been accrued in the audited financial statements of the Company for the financial year ended 30 June 2015. Accordingly, there is no change in the net asset value, earnings per share and share capital of the Company and the NewCo group (comprising NewCo and the Company following the completion of the Restructuring) before the completion of the Scheme and upon the completion of the Scheme.

7. SCHEME DOCUMENT

The Scheme Document containing full details of the Scheme and giving notice of the Court Meeting to approve the Scheme will be despatched to Shareholders in due course.

Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information set out in the Scheme Document.

Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

- 8.1 Interests.** Save as disclosed in this Announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Restructuring and the Scheme.

8.2 Directors. The interests of the Directors in the Shares as recorded in the Register of Directors' Shareholdings of the Company as at the Announcement Date are set out below:

Director	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Mr. Lee Yung Shih Colin	-	-	6,161,694 ⁽²⁾	70.35

Notes:

- (1) Based on 8,758,080 Shares as at the Announcement Date and rounded to the nearest two decimal places.
- (2) Mr. Lee Yung Shih Colin is deemed interested in (i) the 6,147,294 Shares held by The Nyalas Rubber Estates Limited and (ii) the 14,400 Shares held by Mr. Lee Thor Seng.

8.3 Controlling Shareholders. The interests of the controlling shareholders in the Shares as recorded in the Register of Substantial Shareholders of the Company as at the Announcement Date are set out below:

Controlling Shareholder	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
The Nyalas Rubber Estates Limited	6,147,294	70.19	-	-
Estate of Sat Alsagoff, Deceased	1,599,712	18.27	-	-
Mr. Lee Yung Shih Colin	-	-	6,161,694 ⁽²⁾	70.35
Mr. Lee Chung Shih Justin	-	-	6,161,694 ⁽³⁾	70.35

Notes:

- (1) Based on 8,758,080 Shares as at the Announcement Date and rounded to the nearest two decimal places.
- (2) Mr. Lee Yung Shih Colin is deemed interested in (i) the 6,147,294 Shares held by The Nyalas Rubber Estates Limited and (ii) the 14,400 Shares held by Mr. Lee Thor Seng.
- (3) Mr. Lee Chung Shih Justin is deemed interested in (i) the 6,147,294 Shares held by The Nyalas Rubber Estates Limited and (ii) the 14,400 Shares held by Mr. Lee Thor Seng.

9. OVERSEAS SHAREHOLDERS

This Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Announcement in any jurisdiction in contravention of applicable law.

The applicability of the Scheme to Shareholders whose addresses are outside Singapore, as shown on the Register of Members of the Company or in the records of The Central Depository (Pte) Limited, as the case may be (each, an "Overseas Shareholder"), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Where there are potential restrictions on sending the Scheme Document to any overseas jurisdiction, each of the Company and/or NewCo reserves the right not to send such documents to the Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Shareholders (including the Overseas Shareholders), including those to whom the Scheme Document will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

Overseas Shareholders who are in doubt about their positions should consult their own professional advisers in the relevant jurisdictions.

Further details in relation to Overseas Shareholders will be contained in the Scheme Document.

10. DOCUMENTS FOR INSPECTION

A copy of the Irrevocable Undertaking will be made available for inspection during normal business hours at the registered offices of the Company and NewCo at 1 Coleman Street, #08-01 The Adelphi, Singapore 179803, for a period of three months from the Announcement Date or up to the Effective Date, whichever is later.

By ORDER OF THE BOARD

Paul Martin Pavey / Angela Ho Wei Ling
Company Secretaries
6 April 2017