BROOK CROMPTON HOLDINGS LTD.
(the "Company")
(Co. Reg. No. 194700172G)
(Incorporated in the Republic of Singapore)

RESPONSE TO SGX-ST'S QUERY ON THE COMPANY'S ANNUAL REPORT FOR FINANCIAL YEAR ENDED 2022

The Board of Directors (the "Board") of Brook Crompton Holdings Ltd. ("BCHL" or the "Company" and together with its subsidiaries, the "Group") refers to the queries raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") and would like to provide further information in relation to the Annual Report 2022 for the financial year ended 31 December 2022:

SGX-ST's Query

1. We refer to the unaudited and audited financial statements for the year ended 31 December 2022, please provide explanations for the following material variances in:

   i. Total comprehensive income for the financial year, representing total comprehensive income attributable to owners of the parent from S$474,000 to S$178,000
   ii. Net cash flows (used in)/from operating activities from -S$7,334,000 to -S$6,270,000
   iii. Net cash flows used in investing activities from -S$338,000 to -S$1,280,000
   iv. Net cash flows used in financing activities from -S$1,486,000 to -S$1,608,000

Response to SGX-ST's Query

i. Total comprehensive income for the financial year, representing total comprehensive income attributable to owners of the parent from S$474,000 to S$178,000, mainly due to effect of exchange difference on translation of foreign operations.

ii. Net cash flows (used in)/from operating activities from -S$7,334,000 to -S$6,270,000, resulted from adjustments arising from the acquisition of business and additional unrealised foreign exchange loss in audited financial statements. Besides, reclassify of proceeds from finance lease receivables from cash flows used in financing activities to cash flows used in operating activities.

iii. Net cash flows used in investing activities from -S$338,000 to -S$1,280,000, mainly due to cash outflow arising from the acquisition of business.

iv. Net cash flows used in financing activities from -S$1,486,000 to -S$1,608,000, mainly due to reclassify of proceeds from finance lease receivables to cash flows used in operating activities.

SGX-ST's Query

2. Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "Code"), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 8.1 of the Code with regards to the disclosure of remuneration of Mr Randy Connolly (in bands no wider than S$250,000), and there were no explanations provided for in your AR2022 on how it is consistent with the intent of Principle 8 of the Code.

   Please clarify how the practices the Company had adopted are consistent with the intent of Principle 8 of the Code, which requires transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation.

Response to SGX-ST's Query

Provision 8.1 of the Code requires the Company to disclose at least the top 5 key management personnel (who are not directors or CEO) in the bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.

As disclosed in the Corporate Governance Statement, the Company considers that it only has two key management personnel (excluding the CEO), taking into consideration the size of the Group's operations. The total remuneration paid to the top two management personnel for FY2022 was S$582,225.

The remuneration bands of the top two key management personnels (who are not Directors or the CEO) are as follows:

Key management personnel	**Salary %**	**Allowances %**	**Bonus %**	**Post Employment Benefit %**	**Total %**
S$250,0001 to S$500,000					
Mr Randy Connolly	66	12	3	19	100
S$0 to S$250,000					
Ms Shavy Kwan Wei Yee	68	Nil	17	15	100

For and on behalf of the Board
BROOK CROMPTON HOLDINGS LTD.

Pang Xinyuan
Non-Independent Non-Executive Chairman
24 April 2023