

BRITISH AND MALAYAN HOLDINGS LIMITED

FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2018

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 2018

	GROUP First Quarter 1 Jul 2018 to 30 Sep 2018 S\$'000	GROUP First Quarter 1 Jul 2017 to 30 Sep 2017 S\$'000	% Increase/ (decrease)
Trustee Services	430	565	(24)
Other Services	-	-	NM
Operating Revenue	430	565	(24)
Interest Income	18	11	64
Other Income	25	75	(67)
Gain on sale of available for sale financial assets	-	1,478	NM
Total Revenue	473	2,129	(78)
Staff Costs	(385)	(495)	(22)
Depreciation	(52)	(51)	2
Net foreign exchange (loss) / gain	(1)	(2)	NM
Other expenses	(283)	(358)	(21)
Operating profit / (loss) Before Tax	(248)	1,223	NM
Profit / (Loss) Before Tax	(248)	1,223	NM
Income Tax credit	-	-	NM
Net Profit / (Loss) for the Financial Period	(248)	1,223	NM
Other Comprehensive Income:			
Net gain on available-for-sale assets	-	-	
Income tax effect	-	-	
Other Comprehensive loss for the Financial Period, net of tax	-	-	
Total Comprehensive loss for the Financial Period	(248)	1,223	
Earnings per share			
(i) Based on weighted average number of ordinary shares in issue	(0.03)	0.14	
(ii) On a fully diluted basis	(0.03)	0.14	

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		BMH	
	30.09.2018 S\$'000	30.06.2018 S\$'000	30.09.2018 S\$'000	30.06.2018 S\$'000
Current Assets				
Cash and cash equivalents	7,236	7,681	1,451	531
Trade and other receivables	311	369	-	-
Prepayments	261	161	16	-
	7,808	8,211	1,467	531
Non-Current Assets				
Property, plant and equipment	3,135	3,187	-	-
Investment in subsidiary	-	-	2,737	2,737
	3,135	3,187	2,737	2,737
Total Assets	10,943	11,398	4,204	3,268
Current Liabilities				
Advance trustee services billings	155	272	-	-
Other liabilities	336	426	111	108
Taxation	-	-	-	-
	491	698	111	108
Total Liabilities	491	698	111	108
Net Assets	10,452	10,700	4,093	3,160
Equity				
Share capital	2,737	2,737	2,737	2,737
Fair value reserve	-	-	-	-
Retained earnings	7,715	7,963	1,356	423
	10,452	10,700	4,093	3,160

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 30.09.2018		As at 30.06.2018	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Amount repayable after one year

As at 30.09.2018		As at 30.06.2018	
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	GROUP
	First Quarter 1 Jul 2018 to 30 Sep 2018 S\$'000	First Quarter 1 Jul 2017 to 30 Sep 2017 S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)/ profit before tax	(248)	1,223
Adjustments for:		
Depreciation	52	51
Interest income	(18)	(11)
Dividend income	-	-
Operating loss before changes in working capital	(214)	(215)
Change in operating assets and liabilities		
Trade and other receivables and prepayments	(42)	(214)
Trade and other payables and advance trustee services billing	(207)	(138)
Cash flows used in operating activities	(463)	(567)
Income tax received	-	-
Net cash flows used in operating activities	(463)	(567)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from AFS securities	-	2,527
Interest received	18	11
Dividends received	-	-
Net cash flows generated from investing activities	18	2,538
Net (decrease) / increase in cash held	(445)	1,971
Cash and cash equivalents at beginning	7,681	6,704
Cash and cash equivalents at the end (30 Sep)	7,236	8,675

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.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY				
	Share Capital \$'000	Fair Value Reserve \$'000	Retained Profits \$'000	Total \$'000
Balance at 1 July 2018 (Group)	2,737	-	7,963	10,700
Net profit	-	-	(248)	(248)
Sale of AFS Assets	-	-	-	-
Balance at 30 Sep 2018 (Group)	2,737	-	7,715	10,452
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)
Balance at 30 Sep 2017 (Group)	2,737	-	8,817	11,554

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 2018 and 30 June 2018 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.

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.

	30.09.2018 - Group	30.06.2018 - Group
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.	(0.03)	0.07
(ii) On a fully diluted basis	(0.03)	0.07

**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.**

	30.09.2018 - Group	30.06.2018 - Group
Net asset value per ordinary share based on issued capital at the end of the financial period/year.	1.19	1.22

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.

Review of the quarter

For the quarter ended 30 September 2018, the Group's total revenue was \$473,000 (2017: \$2,129,000). The prior year 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 prior period, total revenue was \$473,000 compared to \$651,000 in the corresponding period, or a decrease of 24%. The decrease is due to lower commission income from private trusts.

The Group incurred an operating loss before tax for the quarter of \$248,000 (2017: profit \$1,223,000). On a normalised basis excluding the gain on AFS assets sales in the prior period the Group incurred an operating loss before tax of \$248,000 compared to a loss of \$255,000 in the prior period.

Balance Sheet Analysis

Net assets have declined to \$10,452,000 from \$10,700,000 over the period. We believe our strong balance sheet with cash and cash equivalents of \$7,236,000 representing 66% 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 decreased from \$7,681,000 to \$7,236,000. This decrease is due to the payments of various accruals and expenses in the period.

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 2018.

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 2018, 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 2018