

BRITISH AND MALAYAN HOLDINGS LIMITED

FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2017

British and Malayan Trustees Limited (“BMT”) completed its corporate restructuring by way of a scheme of arrangement in July 2017. Pursuant to the restructuring, a new holding company, British and Malayan Holdings Limited (“BMH”) has been interposed between the shareholders and BMT.

In this announcement reference to the “Group” refers to the consolidated results of BMH and BMT. As this is the initial announcement of quarterly results for BMH, references are made to the results of BMT for prior period comparison purposes.

1(a) Statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Unaudited First Quarter results for the period ended 30 September 2017

	<b>GROUP</b> First Quarter 1 Jul 2017 to 30 Sep 2017 S\$'000	<b>BMT</b> First Quarter 1 Jul 2016 to 30 Sep 2016 S\$'000	% Increase/ (decrease)
Trustee Services	565	551	3
Other Services	-	55	NM
Operating Revenue	565	606	(7)
Dividend Income	-	51	NM
Interest Income	11	13	(15)
Other Income	75	69	9
Gain on sale of available for sale financial assets	1,478	-	NM
Total Revenue	<u>2,129</u>	<u>739</u>	188
Loss on sale of fixed assets	-	(19)	NM
Staff Costs	(495)	(528)	(6)
Depreciation	(51)	(53)	(4)
Net foreign exchange (loss)/ gain	(2)	2	NM
Other expenses	(358)	(494)	(28)
Operating profit / (loss) Before Tax	<u>1,223</u>	<u>(353)</u>	NM
Profit / (Loss) Before Tax	<u>1,223</u>	<u>(353)</u>	NM
Income Tax credit	-	7	NM
Net Profit / (Loss) for the Financial Period	<u><u>1,223</u></u>	<u><u>(346)</u></u>	NM
Other Comprehensive Income:			
Net gain on available-for-sale assets	-	132	
Income tax effect	-	-	
Other Comprehensive loss for the Financial Period, net of tax	-	132	
Total Comprehensive loss for the Financial Period	<u><u>1,223</u></u>	<u><u>(214)</u></u>	
Earnings per share			
(i) Based on weighted average number of ordinary shares in issue	<u>0.14</u>	<u>(0.04)</u>	
(ii) On a fully diluted basis	<u>0.14</u>	<u>(0.04)</u>	

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

	GROUP		BMT	
	30.09.2017 S\$'000	30.06.2017 S\$'000	30.09.2017 S\$'000	30.06.2017 S\$'000
<b>Current Assets</b>				
Cash and cash equivalents	8,675	6,704	8,200	6,704
Available-for-sale financial assets	-	2,566	-	2,566
Trade and other receivables	393	344	393	344
Prepayments	283	118	268	118
	9,351	9,732	8,861	9,732
<b>Non-Current Assets</b>				
Property, plant and equipment	3,289	3,340	3,289	3,340
<b>Total Assets</b>	<b>12,640</b>	<b>13,072</b>	<b>12,150</b>	<b>13,072</b>
<b>Current Liabilities</b>				
Advance trustee services billings	138	258	138	258
Other liabilities	948	966	892	966
Taxation	-	-	-	-
	1,086	1,224	1,030	1,224
<b>Total Liabilities</b>	<b>1,086</b>	<b>1,224</b>	<b>1,030</b>	<b>1,224</b>
<b>Net Assets</b>	<b>11,554</b>	<b>11,848</b>	<b>11,120</b>	<b>11,848</b>
<b>Equity</b>				
Share capital	2,737	2,737	2,737	2,737
Fair value reserve	-	1,517	-	1,517
Retained earnings	8,817	7,594	8,383	7,594
	<b>11,554</b>	<b>11,848</b>	<b>11,120</b>	<b>11,848</b>

Equity securities are valued using closing bid prices obtained from pricing services and corporate bonds are valued using broker quotes. Changes in fair values of these investments are recorded in equity until their subsequent disposal, at which time the cumulative gain or loss previously recorded in equity will be included in the income statement for the period. When there is objective evidence that one of these investments is impaired, the cumulative loss that has been recognised directly in the fair value reserve is removed from the fair value within equity and recognised in the income statement. The cumulative loss is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement.

1(b)(ii) Aggregate amount of the group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30.09.2017		As at 30.06.2017	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30.09.2017		As at 30.06.2017	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral  
N.A.

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

Consolidated Statement of Cash Flows

	GROUP	BMT
	First Quarter 1 Jul 2017 to 30 Sep 2017 S\$'000	First Quarter 1 Jul 2016 to 30 Sep 2016 S\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit/ (loss) before tax	1,223	(353)
Adjustments for:		
Depreciation	51	53
Interest income	(11)	(13)
Dividend income	-	(51)
Fixed assets written off	-	19
Gain on sale of available for sale financial assets	(1,478)	-
Operating loss before changes in working capital	(215)	(345)
Change in operating assets and liabilities		
Trade and other receivables and prepayments	(214)	(115)
Trade and other payables and advance trustee services billing	(138)	(158)
Cash flows used in operating activities	(567)	(618)
Income tax received	-	3
Net cash flows used in operating activities	(567)	(615)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment		(3)
Proceeds from AFS securities	2,527	-
Interest received	11	13
Dividends received	-	51
Net cash flows generated from investing activities	2,538	61
Net increase /(decrease) in cash held	1,971	(554)
Cash and cash equivalents at beginning	6,704	8,256
<b>Cash and cash equivalents at the end (30 Sep)</b>	<b>8,675</b>	<b>7,702</b>

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

<b>STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY</b>				
	Share Capital \$'000	Fair Value Reserve \$'000	Retained Profits \$'000	Total \$'000
Balance at 1 July 2017 (Group)	2,737	1,517	7,594	11,848
Net profit	-		1,223	1,223
Sale of AFS Assets		(1,517)		(1,517)
<b>Balance at 30 Sep 2017 ( Group)</b>	<b>2,737</b>	<b>-</b>	<b>8,817</b>	<b>11,554</b>
Balance at 1 July 2016 ( BMT )	2,737	1,316	9,350	13,403
Net loss	-		(346)	(346)
Other comprehensive income		132		132
<b>Balance at 30 Sep 2016 ( BMT )</b>	<b>2,737</b>	<b>1,448</b>	<b>9,004</b>	<b>13,189</b>

**1(d)(ii) 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 for 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 the outstanding convertibles as at end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

N.A.

**1(d)(iii) 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 preceding year**

The total number of issued shares as at 30 September 2017 and 30 June 2017 was 8,758,080

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

N/A

**2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by our auditors.

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

N.A.

**4 Interested Person Transactions**

The Company does not have a general mandate from shareholders for Interested Person Transactions.

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

The same accounting policies and methods of computation have been applied.

British and Malayan Trustees Limited ("BMT") completed its corporate restructuring by way of a scheme of arrangement in July 2017. Pursuant to the restructuring, a new holding company, British and Malayan Holdings Limited ("BMH") has been interposed between the shareholders and BMT.

In this announcement reference to the "Group" refers to the consolidated results of BMH and BMT. As this is the initial announcement of quarterly results for BMH, references are made to the results of BMT for prior period comparison purposes.

**6 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.**

NA

**7 Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	30.09.2017 - Group	30.06.2017 - BMT
Earnings per ordinary share for the period based on operating profit after tax attributable to members of the company after deducting any provision for preference dividends:		
(i) Based on weighted average number of ordinary shares in issue during the financial period.	0.14	(0.19)
(ii) On a fully diluted basis	0.14	(0.19)

**8 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the :-  
(a) current financial period reported on; and  
(b) immediately preceding financial year.**

	30.09.2017 - Group	30.06.2017 - BMT
Net asset value per ordinary share based on issued capital at the end of the financial period/year.	1.32	1.35

**9 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) 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; and  
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

General

British and Malayan Trustees Limited ("BMT") completed its corporate restructuring by way of a scheme of arrangement in July 2017. Pursuant to the restructuring, a new holding company, British and Malayan Holdings ("BMH") has been interposed between the shareholders and BMT.

In this announcement reference to the "Group" refers to the consolidated results of BMH and BMT. As this is the initial announcement of quarterly results for BMH, references are made to the results of BMT for prior period comparison purposes.

Review of the quarter

For the quarter ended 30 September 2017, the Group's total revenue was \$2,129,000 (2016: \$739,000). This amount includes recognition of gain from the sale of AFS assets. On a normalised basis, i.e. excluding the gain on AFS assets in the current period, total revenue was \$651,000 compared to \$739,000 in the corresponding period, or a decrease of 12%.

The Group achieved an operating profit before tax for the quarter of \$1,223,000 (2016: loss \$346,000). On a normalised basis excluding the gain on AFS assets sales the Group incurred an operating loss before tax of \$255,000 (2016: loss \$353,000). The reduction in loss is due to lower expenses for the current period.

Balance sheet analysis

Net assets have declined to \$11,554,000 from \$11,848,000 over the period. The main change over the period was the decision to sell all the AFS asset holdings to provide funds for future growth. The proceeds have been initially placed on fixed deposit and will be used as and when the BMH Group sees potential new business opportunities to diversify its revenue and income streams from BMT's historic trust business. We believe our strong balance sheet with cash and cash equivalents of \$8,675,000 representing 69% of total assets, will work to our advantage as well as provide our clients and business partners the comfort level it carries as we continue to see a challenging period for the Singapore economy.

Cash flow analysis

The cash position over the period has increased from \$6,704,000 to \$8,675,000. This increase is due to the proceeds received from the sale of the AFS assets.

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

The current period results are generally in line with the prospect statement previously disclosed.

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

Based upon the foregoing, the BMH Group expects financial results to be in line with prior forecasts and prospects statements.

The trust business in Singapore is challenging, one that continues to see strong competitive pressures resulting in weak pricing power. Consequently, the Group will look to diversify its revenue and income streams as well as seek further efficiencies in accordance with its strategic plan.

**12 Dividend**

**(a) Current Financial Period Report on:**

Any dividend declared for the current financial period reported on?

Nil

**(b) Corresponding Period of the immediately preceding financial year**

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

Nil

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

**13 If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared / recommended for the period ended 30 September 2017.

**14 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).**

There is no such person occupying a managerial position.

**15 Statement Pursuant to SGX Listing Rule 705(5) of the Listing Manual**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial results of British and Malayan Holdings Limited for the quarter ended 30 Sep 2017, to be false or misleading in any material respect.

**16 Confirmation that the issuer has procured undertakings from all its directors and executive officers ( in the format set out in Appendix 7.7) under Rule 720(1)**

The Issuer confirms that it has procured the requisite undertakings.

**BY ORDER OF THE BOARD**

PAUL PAVEY / ANGELA HO  
COMPANY SECRETARIES  
25 October 2017