

BRITISH AND MALAYAN TRUSTEES LIMITED
 FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2017

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

1(a)(i) An Income Statement with a comparative statement for the corresponding period of the immediately preceding financial year.

	30.06.2017 \$'000	30.06.2016 \$'000	% Increase/ (Decrease)
1(a) Trustee Fees	2,050	2,281	(10)
Other fees	220	229	(4)
Operating Revenue	2,270	2,510	(10)
Interest Income	34	62	(45)
Dividend Income	152	148	3
Other income	117	126	(7)
Total Revenue	<u>2,573</u>	<u>2,846</u>	(10)
Employees benefits expense	(2,162)	(2,832)	(24)
Depreciation	(213)	(213)	0
Other Operating Expenses	(1,813)	(1,579)	15
Loss on disposal of fixed assets	(19)	(1)	NM
Net foreign exchange gain / (loss)	2	(1)	NM
Loss Before Tax	<u>(1,632)</u>	<u>(1,780)</u>	(8)
Income Tax credit / (expense)	<u>7</u>	<u>(3)</u>	NM
Net Loss for the Financial Period	<u>(1,625)</u>	<u>(1,783)</u>	(9)
Other Comprehensive Income:			
Net gain / (loss) on fair value changes of AFS financial assets	201	(9)	
Other Comprehensive income / (loss) for the Financial Period, net of tax	<u>201</u>	<u>(9)</u>	
Total Comprehensive loss for the Financial Period	<u>(1,424)</u>	<u>(1,792)</u>	
Earnings per share			
(i) Based on weighted average number of ordinary shares in issue	<u>(\$0.19)</u>	<u>(\$0.20)</u>	
(ii) On a fully diluted basis	<u>(\$0.19)</u>	<u>(\$0.20)</u>	

1(b)(i) A Balance Sheet together with a comparative statement as at the end of the immediately preceding financial year.

	30.06.2017 \$'000	30.06.2016 \$'000
Non-Current Assets		
Property, plant and equipment	3,340	3,559
Current Assets		
Cash and cash equivalents	6,704	8,256
Trade and other receivables	344	361
Prepayments	118	129
Available-for-sale financial assets	2,566	2,356
	9,732	11,102
Total Assets	13,072	14,661
Non-Current Liabilities		
Deferred tax liability	-	4
Current Liabilities		
Advance trustee services billings	258	284
Trade and other payables	966	970
	1,224	1,254
Total Liabilities	1,224	1,258
Net Assets	11,848	13,403
Equity		
Share capital	2,737	2,737
Fair value reserve	1,517	1,316
Retained earnings	7,594	9,350
	11,848	13,403

Note :

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 Company's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30.06.2017		As at 30.06.2016	
Secured	Unsecured	Secured	Unsecured
0	0	0	0

Amount repayable after one year

As at 30.06.2017		As at 30.06.2016	
Secured	Unsecured	Secured	Unsecured
0	0	0	0

Details of any collateral

N.A.

1(c) A Cash Flow Statement together with a comparative statement for the corresponding period of the immediately preceding financial year.

	30.06.2017 \$'000	30.06.2016 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,632)	(1,780)
Adjustments for :		
Depreciation of property, plant and equipment	213	213
Interest income	(34)	(62)
Dividend income	(152)	(148)
Property, plant and equipment written off	19	-
Loss on disposal of fixed assets	-	1
Operating cash flows before changes in working capital	<u>(1,586)</u>	<u>(1,776)</u>
Changes in working capital		
Decrease in trade and other receivables	23	759
Decrease in trade and other payables and advance trustee services billi	(31)	(131)
Cashflows (used in) / from operating activity	<u>(1,594)</u>	<u>(1,148)</u>
Income tax received / (paid)	3	(3)
Net cash flows used in operating activities	<u>(1,591)</u>	<u>(1,151)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(13)	(274)
Proceeds from sale on property, plant and equipment	-	2
Interest received	40	58
Dividends received	143	139
Net cash flows generated from / (used in) investing activities	<u>170</u>	<u>(75)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Dividends paid	(131)	(2,557)
Net cash flows used in financing activity	<u>(131)</u>	<u>(2,557)</u>
Net (decrease) in cash and cash equivalents	(1,552)	(3,783)
Cash and cash equivalents at the beginning of the financial year	8,256	12,039
Cash and cash equivalents at the end of the financial year	<u>6,704</u>	<u>8,256</u>

1(d)(i) A statement 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.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY					
	Share Capital \$'000	Capital Reserve \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 July 2016	2,737	-	1,316	9,350	13,403
Loss for the year	-	-	-	(1,625)	(1,625)
Other comprehensive income	-	-	201	-	201
Total comprehensive income	-	-	201	(1,625)	(1,424)
Interim dividend relating to 2017	-	-	-	(131)	(131)
Balance at 30 June 2017	2,737	-	1,517	7,594	11,848

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY					
	Share Capital \$'000	Capital Reserve \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 July 2015	2,737	-	1,325	13,690	17,752
Loss for the year	-	-	-	(1,783)	(1,783)
Other comprehensive income	-	-	(9)	-	(9)
Total comprehensive income	-	-	(9)	(1,783)	(1,792)
Final and special dividend relating to 2015	-	-	-	(2,426)	(2,426)
Interim dividend relating to 2016	-	-	-	(131)	(131)
Balance at 30 June 2016	2,737	-	1,316	9,350	13,403

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 June 2017 and 30 June 2016 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 reviewed nor audited 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.

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.

N.A.

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

	30.06.2017	30.06.2016
Earnings/(losses) per ordinary share for the period based on profit after tax attributable to members of the Company after deducting any provision for preference dividends :		
Total number of issued shares	8,758,080	8,758,080
(i) Based on weighted average number of ordinary shares in issue during the financial period	(\$0.19)	(\$0.20)
(ii) On a fully diluted basis	(\$0.19)	(\$0.20)

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

	30.06.2017	30.06.2016
Net asset value per ordinary share based on issued capital at the end of the financial year	\$1.35	\$1.53

The net asset value per share is computed based on issued shares of the Company as at 30 June 2017 and 30 June 2016.

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

- (a) any significant factors that affected the turnover, costs, and earnings of the company 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 company during the current financial period reported on.

Revenue

For the year ended 30 June 2017, the Company's total revenue was \$2,573,000 (2016: \$2,846,000). The decrease of 10% results from lower fee income after the maturity of a number of corporate trust financing transactions, lower fee income from the private trust division and lower other income received.

The Company incurred an operating loss before tax for the year of \$1,632,000 (2016: loss \$1,780,000). The reduction in the loss from the prior period is mainly due to lower costs such as rental and staffing costs pursuant to the Strategic Plan implementation.

Balance Sheet Analysis

Net assets have declined to \$11,848,000 from \$13,403,000 over the year. The decrease is due to the Company's operating loss for the year, payment of the Company's interim dividend of \$ 131,000 and partially offset by the mark to market increase in the value of the Company's AFS assets. Notwithstanding the decline in net assets we believe our strong balance sheet with cash and cash equivalents of \$6,704,000 representing 51% 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.

Cashflow Analysis

The company's cash position over the year has declined from \$8,256,000 to \$6,704,000. This decline is due to the company's operating loss for the year and the payment of the Company's interim dividend.

Strategic Plan Implementation

As a result of a strategic review undertaken by the Company in order to address declining profitability, the Company wishes to announce that it has completed the implementation of its Strategic Plan, as follows: The Company, in addition to its continuing efforts to realize returns from management of its investments, enhanced efficiencies through implementation of IT systems and cost containment, rationalising and improving profitability of existing accounts, and focusing marketing efforts on appropriate new accounts, has completed the corporate restructuring of the Company in July 2017. As set out in the various Restructuring Announcements, the Restructuring involved, *inter alia*, the interposition of a new holding company between the shareholders of the Company (the "Shareholders") and the Company.

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 company operates and any known factors or events that may affect of the company in the next reporting and the next 12 months.**

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

The trust business in Singapore continues to see weak pricing and strong competitive pressures and in line with the strategic plan the Company in the medium to long term will look to diversify its revenue and income streams.

12 **Dividend**

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

Any dividend declared for the current financial period reported on?

Other than the interim dividend that was paid on 10 March 2017, no other dividend has been declared in the current financial period reported upon.

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

The Company declared the following dividends for the financial year ended 30 June 2016 :

Type of dividend	Amount	Date payable
Interim	1.50 cents per share	11-Mar-16

(c) **Date payable**

N.A

(d) **Books closure date**

N.A

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

Other than the interim dividend ,no other dividend has been declared / recommended for the period ended 30 June 2017.

PART II- ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14 Segment revenue and results for business or geographical segments in the form presented in the Company's most recently audited annual financial statements, comparative information for the immediately preceding year.

	Trustee activities		Investment activities		Total	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Revenue	2,270	2,510	-	-	2,270	2,510
External Customers						
Results						
Interest income		-	34	62	34	62
Dividend income		-	152	148	152	148
Rental income		-	-	-	-	-
Other Income	52	95	65	31	117	126
Gain on available for financial assets		-	-	-	-	-
Loss on sale of fixed assets		-	(19)	(1)	(19)	(1)
Employee benefits expense	(2,162)	(2,832)	-	-	(2,162)	(2,832)
Depreciation expenses	(193)	(195)	(20)	(18)	(213)	(213)
Other expenses	(1,657)	(1,459)	(156)	(120)	(1,813)	(1,579)
Net foreign exchange (loss)/ gain	2	(1)	-	-	2	(1)
Income tax (expense) / credit	6	(3)	1	-	7	(3)
Segment profit/(loss)	(1,682)	(1,885)	57	102	(1,625)	(1,783)
Segment assets and total assets	4,949	4,774	8,123	9,887	13,072	14,661
Segment liabilities	1,224	1,258	-	-	1,224	1,258

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Revenue

For the year ended 30 June 2017, the Company's total revenue was \$2,573,000 (2016: \$2,846,000). The decrease of 10% results from lower fee income after the maturity of a number of corporate trust financing transactions, lower fee income from the private trust division and lower other income received.

The Company incurred an operating loss before tax for the year of \$1,632,000 (2016: loss \$1,780,000). The reduction in the loss from the prior period is mainly due to lower costs such as rental and staffing costs pursuant to the Strategic Plan implementation.

Balance Sheet Analysis

Net assets have declined to \$11,848,000 from \$13,403,000 over the year. The decrease is due to the Company's operating loss for the year, payment of the Company's interim dividend of \$ 131,000 and partially offset by the mark to market increase in the value of the Company's AFS assets. Notwithstanding the decline in net assets we believe our strong balance sheet with cash and cash equivalents of \$6,704,000 representing 51% 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.

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The company's cash position over the year has declined from \$8,256,000 to \$6,704,000. This decline is due to the company's operating loss for the year and the payment of the Company's interim dividend.

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As a result of a strategic review undertaken by the Company in order to address declining profitability, the Company wishes to announce that it has completed the implementation of its Strategic Plan, as follows: The Company, in addition to its continuing efforts to realize returns from management of its investments, enhanced efficiencies through implementation of IT systems and cost containment, rationalising and improving profitability of existing accounts, and focusing marketing efforts on appropriate new accounts, has completed the corporate restructuring of the Company in July 2017. As set out in the various Restructuring Announcements, the Restructuring involved, *inter alia*, the interposition of a new holding company between the shareholders of the Company (the "Shareholders") and the Company.

16 A breakdown of sales

	30.06.2017 \$'000	30.06.2016 \$'000	Increase/ (Decrease) \$'000
Operating revenue for the first half year	1,070	1,207	(137)
Loss after tax reported for the first half year	(846)	(855)	9
Operating revenue for the second half year	1,200	1,303	(103)
Loss after tax reported for the second half year	(779)	(928)	149

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

Total Annual Dividend

	Latest Full Year \$'000	Previous Full Year \$'000
Ordinary	131	2,557
Preference	-	-
Total	131	2,557

18 Interested Person Transactions

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

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).

There is no such person occupying a managerial position.

20 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 year end financial results of British and Malayan Trustees Limited for the year ended 30 June 2017, to be false or misleading in any material respect

21 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
23-Aug-17