

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS.

1 (a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Income statements for the year ended 31 December 2020:-

	Group		
	YTD 2020	YTD 2019	Increase/ (Decrease) %
	S\$'000	S\$'000	%
Continuing operations			
Revenue	44,611	46,697	(4.5)
Cost of sales	(31,188)	(31,646)	(1.4)
Gross profit	13,423	15,051	(10.8)
Other income	1,301	898	44.9
Distribution and marketing expenses	(6,163)	(6,212)	(0.8)
Administrative expenses	(4,103)	(3,992)	2.8
Net Finance costs	(107)	(99)	8.1
Other expenses	(1,284)	(968)	32.6
	(11,657)	(11,271)	3.4
Profit before income tax	3,067	4,678	(34.4)
Income tax expenses	(637)	(812)	(21.6)
Profit for the year, representing profit attributable to owners of the Company	2,430	3,866	(37.1)
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Retirement benefit plan remeasurement	(308)	(331)	(6.9)
Tax on items that will not be reclassified to profit or loss	79	88	(10.2)
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation reserves - foreign operations	199	422	(52.8)
Other comprehensive income for the year, net of tax	(30)	179	(116.8)
Total comprehensive income for the year	2,400	4,045	(40.7)

Note

1

Note:	YTD 2020 S\$'000	YTD 2019 S\$'000
1. Profit for the year has been arrived at after (charging)/crediting:		
Depreciation and amortisation	(846)	(794)
Allowance for impairment of trade receivables	(163)	(103)
Write-down on trade receivables	(61)	-
Write-down on inventories	(45)	(291)
Foreign exchange gain - net	43	132

NM: Not meaningful

Brook Crompton Holdings Ltd
Unaudited Full Year Financial Statement

1 (b) (A balance sheet (for the issuer and group), together with a comparative statement as at end of the immediately preceding financial year

	Note	Group 31-Dec-20 S\$'000	Group 31-Dec-19 S\$'000	Company 31-Dec-20 S\$'000	Company 31-Dec-19 S\$'000
ASSETS					
Cash and cash equivalents		19,279	17,927	3,630	2,552
Trade and other receivables		11,093	9,921	4,848	6,437
Prepayments		202	307	4	7
Inventories		16,108	15,665	-	-
Current assets		46,682	43,820	8,482	8,996
Investments in subsidiaries		-	-	23,204	23,204
Property, plant and equipment		5,301	6,149	218	298
Intangible assets		19	25	19	25
Deferred tax assets		411	353	-	-
Non-current assets		5,731	6,527	23,441	23,527
Total assets		52,413	50,347	31,923	32,523
LIABILITIES					
Trade and other payables		10,171	9,048	183	201
Current tax liabilities		707	845	15	2
Provision for warranty		95	132	-	-
Borrowings		-	328	-	-
Lease liabilities		667	679	81	76
Current liabilities		11,640	11,032	279	279
Retirement benefit obligations		1,414	985	-	-
Lease liabilities		2,905	3,567	137	218
Non-current liabilities		4,319	4,552	137	218
Total liabilities		15,959	15,584	416	497
NET ASSETS		36,454	34,763	31,507	32,026
EQUITY					
Share capital		149,642	149,642	149,642	149,642
Other reserves		17,062	16,863	18,650	18,650
Accumulated losses		(130,250)	(131,742)	(136,785)	(136,266)
Equity attributable to owners of the Company		36,454	34,763	31,507	32,026

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1 (b) (Aggregate amount of group's borrowings and debt securities) *

(a) Amount repayable in one year or less, or on demand

As at 31/12/2020		As at 31/12/2019	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
667	-	1,007	-

(b) Amount repayable after one year

As at 31/12/2020		As at 31/12/2019	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
2,905	-	3,567	-

Details of any collateral

Secured borrowings are generally lease liabilities, bank overdrafts and finance lease secured on building and/or floating charge over the assets of borrowing companies.

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1 (c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group	
	2020	2019
	S\$'000	S\$'000
Cash flows from operating activities		
Profit after tax	2,430	3,866
Adjustments for:		
Income tax expenses	637	812
Depreciation and amortisation	846	794
Retirement benefit plan expense	334	268
Interest income	(26)	(40)
Interest expense	103	167
Write-off on inventories	45	291
Write-off on trade receivables	61	-
Provision made for warranty	11	158
Allowance for impairment of trade receivables	163	103
Unrealised foreign exchange gain - net	(726)	(303)
	3,878	6,116
Changes in :		
- Inventories	(428)	(1,327)
- Trade and other receivables	(1,403)	(99)
- Prepayments	586	116
- Trade and other payables	1,107	(694)
- Provision for warranty	(48)	(130)
- Retirement benefit contribution	89	110
Cash generated from operations	3,781	4,092
Income tax paid	(693)	(610)
Net cash generated from operating activities	3,088	3,482
Cash flows from investing activities		
Acquisitions of property, plant and equipment	(111)	(39)
Acquisitions of intangible assets	-	(26)
Interest received	26	40
Net cash used in investing activities	(85)	(25)
Cash flows from financing activities		
Repayment of obligation under leases	(742)	(599)
Interest paid	(9)	(167)
Dividend paid	(709)	(709)
Net cash used in financing activities	(1,460)	(1,475)
Net increase in cash and cash equivalents	1,543	1,982
Cash and cash equivalents at 1 January	17,602	15,392
Effect of exchange rate fluctuation on cash held	134	228
Cash and cash equivalents at 31 December (Note A)	19,279	17,602
Note A:	2020	2020
Cash and cash equivalents consist of:	S\$'000	S\$'000
Cash and bank balance	19,279	17,927
Less: Bank overdrafts which form an integral part of cash management	-	(325)
	19,279	17,602

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- 1 (d) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

STATEMENTS OF CHANGES IN EQUITY - GROUP

	Share Capital S\$'000	Capital Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Accumulated Losses S\$'000	Total S\$'000
Balance at 1 January 2020	149,642	18,650	(1,787)	(131,742)	34,763
Profit for the year	-	-	-	2,430	2,430
Dividend paid	-	-	-	(709)	(709)
Other comprehensive income					
Retirement benefits plan remeasurement	-	-	-	(308)	(308)
Exchange differences on translation of foreign operations	-	-	199	-	199
Income tax on other comprehensive income	-	-	-	79	79
Balance at 31 December 2020	<u>149,642</u>	<u>18,650</u>	<u>(1,588)</u>	<u>(130,250)</u>	<u>36,454</u>
Balance at 1 January 2019	149,642	18,650	(2,209)	(134,656)	31,427
Profit for the year	-	-	-	3,866	3,866
Dividend paid	-	-	-	(709)	(709)
Other comprehensive income					
Retirement benefits plan remeasurement	-	-	-	(331)	(331)
Exchange differences on translation of foreign operations	-	-	422	-	422
Income tax on other comprehensive income	-	-	-	88	88
Balance at 31 December 2019	<u>149,642</u>	<u>18,650</u>	<u>(1,787)</u>	<u>(131,742)</u>	<u>34,763</u>

STATEMENTS OF CHANGES IN EQUITY - COMPANY

	Share Capital S\$'000	Capital Reserve S\$'000	Accumulated Losses S\$'000	Total S\$'000
Balance at 1 January 2020	149,642	18,650	(136,266)	32,026
Total comprehensive income for the financial year	-	-	190	190
Dividend paid	-	-	(709)	(709)
Balance at 31 December 2020	<u>149,642</u>	<u>18,650</u>	<u>(136,785)</u>	<u>31,507</u>
Balance at 1 January 2019	149,642	18,650	(137,888)	30,404
Total comprehensive income for the financial year	-	-	2,331	2,331
Dividend paid	-	-	(709)	(709)
Balance at 31 December 2019	<u>149,642</u>	<u>18,650</u>	<u>(136,266)</u>	<u>32,026</u>

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- 1 (d) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no outstanding warrants as at 31 December 2020 (31 December 2019 : NIL).

- (d) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 31 December 2020, the Company has issued ordinary shares of 35,458,818 (31 December 2019: 35,458,818). There has been no changes in the Company's share capital since the end of previous year reported on.

- (d) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

The Company does not hold any treasury shares at the end of the current financial year reported on.

- 2 **Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent**

The figures have not been audited or reviewed by the Group's auditors.

- 3 **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable

- 4 **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2019.

- 5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has applied the recognition and measurement principles of a number of new standards and amendments to standards for the financial period beginning 1 January 2020.

The adoption of these amendments did not have any material impact on the current or prior period.

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- 6 **Earnings/(losses) per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Earnings per ordinary share of the Group for the financial year,
after deducting any provision for preference dividends:-

(i) Based on weighted average number of
ordinary shares in issue
- continuing operations

(ii) On a fully diluted basis
- continuing operations

Group	
2020	2019
Cents	Cents
6.9	10.9
6.9	10.9
6.9	10.9
6.9	10.9

- 7 **Net asset value (for the issuer and group) per ordinary share based on the total of issued share excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding**

Net asset value per ordinary share based on issued share
capital of the issuer at the end of the financial year

Number of existing issued shares at end of year

Group		Company	
2020	2019	2020	2019
Cents	Cents	Cents	Cents
102.8	98.0	88.9	90.3
35,458,818	35,458,818	35,458,818	35,458,818

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- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Income Statement

For the twelve months ended 31 December 2020 ('FY2020'), Brook Crompton Holdings Limited and its subsidiaries ('the Group') recorded sales of S\$44.6 million, decreased by 4.5% from previous twelve months' ('FY2019') sales of S\$46.7 million. This is mainly due to sales decrease in United States market, Canada market and Asia Pacific market, which affected by the COVID-19 pandemic. Gross profit has been decreased by 10.8% as compared to 2019, resulted from the higher sales for lower margin products to gain additional market shares.

The increase in other income mainly due to the additional income reimbursed from related companies for cost sharing in 2020. Total group expenses for FY2020 increased by 3.4% to S\$11.6 million compared with the prior year's S\$11.3 million. Others expenses in 2020 are much higher as compared to 2019, mainly due to additional impairment on trade receivables and depreciation charge on right of use assets. At the same time, restructuring cost has been taken up in 2020. Net finance costs mainly relates to the foreign exchange losses from financing activities and finance costs on lease liabilities.

Profit before income tax was S\$3.1 million compared with prior year of S\$4.7 million. EBITDA (earnings before interest, foreign exchange impact from financing activities, tax and depreciation) for 2020 was S\$4.0 million, much lower as compared with prior year of S\$5.6 million. This was mainly due the lower profit attributable in 2020, which caused by decrease in sales with lower margin contributed in 2020. With lower profit attributable in 2020, income tax expenses in FY2020 remains lower as well.

Statement of Financial Position

Total Assets increased by 4.1% to \$52.4 million after taking in the net profit for the year of \$2.4 million and dividend pay-out of S\$0.7 million in 2020. Current ratio remains at a healthy level of 4.0, which consistent with prior year.

Inventories increased by 2.8% to S\$16.1 million from prior year of S\$15.7 million mainly caused by the lower sales which affected by COVID-19 pandemic. Trade and other receivables increased by 11.8% to S\$11.1 million from prior year of S\$9.9 million, resulted from slow collection from customers which caused by the COVID-19 pandemic. As at 31 Dec 2020, 13% of overall trade receivables are past due more than 180 days and 2% of overall trade receivables are past due 91 – 180 days, after management has performed an assessment of the estimated the future cash flows of the debts and determined expected credit losses.

Total liabilities have increased by 2.4% to S\$15.9 million from S\$15.6 million prior year. The increase was mainly due to slow payment made to trade payables, which affected by the slow collection from customers. As at 31 Dec 2020, no drawdown of bank overdrafts in BC Canada, as the cash flow was supported by inter-companies with the Group. Besides, higher retirement benefit obligations as at 31 Dec 2020 due to lower discount rate compared to prior year, and resulted in future benefit to be paid to the employees have a higher present value.

Statement of Cash Flows

Net cash generated from operating activities decreased to S\$3.1 million compared to S\$3.5 million in prior year, mainly due to slow collection from customers which caused by the COVID-19 pandemic and slow movement of inventories which caused by the decrease in sales. Net cash used in financing activities is S\$1.5 million which is consistent with prior year. Net cash position stand at S\$19.3 million from the prior year S\$17.6 million.

- 9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**
Not applicable

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

The COVID-19 pandemic has dominated the global economies during the fiscal year of 2020, which together with the local impact of Brexit for the UK entity, has impacted the financial performance of Brook Crompton Holdings Ltd and its subsidiaries.

All Brook Crompton entities have been able to maintain full level operations throughout the pandemic, operating with COVID-19 secure policies and following the regulations and guidance in their respective countries of operation. The support of our employees and our customers through this global crisis has enabled us to minimise the impact on the business and looking forward, we plan prudently to control our costs and look for all opportunities to generate revenue.

The halting of projects in the North American market has caused stagnation for Brook Crompton, but the business has retained its market share in key customers in the water pumping, recreation and ventilation industries, these new business segments established over the past years to mitigate the reduction in the formerly active mining and oil and gas upstream markets have allowed the USA and Canadian operations to continue to operate in the rapidly changing North American market. Investment in infrastructure and major projects is expected to be released as 2021 progresses opening further opportunities for Brook Crompton in the region. As the recently elected US administration pushes forward along a different path to the previous administration with respect to COVID restrictions, and accelerates its vaccination programme, the local management has positioned the business to expand as the economy opens through 2021.

The restrictions on travel in the Asia Pacific region have limited the Singapore based entity to working through its existing client base, mainly in distribution, with a negative impact being felt by the distribution segment as a result of the local conditions through the pandemic. The Group management is supporting the local team to focus on pursuing targeted recovery in these key markets through the first half of 2021.

As the UK and Europe emerge from their lockdowns in the 1st half of 2021, with the anticipated rollout of vaccination programmes globally, the outlook is a steady recover of the Group's core UK market and its growth markets in Europe and the Middle East / North Africa. The groundwork in 2020 to position the global businesses for CoVid and Brexit will give a platform for recovery. The Group management will continue to be manage costs whilst not missing opportunities to invest for growth in 2021.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12 If no dividend has been declared / recommended, a statement to that effect

No dividends have been declared/recommendeded by the Board for the financial year ended 31 December 2020 as the Board has opted to conserve cash to face the challenge of global economic crisis, which caused by COVID-19 pandemic.

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

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding 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)	
	YTD		YTD	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<u>General Transactions</u>				
ATB Nordenham GmbH	-	-	747	498
ATB Sever d.o.o.	-	-	618	148
ATB Tamel S.A.	-	-	11,326	10,657
ATB Schorch GmbH	-	-	628	457
ATB Group UK	-	-	359	341
ATB Welzheim	-	-	704	861
Wolong Electric Group Co Ltd	-	-	11,030	13,541
Wolong Electric America LLC	-	147	1,323	-
	-	147	26,735	26,503

- 14 Negative Assurance on interim Financial Statement**

Not Applicable

- 15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the**
By geographical segment

The group has one primary business in the distribution of electric motors and components operating in the following
 United Kingdom
 United States
 Canada
 Asia Pacific

Sales are based on the region where the business unit operates. Total assets and capital expenditure are shown by the geographical area where the assets are located.

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15 **2020**

	Distribution of Electric Motors					Combined -
	<u>United</u>	<u>United</u>	<u>Canada</u>	<u>Asia Pacific</u>	<u>Corporate</u>	<u>Continuing</u>
	<u>Kingdom</u>	<u>States</u>				<u>business</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Sales for continuing operations	24,176	10,513	9,534	2,319	-	46,542
Intersegment sales	(15)	(388)	(1,528)	-	-	(1,931)
Sales to external parties	24,161	10,125	8,006	2,319	-	44,611
Segment results	2,775	3,289	(1,631)	153	(565)	4,021
Interest expense, net	(39)	(21)	(3)	-	(44)	(107)
Depreciation and amortisation	(473)	(197)	(83)	(3)	(91)	(847)
Profit before tax	2,263	3,071	(1,717)	150	(700)	3,067
Segment assets	27,524	7,931	10,669	2,241	4,048	52,413
The above assets include :						
Non-current assets	3,055	599	1,832	7	238	5,731
Capital expenditure						
- Property, plant & equipment	60	4	37	5	5	111
Segment liabilities	8,836	1,936	4,420	352	415	15,959

2019

	Distribution of Electric Motors					Combined -
	<u>United</u>	<u>United</u>	<u>Canada</u>	<u>Asia Pacific</u>	<u>Corporate</u>	<u>Continuing</u>
	<u>Kingdom</u>	<u>States</u>				<u>business</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Sales for continuing operations	20,966	13,931	10,756	3,364	-	49,017
Intersegment sales	(6)	(603)	(1,711)	-	-	(2,320)
Sales to external parties	20,960	13,328	9,045	3,364	-	46,697
Segment results	3,841	3,812	(1,715)	306	(645)	5,599
Interest expense, net	(30)	(78)	(1)	-	(18)	(127)
Depreciation and amortisation	(459)	(168)	(81)	(3)	(83)	(794)
Profit/(loss) before tax	3,352	3,566	(1,797)	303	(746)	4,678
Segment assets	27,033	8,122	10,150	2,143	2,899	50,347
The above assets include :						
Non-current assets	3,368	1,067	1,764	5	323	6,527
Capital expenditure						
- Property, plant & equipment	7	11	15	-	6	39
- Intangible assets	-	-	-	-	26	26
Segment liabilities	7,974	2,778	3,858	489	485	15,584

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- 16 In the review of performance, the factors leading to any material changes in contributions to turnover and earning by the business or geographical segments
 Non applicable.

17 A breakdown of sales

		Group	
	FY 2020	FY 2019	Increase / (Decrease)
	S\$'000	S\$'000	%
First Half Year			
(a) Sales reported	22,426	23,995	(6.5)
(b) Operating profit after tax reported	1,801	2,637	(31.7)
Second Half Year			
(c) Sales reported	22,185	22,702	(2.3)
(d) Operating profit after tax reported	629	1,229	(48.8)

18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full

	Latest Year (S\$'000)	Previous Year (S\$'000)
Ordinary		
- Final	-	709*
Preference	Not Applicable	Not Applicable
Total	-	709

- 19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

The Board of Directors of Brook Crompton Holdings Limited hereby confirms that to the best of their knowledge, as at the date hereof, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a Director or Chief Executive Officer or substantial shareholder of the Company.

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

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

On behalf of the Board

Pang Xinyuan
 Non-Executive Chairman
 Singapore, 26 February 2021