



BRITISH AND MALAYAN  
HOLDINGS LIMITED

Security  
Integrity  
Value

ANNUAL REPORT 2020



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# Introduction

**British and Malayan Holdings Limited, 100% wholly owned subsidiary is British and Malayan Trustees Limited** which has been providing trust services to families, companies, financial institutions, charities and high net worth individuals from its home in Singapore since 1924. As a pioneer member of the Singapore Stock Exchange, we are uniquely positioned as a licensed independent trust company offering the stability and flexibility to meet bespoke needs of clients. We are a full service Singapore based trust company assisting clients globally.

## Examples of Current Service Offerings:

### Family Services

- Family Holding Structures; Private Trust Companies; Succession Planning; Asset and Entity Administration

### Estates

- We have over the decades successfully administered and settled all manner of significant estates; both for a prompt and efficient resolution as well as for generational preservation and distribution.

### Charities

- We support a variety of charitable structures and activities, domestically and internationally.

### Real Estate Services

- We have throughout our history offered full real estate solutions for clients and their estates, including administration, transactions and development.

### Corporate

- Financing – We serve in various trustee and agency capacities to facilitate corporate and transactional financings, such as securities and bond offerings; MTN Programs; Securitisations, etc.
- Transactions – We facilitate corporate M&A and asset transaction in various capacities, such as Escrow agency, etc.
- Entity Administration – We facilitate SPV's, Holding, and Transactional entities to support corporate requirements

### Funds; Asset Structuring

- Fund Trustee and Administration – We have extensive experience with all manner of funds as Trustee, Administration and/or Custodian (We hold a CMS license to serve as Custodian and are an Approved Trustee for Collective Investment Schemes).
- REITS – We have a special expertise in servicing REITS and private equity type real estate funds.
- Specialty Assets – We actively support investors and their advisers in dealing with new asset classes and bespoke structures for separately managed accounts and platforms.

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# Financial Calendar

## Financial Year End

30 June 2020

## Announcement of FY 2020 Annual Financial Results

24 August 2020

## Annual General Meeting

23 October 2020

## Payment of 2019 – 2020 Dividends

<b>Interim</b>	:	10 March 2020
<b>Final</b>	:	20 November 2020

# Corporate Information

## **BOARD OF DIRECTORS**

Mr Colin Lee Yung Shih (Chairman)  
Mr Lee Boon Huat  
Mr Ng Kwan Meng  
Mr Soh Chung Hian

## **AUDIT AND RISK COMMITTEE**

Mr Soh Chung Hian (Chairman)  
Mr Colin Lee Yung Shih  
Mr Lee Boon Huat  
Mr Ng Kwan Meng

## **NOMINATING COMMITTEE**

Mr Lee Boon Huat (Chairman)  
Mr Colin Lee Yung Shih  
Mr Ng Kwan Meng  
Mr Soh Chung Hian

## **REMUNERATION COMMITTEE**

Mr Ng Kwan Meng (Chairman)  
Mr Colin Lee Yung Shih  
Mr Lee Boon Huat  
Mr Soh Chung Hian

## **COMPANY SECRETARIES**

Mr. Paul Martin Pavey  
Ms. Angela Ho Wei Ling  
Ms Tan Pay Lee

## **REGISTERED OFFICE**

### **& SHAREHOLDER SERVICES FOR ORDINARY SHARES**

1 Coleman Street  
#08-01 The Adelphi  
Singapore 179803  
Tel : (65) 6535 4922  
Fax : (65) 6535 1258  
Email : enquiry@bmtrust.com

## **AUDITORS**

### **RSM Chio Lim LLP**

8 Wilkie Road, #03-08,  
Wilkie Edge,  
Singapore 228095

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of the Company will be held at the Board Room of British And Malayan Holdings Limited at 1 Coleman Street, #08-01 The Adelphi, Singapore 179803 on Friday, 23 October 2020 at 2:30 p.m. for the purpose of transacting the following business:-

## AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2020 together with the Directors' Statement and the Independent Auditor's Report thereon. **(Resolution 1)**
2. To re-elect Mr Colin Lee Yung-Shih, the Director retiring pursuant to Article 94 of the Company's Constitution. **(Resolution 2)**  
  
*[See Explanatory Note (i)]*
3. To re-elect Mr Lee Boon Huat, the Director retiring pursuant to Article 94 of the Company's Constitution. **(Resolution 3)**  
  
*[See Explanatory Note (ii)]*
4. To approve the payment of Directors' fees of S\$150,000 for the financial year ending 30 June 2021, to be paid quarterly in arrears. (2020: S\$150,000) **(Resolution 4)**
5. To declare a Final Dividend (tax exempt one-tier) of 2.7 cents per ordinary share for the financial year ended 30 June 2020. **(Resolution 5)**
6. To re-appoint Messrs RSM Chio Lim LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

## AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as Ordinary Resolution, with or without modifications:-

7. **Authority to issue shares** **(Resolution 7)**  
  
"That, pursuant to Section 161 of the Companies Act, Chapter 50 and the Listing Rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given for the Directors of the Company at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:
  - (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;
  - (ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "**Instruments**") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;

# Notice of Annual General Meeting

- (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues;

and (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuant to any Instruments made or granted by the Directors while the authority was in force, provided always that:

- (a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments, made or granted pursuant to this Resolution) does not exceed fifty per centum (50%) of the Company's total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro-rata basis to shareholders of the Company does not exceed twenty per centum (20%) of the total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary), and for the purpose of this Resolution, the total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary) shall be the Company's total number of issued shares (excluding treasury shares and shares (if any) held by a subsidiary) at the time this Resolution is passed, after adjusting for:
  - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards, and
  - (ii) any subsequent bonus issue, consolidation or subdivision of the Company's shares;

Adjustments in accordance with (i) and (ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this resolution.

- (b) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (c) (unless revoked or varied by the Company in general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

*[See Explanatory Note (iii)]*



# Notice of Annual General Meeting

8. **Authority to allot and issue shares under British and Malayan Holdings Employee Share Option Scheme and British and Malayan Holdings Performance Share Plan** (Resolution 8)

“That, authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued pursuant to the exercise of the options under the British and Malayan Holdings Employee Share Option Scheme (“**ESOS**”) and/or vesting of awards under British and Malayan Holdings Performance Share Plan (“**PSP**”), provided always that the aggregate number of additional Shares to be allotted and issued pursuant to the ESOS and PSP shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.”

*[See Explanatory Note (iv)]*

9. To transact any other business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Paul Martin Pavey  
Angela Ho Wei Ling  
Lee Pay Lee  
Company Secretaries

Singapore,  
8 October 2020

**Explanatory Notes:**

- (i) Mr Colin Lee Yung-Shih will, upon re-election as Director of the Company, remain as the Chairman of the Board and a member of Audit and Risk Committee, Nominating Committee and Remuneration Committee. Mr Colin Lee is a non-independent non-executive director and will not be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. Key information on Mr Colin Lee can be found on page 19 of the Annual Report 2020. Please refer to page 21 of the Annual Report 2020 for Mr Colin Lee’s shareholding interest in the Company.
- (ii) Mr Lee Boon Huat will, upon re-election as Director of the Company, remain as the Chairman of Nominating Committee and a member of Audit and Risk Committee and Remuneration Committee. Mr Lee is considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. Key information on Mr Lee can be found on page 19 of the Annual Report 2020. There are no relationships (including family relationship) between Mr Lee and the other Directors or the Company or its 10% shareholders.

# Notice of Annual General Meeting

- (iii) Ordinary Resolution 7 proposed above, if passed will empower the Directors of the Company, from the date of the passing of Ordinary Resolution 7 to the date of the next Annual General Meeting, to issue shares in the capital of the Company is required by law to be held and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to an amount not exceeding in total 50% of the issued shares (excluding treasury shares and shares (if any) held by a subsidiary) in the capital of the Company, with a sub-limit of 20% of the issued shares (excluding treasury shares and shares (if any) held by a subsidiary) for issues other than on a pro rata basis to shareholders.
- (iv) Ordinary Resolution 8 proposed above, if passed will empower the Directors of the Company, from the date of the passing of Ordinary Resolution 8 to the date of the next Annual General Meeting is required by law to be held, whichever is earlier, to allot and issue shares in the Company of up to a number not exceeding in total fifteen per centum (15%) of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time pursuant to the exercise of the options under the ESOS and vesting of the share awards under the PSP.

## Notes:

- (a) A member of the Company may appoint not more than two proxies to attend and vote at the general meeting of the Company. A proxy need not be a member of the Company.
- (b) Where a member appoints more than one (1) proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage as a whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
- (c) A member who is a Relevant Intermediary\* is entitled to appoint more than two proxies to attend and vote at the meeting. He shall specify the proportion of his shares (expressed as a percentage of the whole) to be represented by each proxy.

### \*Relevant Intermediary is:

- (i) a banking corporation licensed under the Banking Act (Cap.19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who hold shares in that capacity; or
  - (ii) a person holding a capital markets services license to provide a custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
  - (iii) the Central Provident Fund Board established by the Central Provident Fund Act (Cap.36), in respect of shares purchased on behalf of CPF investors.
- (d) A corporation which is a member may appoint an authorised representative or representatives in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore to attend and vote for and on behalf of such corporation.
  - (e) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or signed on its behalf by an officer or attorney duly authorised in writing.

# Notice of Annual General Meeting

- (f) Where an instrument appointing a proxy is signed on behalf of the appointor by the attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
- (g) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 1 Coleman Street, #08-01 The Adelphi, Singapore 179803, not less than seventy-two (72) hours before the time appointed for holding the Annual General Meeting.
- (h) In the case of joint shareholders, all shareholders must sign the instrument appointing a proxy or proxies.
- (i) Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse the admission of any person or persons appointed under the instrument of proxy, to the Annual General Meeting.
- (j) The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such member(s) are not shown to have shares entered against his/her/their name(s) in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.
- (k) A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his/her name appears on the Depository Register 72 hours before the time appointed for the Annual General Meeting.

## PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis of the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy (ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# Chairman's Statement

## Review of the year

### Review of the year

For the year ended 30 June 2020, the Group's total revenue was \$2,153,000 (2019: \$2,144,000) in line with the prior year.

The Group incurred an operating loss before tax for the year of \$757,000 (2019: loss \$803,000). The reduction in loss of 6% is due to slightly lower expenses.

The trust business in Singapore remains challenging, in addition to continued strong competitive pressures resulting in weak pricing power and a difficult economic environment arising from Covid-19. Consequently, the Group will continue to explore opportunities to enhance and diversify its revenue and income streams in accordance to the strategic plan.

## Dividend

During the year an interim tax exempt dividend of 1.50 cents per share was paid in March 2020. The Board is recommending a final tax exempt dividend of 2.7 cents per share to be approved at the forthcoming Annual General Meeting to be held on 23 October 2020.

## Outlook

The search for strategic partners to broaden our revenue base has begun in earnest. These include Trust practices in other jurisdictions and corporate services both onshore and offshore. Merely bolting on revenue and income via mergers and acquisitions has its challenges ranging from integration of culture to regulatory compliance standards, to value accretion, just to name a few. So for every potential acquisition or merger consideration that has crossed our path in FY2020, we have had to interview the candidates extensively for fit and fitness, before even considering beginning the due diligence process. Your executive management and Board, together with professional counsel have been diligently examining such opportunities. Unfortunately the unforeseen advent of Covid-19 in 2HFY20 slowed our efforts but with the gradual lifting of lockdown measures, we have once again stepped up our efforts. We will report to shareholders once we have identified and confirmed opportunities.

From a balance sheet perspective, BMH is cashed up and unencumbered. This has stood us well during the Covid-19 pandemic. With the assistance of Government grants, BMT's own operations remain robust but challenges remain for our underlying accounts who are either exposed to equity risks or are challenged on the property rental and income front. We work closely with our operating partners and continuously explore solutions to better our position during these trying times.

I would like to take this opportunity to thank existing clients, shareholders, the Board and staff for their patience, support and dedication during the Covid-19 period and as BMH management explores avenues for future growth.

# Corporate Governance Statement

The Board of Directors (the “**Board**”) of British and Malayan Holdings Limited (“**BMH**”, the “**Company**”) is committed to upholding good corporate governance practices and has adopted the principles of the Code of Corporate Governance 2018 (the “**Code**”) to enhance transparency and accountability as well as to protect the interests of the Company’s shareholders. The Board confirms that the Company had, for the financial year ended 30 June 2020 (“**FY2020**”), complied with and observed the Principles set out in the Code, and where there are deviations from the Provisions of the Code, explanations, including the provision from which it has varied, reasons for deviation and how the Company’s practices adopted are consistent with the intent, aim and philosophy of the Principle in question, have been provided in the relevant sections below.

## Board Matters

### THE BOARD’S CONDUCT OF AFFAIRS

*Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.*

The primary role of the Board is to protect and enhance long-term shareholders’ value and to ensure that the Company is run in accordance with best international management and corporate governance practices, appropriate to the needs and development of the Company.

All Directors are fiduciaries who objectively discharge their duties and responsibilities at all times in the interest of the Company. The principal functions of the Board apart from its statutory responsibilities include:

- (a) providing entrepreneurial leadership and setting strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;
- (b) ensuring that adequate resources are available to meet strategic objectives;
- (c) establishing and maintaining a sound risk management framework to effectively monitor and manage risks and achieving an appropriate balance between risks and company performance;
- (d) constructively challenging Management and reviewing and monitoring their performance towards achieving organisational goals;
- (e) oversees the management and affairs of the Company and approves important business decisions involving the Company’s corporate strategy and direction;
- (f) reviewing the strategic plans and performance objectives, financial plans and annual budget, key operational initiatives, major funding and investment proposals, financial performance reviews and corporate governance practices.
- (g) reviewing and evaluating the adequacy and integrity of the Group’s internal controls, compliance, risk management and financial report systems;
- (h) instilling an ethical corporate culture for the Group and ensuring that the corporate values, standards, policies and practices are consistent with the culture;
- (i) ensuring transparency and accountability to key stakeholder groups; and

# Corporate Governance Statement

- (j) delegating responsibility for the day-to-day operations and leadership of the Company to the Management team, the Board has implemented a system of processes and procedures to ensure that significant issues, risks and major strategic decisions are monitored and considered at the Board level.

## Conflicts of Interest

Each Director is required to promptly disclose any conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Group as soon as is practicable after the relevant facts have come to his knowledge. On an annual basis or as and when necessary, each Director is required to submit details of his other directorships and interests in other entities. Where a Director has a conflict of interest in relation to any matter, he will recuse himself from discussions and decisions involving the issues of conflict.

## Delegation by the Board

In addition, to assist in carrying out its responsibilities, the Board has delegated certain functions to various board committees, namely the Audit and Risk Committee (“**ARC**”), Nominating Committee (“**NC**”), and Remuneration Committee (“**RC**”). Each Committee has its own written Terms of Reference, which clearly sets out its objectives, duties, powers and responsibilities. The Board accepts that while these board committees have the authority to examine particular issues they will report back to the Board with their decisions and /or recommendations, the ultimate responsibility on all matters lies with the Board.

All the Board members are actively engaged and play an important role in ensuring good corporate governance within the Company. Visits to the Company’s business premises are also arranged to acquaint the non-executive Directors with the Company’s operations and ensure that the Directors are familiar with the Company’s business, policies and governance practices.

Directors are also provided with an insight into the Company’s operational facilities and periodically meet with the Management to gain a better understanding of the Company’s business operations. The Board as a whole is updated on risk management and the key changes in the relevant regulatory provisions which have an important bearing on the Company and the Directors’ obligations to the Company.

The profile of each Director is presented in the section headed “Board of Directors” of this Annual Report.

## Board Approval

The Board has adopted and documented internal guidelines setting forth matters that require Board approval. The types of material transactions that require Board approval under such guidelines are listed below:

- Strategies and objectives of the Company;
- Annual budgets and business plans;
- Announcement of quarterly and full year results and release of annual reports;
- Issuance of shares;
- Declaration of interim dividends and proposal of final dividends;
- Convening of shareholders’ meetings;
- Investments, divestments or capital expenditure exceeding S\$ 1 million;
- Commitments to term loans and lines of credits from banks and financial institutions if any; and
- Interested party transactions.

# Corporate Governance Statement

Apart from the matters that specifically require the Board's approval, the Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to management so as to optimize operational efficiency.

The schedules of all the Board and Board Committee meetings for the financial year are given to all directors well in advance. To assist directors in planning their attendance, the Company Secretaries consult every director before fixing the dates of these meetings. The Board meets at least four (4) times a year and ad hoc meetings are also convened to deliberate on urgent substantive matters. Telephonic attendance and conference via audio-visual communication at Board and Board Committee meetings are allowed under the Company's Constitution. The Board and Board Committees may also make decisions by way of written resolutions.

The number of Board and Board Committee meetings held and the attendance of each Director for FY 2020 where relevant are as follows:

	Board	Board Committees		
		Audit and Risk Committee	Remuneration Committee	Nominating Committee
<b>No. of Meetings Held</b>	4	4	1	1
	<b>No. of Meetings Attended</b>			
Mr Colin Lee Yung-Shih	4	4	1	1
Mr Lee Boon Huat	4	4	1	1
Mr Ng Kwan Meng	4	4	1	1
Mr Soh Chung Hian	4	4	1	1

## Induction of Directors

The Directors have access to the Company Secretaries and Management. They may also seek independent professional advice concerning the Company's affairs at the Company's expense when necessary. Prior to their respective appointments to the Board, each of the Directors was given an orientation and induction programme, so as to familiarize themselves with the Company's business activities, strategic directions and policies. In addition, newly appointed directors are also introduced to the senior Management team. The Company does not provide a formal appointment letter detailing the duties and obligations of the incoming new directors as this is discussed verbally with each director prior to his appointment.

## Training of Directors

The Company Secretaries and auditors provide regular updates on the latest governance, listing rules and financial reporting standards during Board meetings, as and when required. All Directors are updated regularly concerning any changes in company policies. During the year, the Board was briefed and/or updated on the following: (1) Current issues in corporate governance; (2) Overview of the changes in accounting standards, laws and regulations; (3) changes to the regulatory environment and requirements in both Singapore and other jurisdictions; and (4) Prevention of money laundering and countering the financing of terrorism.

# Corporate Governance Statement

The Directors may also attend training, conferences and seminars at the Company's expense, to keep themselves updated on the latest developments concerning the Company and to keep abreast of regulatory changes.

## Access to Information

The Board has separate and independent access to the senior Management and the Company Secretary at all times. Requests for information are dealt with promptly by Management. The Board is informed of all material events and transactions as and when they occur. The Management consults Board members as necessary and appropriate. Detailed board paper agenda and related material, background or explanatory information relating to matters to be discussed such as quarterly and yearly financial results, progress reports of the Company's operations, corporate developments, business developments, budgets, capital expenditure, shares price movements and shareholders trading transactions, HR matters and relevant regulatory updates are sent out to the Directors prior to each meeting so that all Directors may better understand the issues beforehand, allowing more time at such meetings for questions and deliberations that the Directors may have.

Management's proposals to the Board for approval provide background and explanatory information such as facts, resources needed, risk analysis and mitigation strategies, financial impact, regulatory implications, expected outcomes, conclusions and recommendations. Employees who can provide additional insight into matters to be discussed will be present at the relevant time during the Board and Board Committee meetings. In order to keep the Directors abreast of the Group's operations, the Directors are also updated on initiatives and developments on the Group's business as soon as practicable and/or possible and on an on-going basis.

The Company Secretaries administer, attend and document all Board meetings, and assist the Chairman in implementing appropriate Board procedures to facilitate effective compliance with the Company's Constitution. The Company Secretaries also ensure the requirements of the Companies Act (Chapter 50) of Singapore, Listing Manual and other relevant rules and regulations applicable to the Company are complied with. The Company Secretaries work together with the respective divisions of the Company to ensure that the Company complies with all relevant rules and regulations. The appointment and removal of the Company Secretaries are subject to the approval of the Board.

The Board in fulfilling its responsibilities can, as a collective body or individually as Board members, when deemed appropriate, directs the Company, at the Company's expense, to appoint independent professionals to render advice.

## **BOARD COMPOSITION AND GUIDANCE**

*Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.*

The Board consists of four (4) Directors, comprising four (4) Non-Executive Directors. Of the Non-Executive Directors, three (3) of them are Independent Directors. The Company has adopted the Code's definition of "Independent Director" and its guidance in respect of relationships which would deem a Director to be regarded as non-independent.

As three out of four Directors are Independent Directors, the Board recognizes that this is in accordance with the Code's guidelines that Independent Directors should make up a majority of the Board where the Chairman of the Board is not an Independent Director. The Board is of the view that the current Board size and composition are appropriate and effective to provide the necessary objective inputs to the various decisions made by the Board. The Board will periodically examine its composition to ensure a strong and independent element on the Board.



# Corporate Governance Statement

Each year, the Board's composition is reviewed by the NC to ensure that the Board has the appropriate mix of expertise and experience. The NC is of the view that the current Board comprises persons whose diverse skills, experience and attributes provide for an effective Board.

The Board in concurrence with the NC is of the view that the current Board and Board Committees comprises an appropriate balance and diversity of skills, experience and knowledge of the Company which provides broad diversity of expertise such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-based experience or knowledge who as a group provide core competencies necessary to meet the Company's requirements. Further details on the key information and the profile of the Directors including their academic and professional qualification, and other directorship in other listed companies are set out on page 27 in this Annual Report.

The Non-Executive Directors provide constructive views and assist the Board to facilitate and develop proposals on strategy and monitor the performance of the Management in meeting agreed objectives. The Non-Executive Directors have full access to and co-operation from the Company's Management and officers. They have full discretion to have separate meetings without the presence of Management and to invite any Directors or officers to the meetings as and when warranted.

To facilitate a more effective review the Non-Executive Directors meet as and when necessary and at least once a year with Auditors without the presence of the Management.

The Board and Management fully appreciate that an effective and robust Board whose members engage in open and constructive debate and challenge Management on its assumptions and proposal is a fundamental to good corporate governance. The Company has adopted initiatives to put in place processes to ensure that the non-executive directors are well supported by accurate, complete and timely information, have unrestricted access to management and have sufficient time and resources to discharge their oversight function effectively. These initiatives include informal meetings for management to brief the directors on prospective deals and providing the Board with regular updates on projects and initiatives at early stage, circulation of relevant information on business initiatives on matters in relation to the Company and the industries in which it operates to keep the board abreast of the business developments.

## Directors' independent review

The NC is tasked to determine on an annual basis and as and when the circumstances require whether or not a director is independent, bearing in mind the Guidelines set forth in the Code of Corporate Governance and any salient factors which would render a director to be deemed not independent. Each Director is required to declare his independence based on the guidelines set forth in Guideline 2.1 of the Code by submitting a "Confirmation of Director's Independence Form" which requires each Director to assess whether he considers himself independent and not having any relationships identified in the Code. The NC will review and deliberate the independence of each Independent Director before giving its recommendation to the Board for deliberation. The NC has reviewed and determined that all the Independent Directors are considered independent.

The Board is of the view that the three (3) Independent Directors namely, Mr Lee Boon Huat, Mr Ng Kwan Meng and Mr Soh Chung Hian continue to demonstrate strong independence in character and judgement in the discharge of their responsibilities as directors of the Company. Based on the Confirmation of Director's Independence Form received from Mr Lee Boon Huat, Mr Ng Kwan Meng and Mr Soh Chung Hian combined with the fact that they have no association with the Management or substantial shareholders that could compromise their independence. After taking into account these factors, the Board has determined that Mr Lee Boon Huat, Mr Ng Kwan Meng and Mr Soh Chung Hian continue to be considered as independent directors.

# Corporate Governance Statement

None of the Independent Directors has served on the Board beyond nine (9) years from their respective date of appointment.

The Independent Directors have full access to and co-operation of the Company's Management and officers. They also have full discretion to convene separate meetings without the presence of Management and to invite any Directors or officers to the meetings as and when warranted by certain circumstances. For FY2020, the Non-Executive Director and Independent Directors have met in the absence of key management personnel.

## Chairman and Chief Executive Officer

*Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.*

Mr Colin Lee Yung-Shih is the Non-Executive Chairman, while Mr Paul Martin Pavey is the Executive Director of British and Malayan Trustees Limited ("BMT") the main operating subsidiary of the Company.

There is a clear division of responsibilities between the Chairman and Executive Director of BMT, which ensures a balance of power and authority at the top of the Company. With the separation of roles, the Chairman will bear responsibility for providing guidance on the corporate direction of the Company and leadership to the Board. The Chairman ensures that Board meetings are held when necessary and sets the agenda in consultation with other Directors. The Chairman reviews all Board papers, prior to their distribution to the Board, and ensures that Board members are provided with complete, accurate and timely information on a regular basis to enable them to be fully cognizant of the affairs of the Company.

In addition, the Chairman monitors communications and relations between the Company and its shareholders and between the Board and Management with a view to encourage constructive relations and dialogues amongst them. Also, the Chairman works to facilitate the effective contribution of directors and assists to ensure procedures are in accordance with the Company's guidelines on corporate governance.

The Executive Director of BMT sets the business strategies and directions for the Company and manages the business operations of the Company with senior management. The Chairman and Executive Director of BMT are not related to each other.

Taking into account the relatively small size of the Board and that Independent Non-Executive Directors make up majority of the Board, the Board is of the view that there is currently no need to appoint one of them as the Lead Independent Director. The Chairman of each Board Committee will provide feedback to the Board after the meeting. Shareholders can channel any concerns they may have to any one of the Independent Non-Executive Directors.

The Board's size, composition and diversity of skills and experiences are considered appropriate for the Company to ensure that the board will make independent decisions. Matters requiring the board's approval are discussed and deliberated with participation from each member of the board and collective decisions ensure that no individual influences or dominates the decision-making process. The Board will constantly review the contribution of its directors to ensure a strong and independent element of the Board.

# Corporate Governance Statement

## Board Membership

*Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.*

The NC comprises four (4) Directors, a majority of whom, including the Chairman of the NC, are Independent Non-Executive Directors:

- (i) Mr Lee Boon Huat (Chairman)
- (ii) Mr Colin Lee Yung-Shih
- (iii) Mr Ng Kwan Meng
- (iv) Mr Soh Chung Hian

According to the written terms of reference of the NC, the NC assists in performing the following functions:

- (a) nominates directors (including Independent Directors) taking into consideration each Director's contribution, performance and ability to provide valuable insights and strategic networking to enhance the businesses of the Company;
- (b) reviews and recommends to the Board the composition of the ARC and RC;
- (c) re-nominate directors for re-election in accordance with the Constitution at each annual general meeting ("AGM") having regard to the director's contribution and performance;
- (d) reviews and determines annually whether or not a director of the Company is independent;
- (e) decides whether or not a director is able to and has been adequately carrying out his duties as a director;
- (f) assesses the performance of the Board as a whole and the contribution of each director to the effectiveness of the Board;
- (g) reviews and recommends succession plans for directors, in particular, the Chairman, the Chief Executive Officer ("CEO") and key management personnel; and
- (h) reviews and recommends training and professional development programs for the Board.

The process for the selection and appointment of new Board members is as follows:

- the NC evaluates the balance of skills, knowledge and experience of the Board and prepares a summary description of the role and the required competencies for the appointment;
- If required, the NC may engage consultants to undertake research on, or assess, candidates for new positions on the Boards;
- the NC meets with short-listed candidates to assess their suitability and to ensure that the candidates are aware of the expectations; and
- the NC makes recommendations to the Board for approval.

# Corporate Governance Statement

Pursuant to Article 100 of BMH's Constitution, any person so appointed by the Directors shall hold office only until the next annual general meeting. He shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. Under Article 94 of BMH's Constitution, at each annual general meeting, one-third of the Directors for the time being (of, if their number is not multiple of three, the number nearest to but not less than one-third), selected in accordance with Article 95, shall retire from office by rotation.

The Directors who retire in every year shall be those subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

The NC makes a recommendation to the Board on the re-election of Directors based on their contributions and performance, a review of the range of expertise, skills and attributes of current board members, and the needs of the Board.

For the year under review, the NC evaluated the Board's performance as a whole and the contribution of each Director to the effectiveness of the Board. The NC has adopted a formal process and criteria to assess the effectiveness of the Board and each of the directors. The evaluation is carried out annually.

Pursuant to Article 94 of the Company's Constitution, Mr Colin Lee Yung-Shih and Mr Lee Boon Huat will be offering themselves for re-election at the forthcoming AGM of BMH. Each Mr Colin Lee Yung-Shih and Mr Lee Boon Huat had accordingly abstained from reviewing and approving his own re-election.

The NC had recommended to the Board that Mr Colin Lee Yung-Shih and Mr Lee Boon Huat be nominated for re-election at the forthcoming AGM. In making the recommendation, the NC had considered their integrity, independence mindfulness, contribution and performance (such as attendance, participation preparedness and candour).

Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the following is the information relating to the retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MR COLIN LEE YUNG-SHIH	MR LEE BOON HUAT
Date of Appointment	10 February 2017	10 February 2017
Date of last re-appointment	25 October 2018	25 October 2018
Age	57	63
Country of principal residence	Singapore	Singapore

# Corporate Governance Statement

	MR COLIN LEE YUNG-SHIH	MR LEE BOON HUAT
The Board's comments on this re-appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Colin Lee Yung-Shih for re-appointment as Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mr Colin Lee Yung-Shih possess the experience, expertise, knowledge, and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Lee Boon Huat for re-appointment as Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mr Lee Boon Huat possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Director, Chairman of the Board and a member of the Audit and Risk Committee, Remuneration Committee and Nominating Committee.	Independent Non-Executive Director, Chairman of the Nominating Committee and a member of the Audit and Risk Committee and Remuneration Committee
Professional qualifications	Bachelor of Science	Bachelor of Business
Working experience and occupation(s) during the past 10 years	13 October 1994 to date, Managing Director, Chartered Asset Management Pte Ltd;  07 November 1994 to date, Executive Director, The Nyalas Rubber Estates Limited;  07 April 1994 to date, Executive Director, Estate and Trust Agencies (1927) Limited.	Non Executive Director of: Alliance Bank Bhd Malaysia  British and Malayan Trustees Limited  Technology & Commercial Bank (Vietnam)  Credit Counselling Singapore Pte Ltd  Novena 756 Pte Ltd  Novena 757 Pte Ltd  Techcom Capital Joint Stock Company  Techcom Securities Joint Stock Company

# Corporate Governance Statement

	MR COLIN LEE YUNG-SHIH	MR LEE BOON HUAT
Shareholding interest in the listed issuer and its subsidiaries	Deemed Interest in the Company of 6,161,694 Ordinary Shares.	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Brother of the Substantial Shareholder, Mr Lee Chung Shih Justin  Director of The Nyalas Rubber Estates Limited which holds direct interest in the company of 6,147,294 Shares.  Son of Lee Thor Seng who holds direct interest in the company of 14,400 Shares.	No
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships#  Past (for the last 5 years)	15 October 1997 to date, Executive Director of CAM-GTF Limited;  11 September 2006 to date, Executive Director of Raffles Asia Investment Company Limited;  05 March 2007 to date, Executive Director of CAM GTI Limited.	Non Executive Director of:  Alliance Bank Bhd Malaysia  British and Malayan Trustees Limited  Technology & Commercial Bank (Vietnam)  Credit Counselling Singapore Pte Ltd  Novena 756 Pte Ltd  Novena 757 Pte Ltd  Techcom Capital Joint Stock Company  Techcom Securities Joint Stock Company

# Corporate Governance Statement

	MR COLIN LEE YUNG-SHIH	MR LEE BOON HUAT
Present	Capital Growth Investments Pte Ltd	Alliance Bank Bhd Malaysia (Independent Director)
	Ratpack Investments Pte Ltd	British and Malayan Trustees Limited
	Chartered Asset Management Pte Ltd	Technology & Commercial Bank (Vietnam)
	CAM GTF Limited	Credit Counselling Singapore Pte Ltd
	CAM GTi Limited	Novena 756 Pte Ltd
	Raffles-Asia Investment Company	Novena 757 Pte Ltd
	CAM GTF VCC	Techcom Capital Joint Stock Company
	CAM GTI VCC	Techcom Securities Joint Stock Company
	RAIC VCC	
	Mixed Holdings ( Private) Limited	
	Angtong Estates Sdn Bhd	
	Bukit Baik (Pte) Ltd	
	Bukit Getah (Pte) Ltd	
	Bukit Laut (Pte) Ltd	
	Bukit Mas (Pte) Ltd	
	Bukit Wang (Pte) Ltd	
	Mixed Investments Pte Ltd	
	Hengeri Pte Ltd	
	Interasia Worldwide Limited	
	The Nyalas Rubber Estates Limited	
Emerald-Hill Investments Pte Ltd		
Nyalas Investments Pte Ltd		
SY Cariad Private Limited		

# Corporate Governance Statement

	MR COLIN LEE YUNG-SHIH	MR LEE BOON HUAT
	British and Malayan Trustees Limited	
	Torbridge Holdings Limited	
	Balland Properties Limited	
	Ventura Worldwide Holdings Limited	
	Kluang Rubber Company (Malaya) Berhad	
	Devon Worldwide Limited	
	Sungei Bagan Rubber Company (Malaya) Berhad	
	Springvale International Limited	
	Lanstar Assets Limited	
	Kuala Pergau Rubber Plantations PLC	
	Kuchai Development Berhad	
	Estate & Trust Agencies (1927) Limited	
	Performance Limited	
	Woolpack Profits Limited	
	Ching Keng Lee & Company Limited	
	Kluang Estates (1977) Sdn. Berhad	
	Nanyang Press (Singapore) Limited	



# Corporate Governance Statement

MR COLIN LEE YUNG-SHIH MR LEE BOON HUAT

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.

a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c)	Whether there is any unsatisfied judgment against him?	No	No
d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

# Corporate Governance Statement

	MR COLIN LEE YUNG-SHIH	MR LEE BOON HUAT
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–  i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or  ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or  iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or  iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere  in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	Yes. Please see details below  Yes. Please see details below  No	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	Yes. Please see details below	No

# Corporate Governance Statement

## Lee Yung-Shih Colin

### Retiring Director Questionnaire Items j) i., ii., and k)

#### - Answers in the affirmative requiring full details

#### Background

Lee Yung-Shih Colin ("Mr Lee") is a licensed representative of Chartered Asset Management Pte Ltd. ("CAM").

The activity of CAM is the discretionary management of funds ("Fund").

As part of the day to day activities of the Fund, it will invest in listed companies and, on occasion, will exceed the disclosable threshold.

In accordance with S83 of Companies Act, the Fund and CAM has disclosed its shareholdings and any changes thereto. Mr Lee had understood that disclosure by the Fund of its direct shareholding and disclosure by CAM of its deemed shareholding would have satisfied the regulatory requirements.

Regrettably, Mr Lee had not appreciated that, as the ultimate beneficial shareholder of CAM, he was also subject to a similar disclosure requirement.

When Mr Lee was alerted to the omission in May 2010, he took steps to rectify the error and ensure compliance.

#### Notice of misconduct

Mr Lee, being a shareholder of Capital Growth Investments Pte Ltd ("CGI"), has in a personal capacity received contravention notice letters from the Monetary Authority of Singapore ("MAS") and the Accounting and Corporate Regulatory Authority ("ACRA") dated 30 June 2011 which he received on 06 July 2011. CGI is a shareholder of CAM.

The letter from the MAS was for breach of S137 of SFA for failure to notify Singapore Exchange Limited ("SGX") within the legally stipulated period of the change in interest in the voting shares in :

- I. CSE Global Ltd on 29 Apr 2009, 25 Nov 2009 and 15 Apr 2010,
- II. Boustead Spore Ltd on 28 Jan 2008, and
- III. Maveric Ltd on 2 Oct 2006 and 3 Oct 2006.

The letter from ACRA was for breach of S83 of Companies Act for failure to notify the listed company within the legally stipulated timeframe of the change in interest in the voting shares in CSE Global Ltd on 29 Apr 2009.

#### Penalty

The offer of composition of S\$2,000 was made by MAS and ACRA respectively.

Mr. Lee accepted and paid the offer of composition on 04 November 2011.

In view of the acceptance of composition, ACRA decided to issue a warning in lieu of prosecution for the remaining offences.

# Corporate Governance Statement

As at the date of this Report, the Board comprises four (4) Directors. Details of the Directors' qualifications, initial appointment, last re-election and their directorships are as follows:

Name of Directors	Position	Date of initial appointment	Date of last re-election	*Present Directorship or Chairmanship in other listed companies	*Past Directorship or Chairmanship in other listed companies	Other principal commitment
Mr Colin Lee Yung-Shih	Non-Executive Director	10 February 2017	25 October 2018	–	CAM-GTF Limited	NIL
Mr Lee Boon Huat	Independent Non-Executive Director	10 February 2017	25 October 2018	Alliance Bank Malaysia Berhad; Technology & Commercial Bank (Vietnam);	AfrAsia Bank Limited Mauritius	NIL
Mr Ng Kwan Meng	Independent Non-Executive Director	10 February 2017	25 October 2019	–	–	NIL
Mr Soh Chung Hian	Independent Non-Executive Director	10 February 2017	25 October 2019	Lum Chang Holdings Limited Vicom Limited Sunright Limited	–	NIL

\* Within the past three years

During FY 2020, the NC is satisfied that sufficient time and attention was given by the Directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations there is presently no need to implement internal guidelines to address their competing time commitments. The NC is also of the opinion that the current board size is adequate for the effective functioning of the Board. The NC will continue to review from time to time, the Board representations and other principal commitments to ensure that Directors continue to meet the demands of the Company and are able to discharge their duties adequately.

The Company does not have a practice of appointing alternate directors.

## Board Performance

*Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that each of its board committees and individual directors.*

The NC is responsible for setting the performance criteria to assess the effectiveness of the Board. In the assessment, the NC takes into consideration a number of factors, namely the size and composition of the Board, the Board's access to information, Board's proceedings, the discharge of the Board's functions and the communications and guidance given by the Board to the Management.

# Corporate Governance Statement

A formal review of the Board's performance was undertaken collectively by the Board annually. Each Director undertakes a self-assessment to evaluate their contribution to the Board. This self-assessment process takes into account, amongst other things, the board commitment, standard of conduct, competency, training and development and interaction with the other Directors, Management & Stakeholders. The Board's performance was also being reviewed by the NC with inputs from other Board members. The completed assessment forms are collated by one of the Company Secretaries and the results of the evaluation exercise are subsequently considered by the NC before making recommendations to the Board. The Chairman of the Board will act on the results of the performance evaluation and recommendation, and where appropriate, propose new members to be appointed to the Board or seek resignation of the Directors, in consultation with the NC.

The performance of each individual Director are assessed based on various factors which includes their attendance and participation to the Board and Board Committee Meetings and contributions to the Board in the business strategies including their industry and business knowledge. The performance criteria are not subject to changes annually and where circumstances deem it necessary for any of the criteria to be changed, the onus should be on the Board to justify this decision.

The NC is satisfied that each member of the Board has been effective in carrying out their duties and contributed to the Board during the year.

The Board has not engaged any external facilitator in conducting the assessment of the effectiveness of the Board, the Board Committees and the performance of individual Directors. Where relevant, the NC may consider such engagements.

Each member of the NC shall abstain from voting on any resolution and making any recommendation and/or participating in any deliberation of the NC in respect of the assessment of his own performance.

## REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

*Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.*

The RC comprises the following four (4) Non-Executive Directors, a majority of whom including the Chairman are Independent Directors:

- (i) Mr Ng Kwan Meng (Chairman)
- (ii) Mr Colin Lee Yung-Shih
- (iii) Mr Lee Boon Huat
- (iv) Mr Soh Chung Hian

According to the written terms of reference of the RC, the RC assists in performing the following functions:

- (a) recommends to the Board a framework of remuneration for the directors and key management personnel;
- (b) determines specific remuneration packages for each executive director and key management personnel;

# Corporate Governance Statement

- (c) reviews annually the remuneration of employees related to the directors and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- (d) performs such other acts as may be required by the SGX-ST and the Code from time to time; and
- (e) administers the British and Malayan Holdings Employee Share Option Scheme (“**BMH ESOS**”) and British and Malayan Holdings Performance Share Plan (“**BMH PSP**”)

The RC is responsible for ensuring formal and transparent procedures for developing policies on executive remuneration and reviewing the remuneration packages of individual directors, key management personnel and employees related to the Executive Director and Controlling Shareholders of the Company.

The recommendations of the RC should be submitted for endorsement by the Board as a whole. Each member of the RC shall abstain from voting on any resolutions in respect of his own remuneration package. Also, in the event that a member of the RC is related to the employee under review, he will abstain from participating in the review. Directors shall not be involved in the discussion and/or participating in the deliberation of their own remuneration.

The RC has established a framework of remuneration for the Board and key management personnel covering all aspects of remuneration but not limited to directors’ fees, salaries, allowances, bonuses, incentives schemes and benefits-in-kind.

The RC reviews the fairness and reasonableness of the termination clauses of the service agreements of the Executive Director and key management personnel to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance.

When necessary, the RC will consult external professionals on remuneration matters of Directors and key management personnel. In FY 2020, the Company did not engage any consultant to deal with the remuneration of the Directors.

## LEVEL AND MIX OF REMUNERATION

*Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to be sustained performance and value creation of the company, taking into account the strategic objectives of the Company.*

In making its recommendations to the Board on the level and mix of remuneration, the RC strives to be competitive, linking rewards with performance. It takes into consideration the essential factors to attract, retain and motivate the Directors and senior management needed to run the Company successfully, linking rewards to corporate and individual performance, aligning their interest with those of the shareholders and giving due regard to the financial and commercial health and business needs of the Company. The performance of the Executive Director of BMT together with other Key Management Personnel is reviewed annually by the RC and the Board.

The Company has adopted the BMH ESOS and BMH PSP that were approved by shareholders at the extraordinary general meeting held on 4 July 2017 with 10 year tenure commencing on the establishment date. The RC would oversee the administration of the BMH ESOS and BMH PSP upon the rules as defined in the BMH ESOS and BMH PSP. There were no ESOS or PSP granted by the Company during FY2020.

# Corporate Governance Statement

The Executive Director of BMT does not receive director's fee but is remunerated as member of Management. The remuneration for the Executive Director and key management personnel comprises fixed and variable components under their respective service agreements. The fixed component is in the form of monthly salary whereas the variable component is linked to the performance of the Company and individual. In addition, short term and long term incentives such as BMH ESOS and BMH PSP, are in place to strengthen the pay-for-performance framework by rewarding and recognizing the key executives' contributions to the growth of the BMH group. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long term growth of BMH.

The RC is of the view that it is currently not necessary to use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Director and key management personnel in exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company. The Executive Director and key management personnel owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Director and key management personnel in the event of such a breach of their fiduciary duties.

The RC ensures that the remuneration of the Non-Executive Directors is appropriate to their level of contribution taking into account factors such as effort and time spent, as well as their responsibilities and obligations. The RC also ensures that the Non-Executive Directors should not be over-compensated to the extent that their independence may be compromised. Each member of the RC abstains from voting on any resolution, participating in any deliberation of the RC, and making any recommendation in respect of his remuneration.

The Non-Executive Directors receive a basic fixed fee and the Directors' fees will be subject to shareholders' approval at the AGM.

## DISCLOSURE ON REMUNERATION

*Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.*

The remuneration of the directors and the Top Two Key Management Personnel, who are not Directors or the CEO of the Company, for FY 2020, are disclosed below. The disclosure is to enable investors to understand the link between remuneration paid to Directors and Key Management Personnel, and performance.

Name of Director	Directors' Fees S\$	Salary S\$	Bonus S\$	Allowance S\$	Total S\$
Mr Colin Lee Yung-Shih	37,500	–	–	–	37,500
Mr Lee Boon Huat	37,500	–	–	–	37,500
Mr Soh Chung Hian	37,500	–	–	–	37,500
Mr Ng Kwan Meng	37,500	–	–	–	37,500

Name of Key Management	Designation	Salary* S\$	Bonuses S\$	Allowance S\$	Total S\$
Mr Paul Martin Pavey	Executive Director of BMT	312,320	–	–	312,320
Ms Angela Ho Wei Ling	Financial Controller	246,895	11,042	–	257,937

\* Salary includes Central Provident Fund employer contributions

# Corporate Governance Statement

Notwithstanding Guidelines 8.1(b) of the Code, the Company is disclosing the remuneration of two Key Management Personnel because the Company had only such a number of Key Management Personnel (who were not also directors) during FY 2020.

The annual aggregate remuneration paid to all the above mentioned Key Management Personnel (who were not also directors) of the Company in FY 2020 was S\$570,257.

There is no employee of the Company who is substantial shareholder of the Company or an immediate family member of the Director, the CEO or a substantial shareholder of the Company whose remuneration exceeded S\$100,000 in FY 2020.

The RC is of the view that their remunerations are in line with the Company's staff remuneration guidelines and commensurate with their job scopes and level of responsibilities.

There are no termination, retirement and/or post-employment benefits granted to Directors or Key Management Personnel during FY 2020.

## ACCOUNTABILITY AND AUDIT

### RISK MANAGEMENT AND INTERNAL CONTROLS

*Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.*

The Board recognizes the importance of maintaining a system of internal controls, procedures and processes for safeguarding the shareholders' investments and Company's assets. The Company has outsourced the internal audit function to BDO LLP as Internal Auditors, who adopts the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The Company's internal controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial information and to safeguard and maintain accountability of assets. Procedures are in place to identify major business risks and evaluate potential financial effects, as well as for the authorization of capital expenditure and investments.

BDO LLP is an international accounting firm and they provide outsourced internal audit services through their Risk Advisory Services division. BDO Risk Advisory Services comprises dedicated internal audit professionals who are mostly accountancy graduates or who might have relevant professional qualifications such as Chartered Accountant or Certified Internal Auditor certifications and they conduct outsourced internal audits based on the BDO Global Internal audit Methodology which is consistent with the International Professional Practice Framework established by the Institute of Internal Auditors. The Engagement Partner has more than 20 years of auditing experience and is a Chartered Accountant (Singapore), Certified Internal Auditor and a Certified Information System Auditor. He also has a Certification in Risk Management Assurance and he is a Practising Management Consultant.

The Company employs the Enterprise Risk Management ("**ERM**") framework developed by BDO LLP, an independent professional firm, to perform risk assessment reviews on areas of significant business risks as well as appropriate measures to control and mitigate these risks. The Management reviews regularly and updates the Board quarterly on the Company's business and operational activities in respect of the key risk control areas including financial, operational, compliance and information technology controls and continues to apply appropriate measures to control and mitigate these risks. Any significant matters are highlighted to the Board and the ARC for further discussion.



# Corporate Governance Statement

RSM Chio Lim LLP, the external auditors of the Company carry out, in the course of their statutory audit, an annual review of the effectiveness of the Company's key internal controls, including financial, operational, compliance, information technology controls as well as risk management systems to the extent of their scope as laid out in their audit plan. Any material weaknesses in internal controls, together with recommendations for improvement, are reported to the ARC.

Every year, the Company appoints Internal Auditors to carry out a review of the adequacy and effectiveness of the Company's key internal controls, including financial, operational, compliance and information technology controls as well as risk management systems to the extent of their scope as laid out in their audit plan.

It is the opinion of the Board that the system of internal controls maintained by the Company's Management that was in place throughout the financial year and up to the date of this Report, provides reasonable assurance against material financial misstatements or losses, and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practices, and the identification and containment of financial, operational and compliance and information technology risks.

Based on the internal controls system established and maintained by the Company, work performed by the internal and external auditors and reviews performed by Management, the Board with the concurrence of the ARC, are of the opinion that the Company's internal controls systems in addressing financial, operational, compliance and information technology risks, and risks management systems were adequate and effective as at the date of this Report.

The Board has received assurance from the Executive Director of BMT and Financial Controller that the financial records as at 30 June 2020 have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances and also that the Group's risk management and internal control system are adequate and effective.

## AUDIT COMMITTEE

*Principle 10 – The Board has an Audit Committee which discharges its duties objectively.*

The ARC comprises the following four (4) Non-Executive Directors, a majority of whom including the Chairman are Independent Directors:

- (i) Mr Soh Chung Hian (Chairman)
- (ii) Mr Colin Lee Yung-Shih
- (iii) Mr Lee Boon Huat
- (iv) Mr Ng Kwan Meng

The Board ensures that the members of the ARC are appropriately qualified to discharge their responsibilities and they possess the requisite accounting and financial management expertise and experience.

The ARC is governed by its terms of reference which highlights its primary responsibilities as follows:-

- (a) to assist the Board in discharging their responsibility to safeguard the Company's assets, maintain adequate accounting records, and develop and maintain effective systems of internal controls with the overall objective of ensuring that the Company's management creates and maintains an effective control environment;

# Corporate Governance Statement

- (b) to provide a channel of communication between the Board, the management team and the external auditors on matters relating to the audit;
- (c) to monitor management's commitment to the establishment and maintenance of a satisfactory control environment and an effective system of internal controls (including any arrangements for internal audit);
- (d) to monitor and review the scope and results of external audit, its cost effectiveness and the independence and objectivity of the external auditors.

In addition, the functions of the ARC shall include the following:

- (a) review with the external auditors the audit plans, their evaluation of the systems of internal controls, their management letter and the management's response thereto;
- (b) review with the internal auditors the internal audit plans and their evaluation of the adequacy of the Company's internal controls and accounting system before submission of the results of such review to the Company's Board for approval;
- (c) review the assurance from the Executive Director of BMT and Financial Controller on the financial records and financial statements;
- (d) review quarterly and annual financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Listing Manual and any other relevant statutory or regulatory requirements;
- (e) review the internal controls and procedures and ensure co-ordination between the external auditors and the management, review the assistance given by management to the auditors, and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of management where necessary);
- (f) review and consider the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors;
- (g) review interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual;
- (h) review the Company's hedging policies, procedures and activities (if any) and monitor the implementation of the hedging procedure/policies, including reviewing the instruments, processes and practices in accordance with any hedging policies approved by the Board;
- (i) review potential conflicts of interest, if any, and to set out a framework to resolve or mitigate such potential conflicts of interests;
- (j) undertakes such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the ARC;

# Corporate Governance Statement

- (k) review and discusses with investigators, any suspected fraud, irregularity, or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and the management's response thereto;
- (l) generally to undertake such other functions and duties as may be required by statute or the Listing Manual, and by such amendments made thereto from time to time;
- (m) review the effectiveness and adequacy of the administrative, operating, internal accounting and financial control procedures;
- (n) review the key financial risk areas, with a view to providing an independent oversight of the Company's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, to be immediately announced via SGXNET;
- (o) review arrangements by which the staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matters and for appropriate follow-up; and
- (p) The ARC approves the hiring, removal, evaluation and compensation of the internal audit service provider.

The ARC has the power to conduct or authorize investigations into any matters within its scope of responsibility. The ARC is authorized to obtain independent professional advice whenever deemed necessary for the discharge of its responsibilities. Such expenses will be borne by the Company.

The ARC has been given full access to and is provided with the co-operation of the Company's management. In addition, the ARC has independent access to the external auditors. Both the external auditors and internal auditors report directly to the ARC in respect of their findings and recommendations. The ARC also has full discretion to invite any director or executive officer to attend the meetings, and has been given reasonable resources to enable the discharge of its functions. Each member of ARC shall abstain from voting on any resolutions in respect of matters in which he is interested.

As at the Report date, the ARC has:

- (a) reviewed the scope of work of the external auditors;
- (b) reviewed the audit plans and discussed the results of the respective findings and their evaluation of the Company's system of internal accounting controls;
- (c) reviewed the interested person transactions of the Company;
- (d) met with the Company's external auditors and internal auditors at least annually without the presence of the management;
- (e) reviewed the external auditors' independence and objectivity;
- (f) reviewed the Company's procedures for detecting fraud and whistle-blowing matters and to ensure that arrangements are in place by which any employee, may in confidence, raise concerns about improprieties in matters of financial reporting, financial control, or any other matters. A report is presented to the ARC on quarterly basis wherever there is a whistle-blowing issue; and
- (g) ARC meetings are held quarterly to review the financial statements of the Company before recommending to the Board for approval of the release of the financial results. In the process, the ARC also reviewed significant financial reporting matters and judgements to ensure that the appropriate disclosure and accounting policies are applied.

# Corporate Governance Statement

The ARC has reviewed the external auditors' non-audit services and is satisfied that the nature and extent of such services have not prejudiced the independence and objectivity of the external auditors. The ARC recognizes the need to maintain a balance between the independence and objectivity of the external auditors and the work carried out by the external auditors based on value for money consideration. The aggregate amount of fees paid to RSM Chio Lim LLP for FY 2020 was S\$ 108,240 comprising of audit fees of S\$ 88,000 and non-audit fees of S\$ 20,240.

The ARC having assessed the independence of auditors and size of resources and expertise, has recommended to the Board, the nomination of RSM Chio Lim LLP for re-appointment as independent auditors of the Company. The Board has approved the recommendation and will put forth the resolution to vote at the forthcoming AGM.

The Company confirms that Rules 712 and 715 of the Listing Manual have been complied with.

No former partner or director of the Company's existing auditing firm or auditing corporation has acted as a member of the Company's AC: (a) within a period of two years commencing on the date of his/her ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case (b) for as long as he/she has any financial interest auditing firm or auditing corporation.

The ARC is kept abreast by the external auditors of changes to accounting standards, SGX-ST Listing Rules and other regulations which could have an impact on the Company's business and financial statements.

The Internal Auditor's primary reporting line is to the Chairman of the ARC and administratively to the Executive Director of BMT and Financial Controller. The Internal Auditor has unfettered access to all the Company's documents, records, properties and personnel including access to the ARC.

The ARC approves the hiring, removal, evaluation and compensation of BDO LLP to which the internal audit functions is outsourced. The ARC also reviews and approved the annual internal audit plan and ensures that the Internal Auditor has adequate resources to perform its functions. The ARC also reviews the results of the internal audits and management's actions in resolving any audit issues reported. The ARC is satisfied with the suitability of the Internal Auditors and is of the view that the internal audit function is adequately resourced and has effectively performed its functions, and has appropriate standing within the Company.

The Internal Auditors conduct audits based on the standards set by internationally recognized profession bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The internal audit plan is submitted to the ARC for approval prior to the commencement of the internal audit work. The Internal Auditors review the effectiveness of key internal controls in accordance with the internal audit plan. The Internal Auditors have a direct and primary reporting line to the ARC and assist the ARC in overseeing and monitoring the implementation and improvements required on internal control weaknesses identified. The ARC will review the adequacy and effectiveness of the internal audit function annually.

The Company has established a whistle-blowing policy where staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting, fraudulent acts and other matters, and ensure that arrangements are in place for independent investigations of such matters and for appropriate follow up actions. As at the date of this Report, there were no reports received through the whistle-blowing mechanism.

# Corporate Governance Statement

## SHAREHOLDERS RIGHTS AND ENGAGEMENT

### SHAREHOLDERS' RIGHTS AND CONDUCT OF GENERAL MEETINGS

*Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.*

The Company strongly encourages shareholders' participation during the AGM which will be held in a central location in Singapore. At the AGM, the Company ensures that shareholders are given the opportunity to voice their views and seek clarification on questions regarding the Company. Shareholders are able to proactively engage the Board and the Management on the Company's business activities, financial performance and other business related matters through dialogue sessions. The Company believes in regular, effective and fair communication with shareholders and is committed to hearing shareholders' view and addressing their concerns. The Directors, Management and the external auditors will be present at the AGM to address shareholders' queries. Shareholders are also informed of the rules and voting procedures governing such meetings.

Notices of general meetings are published in the newspapers and reports or circular are dispatched to all shareholders by post. The notices are also released via SGXNet and published in the local newspaper.

Every matter requiring shareholders' approval is proposed as a separate resolution. Where the resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting.

The Company fully supports the Code's principle to encourage shareholders' participation in and vote at all the general meetings. For greater transparency, the Company has adopted the voting of all its resolutions by poll at all the general meetings where shareholders are accorded rights proportionate to their shareholding and all votes counted. The detailed results of the number of votes cast for and against for each resolution and the respective percentage are announced at the meeting and via announcements made on the same day.

The Company's Constitution allows the appointment of one or two proxies by shareholders, to attend the AGM and vote in his/her place. The Company, however, have not implemented measures to allow shareholders who are unable to vote in person at the Company's AGM the option to vote in absentia, such as via mail, electronic mail or facsimile transactions as the authentication of shareholder indemnity information and other related security issues still remain a concern.

The Company Secretaries prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings and responses from the Board and Management, and to make these minutes, subsequently approved by the Board, available to shareholders on SGXNET as soon as practicable.

The Company does not have a formal dividend policy. The Board considers, inter alia, the Company's capital structure, cash requirements, expansion plans and other factors that the Board may deem appropriate in declaring dividend for each year. Any dividend payouts are clearly communicated to shareholders in public announcements and via announcements on SGXNET when the Company discloses its financial results. Barring any unforeseen circumstances, the Company will endeavor to declare dividends at sustainable rates. The Company has proposed a one-tier tax exempt final dividend of 2.70 Singapore cents per ordinary share in respect of FY2020, subject to the shareholders' approval at the forthcoming AGM.

# Corporate Governance Statement

## ENGAGEMENT WITH THE SHAREHOLDERS

*Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.*

The Company is committed to regular and open communication with its shareholders. In line with the continuous obligations of the Company pursuant to the Listing Manual and the Singapore Companies Act, the Board's policy is that all shareholders should be equally informed of all major developments and any material or price-sensitive information impacting the Company in a clear, detailed and timely manner. The Company ensures that it does not practice selective disclosure of information to any particular group of persons. In the event that unpublished material information is inadvertently disclosed to any selected group in the course of the Company's interactions with investing community, a media release or announcement will be released to the public via SGXNet.

Information is disseminated to shareholders on a timely basis through:

- SGXNET announcements;
- Annual Reports prepared and issued to all shareholders;
- Letters and circulars to shareholders;
- Half yearly and Annual Financial Statements containing a summary of the financial information and affairs of the Company for the period; and
- Notice of general meetings.

Given the size of the Company, the Company does not appoint a dedicated team to oversee the investor relations function. Nevertheless, the Directors and Management are available to respond to the shareholders' enquiry, if any. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arises.

## MANAGING STAKEHOLDERS RELATIONSHIPS

### ENGAGEMENT WITH STAKEHOLDERS

*Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.*

The Company has appropriate channels in place to identify and engage with its key stakeholder groups. The Company recognizes the importance of understanding the Group's business and regular interactions with key stakeholders to determine material issues for the Group's businesses.

The Company's engagement with all stakeholders is set out in detail in the Sustainability Report published annually in its Annual Report on page 40. The Company ensures that all material information relating to the Company and its financial performance is disclosed in a timely manner via SGXNet.

The Company's corporate website at <http://www.bmtrust.com/> also provides updated information to its stakeholders. The website, which is updated regularly, contains various information on the Group and the Company which serves as an important resource for investors and all stakeholders.

# Corporate Governance Statement

## ***Dealing in Securities***

The Company has in place a policy prohibiting share dealings by Directors and employees of the Company when in possession of price sensitive information and for the period commencing two weeks before the release of quarterly results and one month before the release of the full-year results, with the restriction ending on the day of the announcement of the relevant results. Directors and employees are expected to observe the insider trading laws at all times even when dealing in securities within permitted trading periods. An officer should also not deal in the Company's securities on short-term consideration and/or possession of unpublished material price-sensitive information relating to the relevant securities.

## ***Material Contracts***

There were no material contracts of the Company, including loans, involving the interests of any Director, CEO or the controlling shareholders during FY 2020.

## ***Risk Management***

The Company has in place policies and procedures to manage the business, operating and financial risks of the Company. Risk assessment and evaluation is conducted at each business unit and mitigating actions to manage each significant risk are reviewed and discussed by Management and the Board. The Company has implemented the Enterprise Risk Management (ERM) Framework for its procedures and processes.

## ***Interested Person Transactions***

The ARC reviewed the Company's Interested Party Transaction ("IPT") to ensure transactions were carried out on normal commercial terms and are not prejudicial to the interests of the Company or its non-controlling shareholders. On a quarterly basis, Management reports to the ARC the IPT, if any. The ARC is satisfied that the internal controls over the identification, evaluation, review, approval and reporting of the IPTs was effective.

# Corporate Governance Statement

In compliance with Rule 907 of the Mainboard Listing Rules, the aggregate value of the IPT conducted during the financial year ended 30 June 2020 by the Company are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested persons 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)
Mr. Paul Martin Pavey	<p>Mr. Pavey is the Executive Director of the Company's wholly owned subsidiary British and Malayan Trustees Limited ("BMT").</p> <p>The nature of the transaction is a deferred compensation payment to Mr. Pavey for identifying the opportunity for BMT to receive a withdrawal fee for its work in relation to the winding down and liquidation of an Estate for which BMT acts as Trustee. The payment is only payable on winding down of the Estate in September 2021 and BMT receiving the requisite withdrawal fee to which it is entitled.</p>	S\$ 138,049 (estimated)	–



# Sustainability Report

## **British and Malayan Holdings Limited**

Sustainability Report FY2020

# Sustainability Report

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# Sustainability Report

## Welcome to BMH's FY 2020 Sustainability Report

British and Malayan Holdings Limited (BMH) appreciates the opportunity to provide insights into its approach to corporate sustainability and how it manages risks arising from Environmental, Social, and Governance (ESG) issues. Our core values are 'Independent', 'Client focused', 'Long term business Partner' and 'Fiduciary duties at the heart of our business'. Our approach to ESG issues is stakeholder-focused and we seek to manage wider risks and opportunities in order to create value for the long term.

## Message from Senior Management

We are delighted to present to you our sustainability report for FY 2020, prepared in accordance with the Global Reporting Initiative (GRI) Standards, Core Option. We will continue to publish our sustainability reports on an annual basis, maintaining high levels of accountability and transparency and as part of our long-term sustainability commitment to our stakeholders. As requirements for listed companies evolve, British and Malayan Holdings Limited is well prepared for and welcomes the higher expectations of today's investors and clients.

Sustainability is part of our core values. Integrity and strong governance have always been at the heart of our group's operations. This prudent approach to business defines our company's engagement with our material Environmental, Social and Governance (ESG) factors. Our clients' satisfaction is crucial to our economic performance. With the successful restructuring of our Group in July 2017, the group will continue to explore opportunities to diversify its revenue and income stream and create further value for our stakeholders. A key group among these stakeholders are our employees and we strive to provide equal opportunities and promote diversity.

We are aware that our operations may indirectly affect local communities and we endeavour to have a positive environmental and social impact wherever possible. We are taking a phased approach to sustainability reporting and we continue to progressively expand the scope and detail of our reporting.

### **Board Statement**

The Board is responsible for the preparation of this Sustainability Report. It has considered sustainability issues as part of its strategic formulation for BMH, determined the company's material ESG factors and overseen the management and monitoring of these material factors.

The Board confirms that this report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, Core Option as well as the SGX Sustainability Reporting Guide (the Guide) issued in 2016 as Practice Note 7.6 to the SGX-ST Listing Rules. This Sustainability Report fulfils the requirements of the Guide in all material aspects.

Please refer to the GRI Content Index on pages 61 to 65 for details on the various disclosures.

# Sustainability Report

## About British and Malayan Holdings Limited

British and Malayan Holdings Limited is a holding company which was listed on SGX on 27 July 2017. Its wholly owned subsidiary is British and Malayan Trustees Limited (BMT), which has been providing trust services to families, companies, financial institutions, charities and high net worth individuals from its headquarters in Singapore since 1924. A pioneer member of the Singapore Stock Exchange, BMT is uniquely positioned as a licensed independent trust company offering the stability and flexibility to meet bespoke needs of clients.

We are a local Singaporean company with a strong local core: All 10 of our employees are permanent full-time staff and all are based in Singapore.

We are a full-service trust company assisting clients globally. Our clients are located in various regions including Australasia, Asia, the Middle East, Europe and North America.

Our business is split evenly between corporate and private trusts. We also act as custodian trustee for real estate assets for a number of Singapore based clubs and charities. For details on the services provided by British and Malayan Holdings Limited and BMT, please see the introductory page of this Annual Report.

Our supply chain entails:

- (i) Financial institutions such as banks, brokers, stock exchanges which provide BMH with banking and other financial services;
- (ii) Property related companies such as real estate agents, developers and similar companies who provide BMH with property related services such as tenant sourcing, property management and other property related services;
- (iii) Regulators of the businesses we operate and the exchange that BMH is listed on; and
- (iv) Service providers such as auditors, lawyers and other professionals who provide BMH with professional services.

As a company listed on SGX, and with a wholly owned subsidiary which is a Licensed Trust Company and holder of a Capital Markets Services License in Singapore, compliance with all relevant rules and regulations is an essential prerequisite for BMH's continued commercial viability.

We have internal controls, systems, processes and procedures to ensure that all our compliance policies are met. All staff are responsible for performing ongoing monitoring of business relations with customers and for scrutinising all transactions undertaken, to ensure that these transactions are consistent with the information in our customer database and our understanding of each customer's business and risk profile.

We ensure that client reporting complies with all applicable legal and regulatory requirements as well as the provisions under the relevant agreements signed between the client and BMH or BMT.

# Sustainability Report

Our Compliance Unit reports directly to the Audit Committee, with full and direct access to members of the Audit Committee at all times.

In addition, BMH has in place policies and procedures to manage the business, operating and financial risks of the Company. Risk assessment and evaluation is conducted at each business unit and mitigating actions to manage each significant risk are reviewed and discussed regularly by Management and the Board.

BMH is a member of the following associations:

- Singapore Trustee Association

Please refer to the next section “About This Report” for details on our material issues and how we have identified them.

# Sustainability Report

## About This Report

This is BMH's third sustainability report, prepared in accordance with the Singapore Exchange's Mainboard Listing Rules 711A, 711B and Practice Note 7F. The report has been prepared in accordance with the Global Reporting Initiative's GRI Standards: Core option. The GRI Standards are the most established international sustainability reporting framework.

This report covers British and Malayan Trustees Limited, which is currently the only operating subsidiary of BMH, and its scope of services is outlined in this Annual Report and our consolidated financial statements. BMH is a holding company listed on SGX whereas BMT is an MAS regulated financial entity providing trustee and other fiduciary services to its clients.

The scope of this report includes 100% of our operations and revenue for the period of 1 July 2019 to 30 June 2020 (FY 2020). This report has not been externally assured, but we aim to seek assurance for our sustainability reports at some point in the future. Our focus at this stage is to embed sustainability in our operations and to ensure that we successfully adapt our management systems and processes to take sustainability issues into account.

We remain committed to expanding the scope of our sustainability reporting over time to include our most important supply chain partners and are planning to engage our stakeholders on our material issues as well as to add more data on our environmental performance in future reports.

## Materiality

We focus on reporting on risks and opportunities arising from our most important environmental, social and governance issues, which may ultimately affect our financial performance. In preparation for this sustainability report, we conducted a review of our material issues as determined in the previous reporting period based on the principles defined in the GRI Standards. With the support of an external consultant, we concluded that the list of material issues reported last year still represents the complete set of BMH's material sustainability issues. Therefore, we will continue to report our performances and practices on these material issues in this year's report.

For this verification, the context of BMH's operations and stakeholder expectations, including input from Senior Management, was taken into account. The material ESG factors and targets were then reviewed and approved by the Board on May 8, 2020 (Tables 1 and 2).

# Sustainability Report

Table 1: BMH's Material ESG Factors

Material ESG factors	Why it is material to BMH
<b>Section 1: Safeguarding our clients' assets</b>	
<b>Corporate Governance and Risk Management</b> <ul style="list-style-type: none"> <li>– Anti-corruption</li> <li>– Governance structure</li> <li>– Risk management</li> </ul>	<ul style="list-style-type: none"> <li>– Adherence to integrity, governance, and responsible business practices are essential to maintaining the trust of our stakeholders.</li> <li>– Solid governance structures, such as our Board's composition, are important in ensuring an independent overview of our business activities. Independence helps ensure that conflicts of interest between ourselves and our clients are either avoided or appropriately managed.</li> </ul>
<b>Cyber Security</b>	<ul style="list-style-type: none"> <li>– Cyber-attacks can cause identity theft, privacy violations and critical systems failure, which may have severe repercussions for BMH's business and customers.</li> <li>– Given the increasing number of cyber-attacks globally, effective technology risk management and cyber resilience are vital.</li> </ul>
<b>Compliance</b> <ul style="list-style-type: none"> <li>– Environmental</li> <li>– Fiduciary duties</li> <li>– Socioeconomic</li> </ul>	<ul style="list-style-type: none"> <li>– As a fiduciary, BMH must ensure it fulfills its legal obligations to maintain trust in long-term client relationships. Compliance also ensures that BMH's core values are embedded throughout the organisation.</li> <li>– Failure to comply with socioeconomic and environmental regulations may expose BMH to potential lawsuits and financial penalties, which would jeopardise our reputation and impede BMH's ability to meet stakeholders' expectations.</li> </ul>
<b>Section 2: BMH's performance depends on successful long-term client relationships</b>	
<b>Client Satisfaction</b>	<ul style="list-style-type: none"> <li>– Understanding and ensuring customer satisfaction can help build long-term relationships with clients, and ensure repeat business.</li> <li>– Sustained client satisfaction is key to BMH's growth strategy.</li> </ul>
<b>Economic Performance</b>	<ul style="list-style-type: none"> <li>– Besides generating economic value for shareholders, BMH also generates economic value for stakeholders including clients, employees, suppliers, government, and communities.</li> <li>– Safeguarding the distribution of wealth helps promote the wider economic development of society.</li> </ul>

# Sustainability Report

Material ESG factors	Why it is material to BMH
<b>Section 3: Diversity and Career Development are the cornerstones of BMH's success</b>	
<b>Human Capital</b> <ul style="list-style-type: none"> <li>– Career Development</li> <li>– Diversity and Equal Opportunity</li> <li>– Talent Retention</li> <li>– Workplace Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>– BMH relies on human capital to deliver its core services.</li> <li>– A safe and inclusive workplace that provides training and development helps attract diverse, qualified employees and maximise productivity.</li> <li>– The importance of this issue to internal stakeholders is reflected in BMH's existing policies on performance appraisals, diversity, and anti-harassment.</li> </ul>
<b>Section 4: BMH's impact on society</b>	
<b>Impact on local communities</b>	<ul style="list-style-type: none"> <li>– BMH provides services to (among others) estates, charities and real estate clients.</li> <li>– Tenants or residents of properties may be positively affected by BMH's activities, e.g. direct and indirect benefits to residents of a serviced apartment complex that has won a number of awards for its green credentials resulting from improvements to the environmental management of this property, such as better indoor air quality, or a reduced carbon footprint resulting from the use of green initiatives.</li> <li>– Where possible, organisations are expected to anticipate and avoid negative impacts on local communities. Establishing a timely and effective stakeholder identification and engagement process is important for helping organisations understand vulnerabilities of local communities and how they might be affected by the organisation's activities.</li> </ul>



# Sustainability Report

Table 2: Performance and Targets

BMH material ESG factors	FY2020 Performance	FY2020 Target
<b>Corporate Governance and Risk Management</b> <ul style="list-style-type: none"> <li>– Anti-corruption</li> <li>– Governance structure</li> <li>– Risk management</li> </ul>	<ul style="list-style-type: none"> <li>– No incidents of fraud or other violations of relevant regulations.</li> <li>– Our material issues have been integrated into our risk management processes.</li> </ul>	<ul style="list-style-type: none"> <li>– The effectiveness of our risk management procedures is subject to regular reviews. As our material issues change over time this will be reflected in our risk management framework accordingly.</li> <li>– Regularly communicate anti-corruption policies and procedures to all employees</li> </ul>
<b>Cyber Security</b>	<ul style="list-style-type: none"> <li>– No substantiated complaints concerning breaches of customer privacy and losses of customer data, and</li> <li>– No identified leaks, thefts, or losses of customer data.</li> </ul>	<ul style="list-style-type: none"> <li>– Continue to ensure the necessary controls, processes and procedures are in place to minimise the chance of any potential cyber security incidents.</li> <li>– Maintain zero incidents of cyber security breach</li> </ul>
<b>Compliance</b> <ul style="list-style-type: none"> <li>– Environmental</li> <li>– Fiduciary duties</li> <li>– Socioeconomic</li> </ul>	<ul style="list-style-type: none"> <li>– Zero incidents</li> </ul>	<ul style="list-style-type: none"> <li>– Maintain zero incidents</li> </ul>
<b>Client Satisfaction</b>	<ul style="list-style-type: none"> <li>– There were two complaints in FY2020. These complaints were dealt with in accordance with the Complaints procedures we have in place.</li> </ul>	<ul style="list-style-type: none"> <li>– Improve our services and achieve zero client complaints. Continue to diligently monitor and act on client feedback.</li> </ul>
<b>Economic Performance</b>	<ul style="list-style-type: none"> <li>– Continue to explore opportunities to diversify revenue and income streams.</li> </ul>	<ul style="list-style-type: none"> <li>– No change in overall approach, emphasis on prudence and due diligence.</li> </ul>
<b>Human Capital</b> <ul style="list-style-type: none"> <li>– Career Development</li> <li>– Diversity and Equal Opportunity</li> <li>– Talent Retention</li> <li>– Workplace Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>– Please see page 59 for details.</li> </ul>	<ul style="list-style-type: none"> <li>– Maintain the target of conducting at least 15 hours of training per year for each BMH employee regardless of gender.</li> </ul>
<b>Impact on local communities</b>	<ul style="list-style-type: none"> <li>– Internal metrics have been developed to measure community impacts, including financial and non-financial contributions. However, as these contributions relate to our clients' activities, actual figures are confidential and cannot be published here. We continue to provide services to the community.</li> </ul>	<ul style="list-style-type: none"> <li>– Maintain the target</li> </ul>

# Sustainability Report

Our main stakeholders include:

- Customers and clients
- Employees
- Tenants or residents of properties under BMT's trusteeship
- Regulators and market operators (MAS, SGX)
- Suppliers and service providers (including financial institutions)

Engagement with our stakeholders is mostly ad hoc and as required. In all interactions with stakeholders we are mindful of our fiduciary duties and strive to achieve the best possible outcome for all parties involved. Our engagement with regulators and market operators is focused on always maintaining compliance with all applicable rules and regulations.

We welcome your feedback on our sustainability reporting. Please direct any queries to Angela Ho at [enquiry@bmtrust.com](mailto:enquiry@bmtrust.com).

# Sustainability Report

## **BMH's COVID-19 statement**

Outlined below are British and Malayan Holdings Limited's ("BMH") plans and strategies to recover from the COVID-19 pandemic.

### At the outset of the COVID-19 pandemic

In line with the Singapore Government requirements, British and Malayan Trustees Limited ("BMT"), the only operating subsidiary of BMH invoked its Business Continuity Plan ("BCP") and enabled its staff to work from home with company provided laptops through the provisions of a secure VPN link to the company's servers.

As the various Circuit Breaker restrictions were lifted, BMT commenced operating with split teams, with one team working from the office and the other working from home on a rotating basis. This continues to be the practice as of July 2020 and we will monitor the situation and make decisions based on government advice.

Our review of the work from home period found there were no major issues encountered and the business continued to function normally without any major issues that could not be addressed in due course.

### Report on the social factors we consider important during COVID-19

#### 1. Employees

The safety and welfare of our staff are paramount to us and during this period we have taken the following steps:

- a. All staff are covered by the Company's medical insurance plan that covers treatment for COVID-19
- b. We have enabled technology to allow staff to work from home
- c. Masks and hand sanitizer have been made available to all staff to freely take and use
- d. Policies and procedures have been clearly laid out and distributed to staff on the various steps we are and they need to take during this period

#### 2. Customers

Our overriding vision of dealing with customers is we see this as a partnership and a "two-way street" and wherever possible we look to support them through both the good and bad times and if they continue to thrive then we as a business will as well.

As such during this period when some our customers including tenants in properties we manage for some of our Estate clients have reached out to us with issues, we have assisted with deferrals of payments, not insisting on strict legal rights that are in various agreements, providing the mandated rent waivers, and in some circumstances rent reductions for certain periods.

We continue to work closely with our clients to understand the issues they face in these uncertain times and to see what assistance we can provide to strengthen the relationship between us.

# Sustainability Report

## 3. Suppliers

Our supply chain is mainly in the form of services provided to us and in this regard we have not seen any major disruptions. The one area we have seen delays is in the real estate services where potential property sales of Estate properties were put on hold due to government restrictions. However due to the fact that we had started the Estate liquidation plan well in advance, this has not had a material impact on our business.

We continue to work and keep in close contact with our major suppliers and look to address any issues as they occur. In the majority of cases, the key areas we require services from are covered by numerous vendors and we believe we could change our suppliers with minimal disruption to our business.

## 4. Community

A number of the Estates and Trusts we manage provide distributions to beneficiaries of the Estates or to various charities. These distributions are dependent on the income received by the Estate or Trust and as such are dependent on rental or dividend income received which have been or may be affected during this period. To try and minimize the impact on the distributions we have and continue to look at costs and attempt to reduce discretionary expenses where possible.

### Business impact on BMH/BMT

As the only operating subsidiary of BMH the holding company, BMT, provides Trustee Services from its Singapore office. As outlined earlier we have not seen and do not expect any significant or material impact on our business operations from the COVID-19 pandemic. We believe our BCP worked well through the work from home period and we continue to monitor and make any changes to it we consider necessary.

On a financial basis, at this point of time we do not see any material impact as our business revenue is a combination of an annual fee and revenue based compensation (such as a % of rental or dividend income). However we would highlight that for some of the Estates we manage, our fee is based on a percentage (%) of rental or dividend income received by the Estates and the potential impact here is still evolving. Currently the rental income of these Estates has been affected due to the mandated rental waivers outlined in the 4<sup>th</sup> Singapore budget and the decline in foreign tourism in Singapore due to the border lockdowns and restrictions on foreign tourism into Singapore. Taking this revenue decline and offsetting against the various grants that have been made available from the Singapore government, we do not see a material impact at this point in time.

We will continue to monitor the situation and make the necessary announcements if required.

As mentioned in our previous earnings announcements, the trust business in Singapore is challenging, one that continues to see strong competitive pressures resulting in weak pricing power. Consequently, the Group will continue to explore opportunities to enhance and diversify its revenue and income streams as well as seek further efficiencies in accordance with its strategic plan.

# Sustainability Report

## Section 1: Safeguarding our clients' assets

As a fiduciary, the importance placed on acting in our client's interests and on protecting our client's assets is of the utmost importance. We ensure our fiduciary duty is carried out through adherence to our corporate governance policies, prudent risk management, compliance policies and procedures (both as a trust company and a listed corporation) and a non-negotiable stance on anti-corruption.

### The Importance of Corporate Governance and Prudent Risk Management

We have a 96-year track record of prudent risk management and are continuing to integrate Environmental and Social risks more closely into our overall risk assessment.

BMH group has appointed executive-level positions with responsibility for ESG. They report to the Chief Financial Officer, who reports directly to the Board of Directors.

The Board has processes to review the effectiveness of the organization's risk management for ESG topics and to ensure conflicts of interest are managed and avoided wherever possible. These are described in our Corporate Governance Report, pages 12 to 39. Should there be any conflicts of interest, we disclose them to the relevant stakeholders.

Our Code of Ethics and Conduct requires all employees to act in an ethical manner in all dealings with our customers, stakeholders and counterparties of the Company. In particular, prevention of bribery is addressed. This code is reviewed from time to time by the Management.

The directors of BMH have adopted the principles of corporate governance under the Best Practices Guide with respect to Audit and Risk Committees as formulated by the Singapore Exchange ("SGX"). All members of the Audit and Risk Committee are non-executive directors. For details on the Audit and Risk Committee's functions and activities in the reporting period, please refer to pages 69 to 70 in this Annual Report.

# Sustainability Report

As a small organisation, we maintain a straightforward governance structure:

**Figure 1: BMH's Sustainability Governance Structure**



### Ensuring Compliance with all relevant Frameworks

Compliance with all relevant statutes and regulations, both as a trust company and a listed corporation is essential for maintaining the trust of our clients. BMH recognises that the importance of ESG issues for investors and clients is growing and is approaching these topics proactively.

We have a General Compliance Policy that is communicated to all our employees. The policy aims to raise the ethics and compliance competencies of the Company's staff and to support the building of a robust framework of policies and procedures to manage the Company's compliance risks.

There were no incidents of non-compliance with any relevant laws and regulations (including socioeconomic and environmental) in the reporting period.

# Sustainability Report

## **BMH's Commitment to Anti-Corruption**

BMH has a zero-tolerance approach to corruption and maintains controls, processes and procedures internally as well as with its business partners to address any potential issues.

We are committed to a high standard of compliance with accounting, financial reporting, internal controls, corporate governance and auditing requirements and any legislation relating thereto. In line with this commitment, we have developed a Whistleblowing Policy to provide an avenue for employees and external parties to raise concerns and offer reassurance that they will be protected from reprisals or victimisation for whistleblowing in good faith.

Our operations have been assessed for risks related to corruption, covering money laundering and terrorism financing, theft, fraud, conflicts of interest including insider trading and bribery. These areas are reviewed by our compliance group, and both internal and external auditors. We are pleased to report that there were no confirmed incidents of corruption during the reporting period.

## **Protecting Our Clients from Emerging Risks: Cyber-security**

It is part of our General Compliance standard operating procedures to ensure customer data privacy and confidentiality. We operate within the ambit of the Personal Data Protection Act and our General Compliance Manual includes a confidentiality agreement and clear provisions protecting the secrecy of official documents including any information concerning our operations, assets, or customers.

In the reporting period, there were:

- no substantiated complaints concerning breaches of customer privacy and losses of customer data, and
- no identified leaks, thefts, or losses of customer data.

In all other respects, we also received no material complaints from clients in the reporting period.

As most of our clients' data is kept in the form of electronic records, we recognise that maintaining cybersecurity is a primary concern and we have made significant investments to ensure the confidentiality of our clients' data is not breached.

Our IT processes and procedures have a strong focus on cybersecurity and we are actively maintaining a technology risk dashboard. Our internal IT infrastructure is protected using applicable processes, procedures and IT infrastructure and hardware.

We conduct periodic penetration tests using external specialists and also have insurance that covers specific cyber risks.

# Sustainability Report

## **Section 2:**

### **BMH's performance depends on successful long-term client relationships**

There is a strong connection between our economic performance and the sustained satisfaction of BMH's clients.

### **Client Satisfaction is the Foundation of BMH's success**

Due to the extremely long-term nature of our client relationships, maintaining client satisfaction is one of the company's most important goals. Our experience tells us that there is a strong connection between sustained client satisfaction and our economic performance.

### **Solid Economic Performance, Built on Prudent Management**

Please refer to the notes to the financial statements on pages 79 to 107 of this annual report for our direct economic value generated and distributed in the reporting period.

### **We Prioritise Quality and Value in the Management of Our Supply Chain**

Our supply chain consists mostly of banks and providers of professional services. We believe that stable, long-term relationships with trustworthy supply chain partners are an important part of our ability to provide first-class services to our clients. At the same time we are committed to best practices and prudent financial management and will periodically conduct tenders to ensure an optimal price for the services we require.



# Sustainability Report

## Case Study:

### Sustainability in the Management of our Clients' Assets - Treetops Executive Residences

The branding of Treetops Executive Residences Singapore as a green serviced apartment that allows guests to play a part in the conservation of the environment has been strengthened by a clear direction towards energy conservation and the reduction of the property's carbon footprint. Treetops' "Discover Green Project" comprises the Green Retrofits at Treetops, Treetops Policies for Sustainability as well as Driving Green Initiatives for its guests. Treetops is also the first serviced residences in Singapore to install the Tri-Gen System and attain BCA Green Mark Platinum Status (Existing Building ) after reducing the estate's electricity consumption by 50% as compared to the base year in 2007.

The installation of green retrofits at Treetops was carried out in two phases. Phase one was completed in 2010, to achieve the BCA Green Mark Gold Award 2010. Phase two was completed in 2012/2013, garnering two BCA Green Mark Platinum Awards in 2012 and 2016, which represent the highest levels of green building accreditation by local authorities. Treetops has since received numerous other local and international awards and accolades in recognition for its green efforts and service excellence. Some of the latest green awards received include:

- Best International Sustainable Hotel Asia Pacific 2017-2018
- Best Sustainable Hotel Asia Pacific 2017-2018 (Under International Hotel Awards)

The Treetops Discover Green project consists mainly of a tri-generation plant that was installed to supply power to the building, where the waste heat generated is recovered to produce chilled water for the estate air-conditioning resulting in a more efficient air-conditioning system for the 220 serviced apartment units. Waste heat recovered is also used to produce domestic hot water to replace more than 400 independent water heaters. In addition, a Vertical-Axis Wind Turbine is installed on the roof top of Treetops to harvest energy from the exhaust air flow coming out of the air-conditioning plant cooling towers. This retrofit is the first of its kind to be installed for a local serviced apartment and among the first for any type of building in Singapore. Dedicated energy meters have been installed for all major equipment within the Treetops estate, e.g. air handling units (AHU), pumps, or chillers, to track their energy efficiency. A performance based Energy Management Contract is in place with a consultant to track the energy efficiency of the system on a daily basis, with monthly reports to verify the resulting energy savings.

To involve guests in our green effort, we encourage them to recycle, and also to participate in our Green Linen Programme where they opt to change their bed linens twice a week instead of more frequently to reduce water and energy consumption. Stickers are also pasted inside each apartment, asking guests to hang up towels that can be reused instead of washing them on a daily basis. The café has replaced disposable food wares for in-house take-away orders with re-usable Tupperware and has since replaced the use of plastic straws with stainless steel ones. In addition, all the bathroom toiletries within guest rooms are of organic origin, produced by environmentally conscious companies and containing natural ingredients without the addition of harsh chemicals. Lastly, all apartments are fitted with high efficiency air filters to maintain good indoor air quality.

# Sustainability Report

The estate also has extensive green policies for waste, energy, water and procurement management. Information on the various Green Initiatives is available to all in-house guests and staff to educate them on the benefits of going green and promoting healthier and greener lifestyles.

To further drive the message of caring for the environment through inculcating healthy living practices in the daily lives of all our staff, Go Green Day is held on every alternate Friday at Treetops, when all staff will wear a Treetops Go green T-shirt. The day also highlights the “3 Don’ts”:

- Don’t drive to work; take public transport instead;
- Don’t take the lift; use stairs wherever possible; and
- Don’t take fried food; opt for a healthy menu of fruits and vegetables instead.

Fresh fruits are being distributed on this day to staff and guests, and activities such as Taichi or Zumba sessions in the evening are organized periodically to accentuate staff and guest awareness.

More than a decade since we have embarked on the green journey, Treetop is constantly looking at improving our green efforts with additional environmentally friendly offerings for guests, bringing them a true eco-luxury experience in Singapore.

# Sustainability Report

## Section 3:

### Diversity and Career Development are the cornerstones of BMH's success

BMH's workforce consists of 10 professional staff, all of whom are Singaporeans or Permanent Residents. We value diversity and equal opportunity employment. We invest actively into our employees' career development and maintain a healthy office environment.

Our policies for a conducive working environment:

- We have an Open Door Policy for our employees, who have always been strongly encouraged to discuss questions, problems, ideas or job related complaints with their superiors.
- Our Anti-Harassment Policy protects employees from any form of harassment. There were no incidents of harassment during the reporting period.

To help all our staff maintain good health, all BMH employees are entitled to free health screenings which are included in the insurance package that forms part of our employee benefits.

### Re-employment

The current retirement age in Singapore is 62. In accordance with the Re-employment Terms and Contracts provided for in the Retirement and Re-employment Act, BMH re-employs members of our workforce who are Singapore Citizens or Permanent Residents and who are eligible for re-employment for another five years up to age 67, under the following conditions:

- They have been assessed to have at least a satisfactory work performance; and
- are medically fit to continue working.

# Sustainability Report

## Performance Appraisals

We recognize that the performance of our employees, their skills, knowledge and experience which they bring to their work are fundamental ingredients to the realisation of our business objectives and outcomes.

Each employee must therefore have a clear understanding of what they are required to do and how their actions play a part in the achievement of the company's overall objectives and business outcomes. Hence, our approach is to adopt a continuous dialogue with line managers and employees in respect of work priorities and progress made.

The main emphasis is to maximise the performance of employees by providing the necessary support and giving them the opportunities to develop their knowledge and competencies associated with the work they are doing now - and in preparation for the future. Overall employee development must bring about increased motivation, job satisfaction, sharing of good practices and a greater understanding of the factors affecting work.

To enhance the contribution made by our employees in achieving business aims and to build a supportive and cooperative working environment, BMH has a performance review process for all our employees. This is designed to facilitate communication, direction, and clarification and to reach a shared understanding of our joint priorities. It also provides dedicated time to reflect on past work as well as plan for the future.

## FY2020 Diversity of governance bodies and employees

	Board of Directors	Employees	
		Senior Management	Executives
<b>By Gender</b>			
Female	0	2	6
Male	4	1	1
<b>By Age Group</b>			
<30 years old	0	0	0
30-50 years old	0	2	4
>50 years old	4	1	3

Average Training Hours	FY2018	FY2019	FY2020
<b>By Gender</b>			
Female	27	17	13
Male	21	13	10
<b>By Employee Category</b>			
Senior Management	38	21	13
Executives	22	15	13

We have a target of conducting at least 15 hours of training per year for each BMH employee regardless of gender. However, due to the COVID-19 pandemic and ensuing government requirements for safe management measures at workplace, our training plan was disrupted and put on hold during the period when our employees worked from home or in split teams. We aim to achieve the training target set in FY2021 when business gets back to normal. In FY2020, there were no employee injuries, or lost days due to workplace injuries or pandemic disease.

# Sustainability Report

## Section 4: BMH's impact on society

Our main impact on local communities occurs through the assets we hold in trust on behalf of our clients. Living up to our fiduciary obligations ensures that the value of these assets is preserved and that our positive impact on society is maximised.

As a Trustee with assets that have a significant property weighting we ensure for all properties we own that:

1. They are well maintained and kept in a state of good repair
2. All regulatory requirements are complied with
3. It is ensured that the properties are safe
4. Tenant issues are addressed in a timely manner
5. Where possible we include green initiatives to try and reduce our carbon footprint and energy consumption

BMT is the trustee for an estate that includes in its assets a very large serviced apartment complex in Singapore that has won numerous awards for its green initiatives and energy saving projects (s. case study on page 56. These projects and initiatives were actively supported by BMT and provided the beneficiaries of the estate with a financial benefit from lower energy costs. To ensure that these measures are carried out according to BMT's instructions, our senior staff attends monthly management meetings. Stakeholder feedback is collected by the apartment complex' management company through periodic surveys, the results of which are reported to BMT.

Another positive impact from BMH's activities on society is through charitable contributions from trust funds managed by BMT. Some estates have made provisions to distribute funds to help less fortunate people with their daily needs. As another example of its charitable work, BMT is the trustee of a trust that provides bursaries for students in the field of Marine Engineering on behalf of one of our customers. Every year, a number of bursaries are paid out of the investment returns of this fund, with a local Singapore polytechnic school deciding who the bursaries are awarded to. In all cases, BMT safeguards our clients' original investments to ensure the long-term sustainability of the trust funds' purpose.

# Sustainability Report

## GRI Content Index

GRI Standard	Disclosure Number	Page Number / Disclosure
<b>GRI 101: Foundation 2016</b>		
<b>General Disclosures</b>		
<b>GRI 102: General Disclosures 2016</b>	102-1 Name of the organization	About British and Malayan Holdings Limited, p. 43
	102-2 Activities, brands, products, and services	About British and Malayan Holdings Limited, p. 43
	102-3 Location of headquarters	About British and Malayan Holdings Limited, p. 43
	102-4 Location of operations	British and Malayan Holdings Limited only operates in Singapore
	102-5 Ownership and legal form	About British and Malayan Holdings Limited, p. 43
	102-6 Markets served	About British and Malayan Holdings Limited, p. 43
	102-7 Scale of the organization	About British and Malayan Holdings Limited, p. 43
	102-8 Information on employees and other workers	About British and Malayan Holdings Limited p. 43 - British and Malayan Holdings Limited' activities are typically not performed by workers who are not employees. Employee data has been collected manually.
	102-9 Supply chain	About British and Malayan Holdings Limited, p. 43
	102-10 Significant changes to the organization and its supply chain	There were no significant changes.
	102-11 Precautionary Principle or approach	About British and Malayan Holdings Limited, p. 44
	102-12 External initiatives	None
	102-13 Membership of associations	About British and Malayan Holdings Limited, p. 44
	102-14 Statement from senior decision-maker	Message from Senior Management p. 42
	102-16 Values, principles, standards, and norms of behaviour	Welcome to BMH's FY2020 Sustainability Report, p. 42
	102-40 List of stakeholder groups	Materiality, p. 49
	102-41 Collective bargaining agreements	0%
	102-42 Identifying and selecting stakeholders	Stakeholders were identified together with an independent consultant based on peer review and consultant's experience.
	102-43 Approach to stakeholder engagement	BMH responds to stakeholder concerns as and when they arise. We have had few such occurrences during the reporting period.
	102-44 Key topics and concerns raised	BMH responds to stakeholder concerns as and when they arise. No significant concerns were raised.
102-45 Entities included in the consolidated financial statements	About This Report, p. 45	
102-46 Defining report content and topic Boundaries	Materiality, p. 45	
102-47 List of material topics	Materiality, p. 46-47	

# Sustainability Report

GRI Standard	Disclosure Number	Page Number / Disclosure
	102-48 Restatements of information	There are no restatements.
	102-49 Changes in reporting	There are no significant changes.
	102-50 Reporting period	About This Report, p. 45
	102-51 Date of most recent report	9 October 2019
	102-52 Reporting cycle	About This Report, p. 45
	102-53 Contact point for questions regarding the report	Materiality, p. 49
	102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
	102-55 GRI content index	GRI Content Index, p. 61-65
	102-56 External assurance	About This Report, p. 45
	102-18 Governance structure	The Importance of Corporate Governance and Prudent Risk Management, p. 52-53
	102-20 Executive-level responsibility for economic, environmental, and social topics	The Importance of Corporate Governance and Prudent Risk Management, p. 52-53
	102-25 Conflicts of interest	The Importance of Corporate Governance and Prudent Risk Management, p. 52
	102-30 Effectiveness of risk management processes	The Importance of Corporate Governance and Prudent Risk Management, p. 52
<b>Topic Specific Disclosures</b>		
<b>Customer Privacy</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Materiality, p. 46
	103-2 The management approach and its components	Protecting Our Clients from Emerging Risks: Cyber-security, p. 54
	103-3 Evaluation of the management approach	The management has evaluated the management approach and concluded that it is effective
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protecting Our Clients from Emerging Risks: Cyber-security, p. 54
<b>Socioeconomic Compliance</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	Materiality, p. 46
	103-2 The management approach and its components	Ensuring Compliance with all relevant Frameworks, p. 53
	103-3 Evaluation of the management approach	The management has evaluated the management approach and concluded that it is effective
<b>GRI 419: Socioeconomic Compliance 2016</b>	419-1 Non-compliance with laws and regulations in the social and economic area	Ensuring Compliance with all relevant Frameworks, p. 53

# Sustainability Report

GRI Standard	Disclosure Number	Page Number / Disclosure	
<b>Environmental Compliance</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 46
	103-2	The management approach and its components	Ensuring Compliance with all relevant Frameworks, p. 53
	103-3	Evaluation of the management approach	The management has evaluated the management approach and concluded that it is effective
<b>GRI 307: Environmental Compliance 2016</b>	307-1	Non-compliance with environmental laws and regulations	Ensuring Compliance with all relevant Frameworks, p. 53
<b>Anti-corruption</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 46
	103-2	The management approach and its components	BMH's Commitment to Anti-Corruption, p. 54
	103-3	Evaluation of the management approach	The management has evaluated the management approach and concluded that it is effective
<b>GRI 205: Anti-Corruption 2016</b>	205-1	Operations assessed for risks related to corruption	BMH's Commitment to Anti-Corruption, p. 54
<b>GRI 205: Anti-Corruption 2016</b>	205-3	Confirmed incidents of corruption and actions taken	BMH's Commitment to Anti-Corruption, p. 54
<b>Client Satisfaction</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 46
	103-2	The management approach and its components	BMH's performance depends on successful long-term client relationships, p. 55
	103-3	Evaluation of the management approach	The management has evaluated the management approach and concluded that it is effective
<b>Non-GRI</b>	Total number of material complaints received	There were two complaints in FY2020. These complaints were dealt with in accordance with the Complaints procedures we have in place.	
<b>Economic Performance</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 46
	103-2	The management approach and its components	Chairman's Statement, p. 11
	103-3	Evaluation of the management approach	Chairman's Statement, p. 11
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	Notes to the Financial Statements, p. 90-93



# Sustainability Report

GRI Standard	Disclosure Number	Page Number / Disclosure	
<b>Talent Retention</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 47
	103-2	The management approach and its components	Diversity and Career Development are the cornerstones of BMH's success, p. 58-59
	103-3	Evaluation of the management approach	Diversity and Career Development are the cornerstones of BMH's success, p. 59
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	One female employee under the age of 30 left the company in FY2020. There were no new hires.
<b>Occupational Health and Safety</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 47
	103-2	The management approach and its components	Our HR policies help to ensure health and well-being of our employees.
	103-3	Evaluation of the management approach	The management has evaluated the management approach and concluded that it is effective
<b>GRI 403: Occupational Health and Safety 2016</b>	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Diversity and Career Development are the cornerstones of BMH's success, p. 59
<b>Training and Education</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 47
	103-2	The management approach and its components	Diversity and Career Development are the cornerstones of BMH's success, p. 59
	103-3	Evaluation of the management approach	The management has evaluated the management approach and concluded that it is effective
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	Diversity and Career Development are the cornerstones of BMH's success, p. 59
<b>Diversity and Equal Opportunity</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 47
	103-2	The management approach and its components	Diversity and Career Development are the cornerstones of BMH's success, p. 58-59
	103-3	Evaluation of the management approach	The management has evaluated the management approach and concluded that it is effective
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	Diversity and Career Development are the cornerstones of BMH's success, p. 59

# Sustainability Report

GRI Standard	Disclosure Number	Page Number / Disclosure	
<b>Local Communities</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 47
	103-2	The management approach and its components	BMH's impact on society, p. 60
	103-3	Evaluation of the management approach	The management has evaluated the management approach and concluded that it is effective
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programs	BMH's impact on society, p. 60 We are currently evaluating ways to expand our community engagement, especially with regard to our stakeholder engagement plans.
<b>Cyber Security</b>			
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	Materiality, p. 46
	103-2	The management approach and its components	Protecting Our Clients from Emerging Risks: Cyber-security , p. 54
	103-3	Evaluation of the management approach	Protecting Our Clients from Emerging Risks: Cyber-security , p. 54
<b>Non-GRI</b>		Description of approach to identifying and addressing cybersecurity risks	Protecting Our Clients from Emerging Risks: Cyber-security , p. 54

# Board of Directors

## **Mr. Colin Lee Yung-Shih, Non-Independent Chairman**

Mr Lee was appointed to the Company's Board of Directors on February 2017. He is also a member of the Company's Audit Committee. Mr Lee is the Managing Director of Chartered Asset Management Pte Ltd and holds a Bachelor's degree in Science.

## **Mr. Lee Boon Huat, Independent Director**

Mr Lee was appointed to the Board on February 2017. He has extensive experience in the financial services industry having served as an executive of Standard Chartered Bank from 1998 to 2012, in the capacities at various times as Head of Markets (SEA), Head of Sales (ME) and COO (SEA). Mr Lee holds a Bachelor of Business (Accounting) degree from Western Australian Institute of Technology.

## **Mr. Ng Kwan Meng, Independent Director**

Mr Ng Kwan Meng joined the Board on February 2017. He is the Chairman of SP Group Treasury Pte. Ltd. and his other directorships include Tasek Jurong Limited, and Singapore Power Limited.

Mr Ng was the Managing Director and Head, Group Global Markets at United Overseas Bank. He was also an Executive Director and Chief Executive Officer of UOB Bullion and Futures Ltd and a Director of Tuas Power Ltd. He was a member of the Singapore Foreign Exchange Market Committee, the working group on Financial Industry Competency Standards and National Integration Working Group for the Community.

Mr Ng holds a Bachelor of Social Science (Honours) degree from the National University of Singapore.

## **Mr. Soh Chung Hian, Independent Director**

Mr Soh was appointed to the Board on February 2017. He is the chairman of the Audit Committee. Mr Soh graduated from the then University of Singapore with a degree in Bachelor of Accountancy in 1977. He also holds an MBA from the International Management Centre in the United Kingdom. Upon graduation, he joined Ernst & Young in 1977 and was admitted to the partnership in 1990 until his retirement in 2012.

## Key Management Staff

### **Mr. Paul Martin Pavey**

*Executive Director of British and Malayan Trustees Limited*

*Company Secretary and Chief Financial Officer of British and Malayan Holdings Limited*

Mr Pavey has been employed in the accounting and investment industry since 1986 mainly in the operations, accounting, and administration and risk management roles with organizations in the funds management, banking and trustee businesses. Mr Pavey has a Bachelor of Business Degree from the University of Technology, Sydney and a Graduate Diploma in Applied Finance and Investments from the Financial Services Institute of Australasia. Mr Pavey is a CPA, an Associate member of the Institute of Singapore Chartered Accountants and a Fellow of the Financial Services Institute of Australasia.

### **Ms. Angela Ho Wei Ling**

*Financial Controller of British and Malayan Trustees Limited*

*Company Secretary of British and Malayan Holdings Limited*

Ms Ho is a Certified Public Accountant. Prior to joining the Company, she was with a Fund Administrator Company as well as a healthcare listed company. Ms Ho graduates with the professional qualification from the Association of Chartered Certified Accountants (ACCA).

# Statement by Directors

The directors of the company are pleased to present the accompanying financial statements of the company and of the group for the reporting year ended 30 June 2020.

## 1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and
- (b) at the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

## 2. Directors

The directors of the company in office at the date of this statement are:

Colin Lee Yung Shih  
Lee Boon Huat  
Ng Kwan Meng  
Soh Chung Hian

## 3. Directors' interests in shares and debentures

The directors of the company holding office at the end of the reporting year were not interested in shares in or debentures of the company or other related body corporate as recorded in the register of directors' shareholdings kept by the company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act") except as follows:

Name of director and company in which interests are held	Direct interest		Deemed interest	
	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
<b>Immediate parent company - Nyalas Rubber Estates Limited</b>	<b>Number of ordinary shares of no par value</b>			
Colin Lee Yung Shih	–	–	6,161,694	6,161,694

Colin Lee Yung Shih is deemed interested in the shares held by The Nyalas Rubber Estates Limited of 6,147,294 shares and Lee Thor Seng of 14,400 shares.

# Statement by Directors

## 3. Directors' interests in shares and debentures (cont'd)

By virtue of section 7 of the Act, Mr Colin Lee Yung Shih is deemed to have an interest in the company and in all the related body corporates of the company.

## 4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

## 5. Options

During the reporting year, no option to take up unissued shares of the company or other body corporate in the group was granted.

During the reporting year, there were no shares of the company or other body corporate in the group issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares of the company or other body corporate in the group under option.

## 6. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

## 7. Report of audit and risk committee

The members of the audit and risk committee at the date of this report are as follows:

Soh Chung Hian (Chairman of audit and risk committee)  
Colin Lee Yung Shih  
Lee Boon Huat  
Ng Kwan Meng

The audit and risk committee performs the functions specified by section 201B(5) of the Act. Among other functions, it performed the following:

- (a) Reviewed with the independent external auditor their audit plan;
- (b) Reviewed with the independent external auditor their evaluation of the company's internal accounting controls relevant to their statutory audit, their report on the financial statements and the assistance given by management to them;

# Statement by Directors

## 7. Report of audit and risk committee (cont'd)

- (c) Reviewed with the internal auditor the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by management to the internal auditor;
- (d) Reviewed the financial statements of the group and the company prior to their submission to the directors of the company for adoption; and
- (e) Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the audit and risk committee are described in the report on corporate governance included in the annual report of the company. It also includes an explanation of how independent auditor's objectivity and independence is safeguarded, where the independent auditor provide non-audit services.

The audit and risk committee has recommended to the board of directors that the independent auditor, RSM Chio Lim LLP, be nominated for re-appointment as the independent auditor at the next annual general meeting of the company.

## 8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the audit and risk committee and the board are of the opinion that the company's internal controls, addressing financial, operational and compliance risks, are adequate as at the end of the reporting year 30 June 2020.

## 9. Subsequent developments

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 24 August 2020, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

.....  
Colin Lee Yung Shih  
Director

.....  
Soh Chung Hian  
Director

# Independent Auditor's Report

For the financial year ended 30 June 2020

To the members of British and Malayan Holdings Limited

## Report on the audit of the financial statements

### Opinion

We have audited the accompanying financial statements of British and Malayan Holdings Limited (the “company”) and its subsidiary (the “group”), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 30 June 2020, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including accounting policies.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)”) so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 30 June 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and of the changes in equity of the company for the reporting year ended on that date.

### Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the auditor’s responsibilities for the Audit of the Financial Statements section of our report. We are independent of the group in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



# Independent Auditor's Report

For the financial year ended 30 June 2020

To the members of British and Malayan Holdings Limited

## Key audit matters (cont'd)

### ***Assessing the adequacy of the accounting of the monies held in trust for customers***

The group's principal operations pertaining to the provision of trustee services are conducted through its subsidiary, British and Malayan Trustees Limited ("BMT"). BMT handle large sums of client's money in the course of its work or agents in receiving, holding or paying out sums for its clients or third parties. BMT is required to comply with the Trust Companies Act (Chapter 336) to ensure that customers' monies received by BMT in its fiduciary capacity as trustee are properly accounted for in accordance of the Trust Companies Act (Chapter 336) and are kept distinct and separated from its own monies and so that the trust monies do not form part of, or are not mixed with, its general assets.

We identified that the proper accounting of the monies held in trust as a key audit matter because there is a potential risk of inaccurate accounting of BMT's cash accounts by virtue of its principal business which involves handling voluminous customers' monies held in trust accounts that includes the receiving, holding or paying out sums for its clients or third parties.

In response to this risk, our audit approach included, amongst others, the following:

- We have reviewed and tested management's processes and controls surrounding proper segregation and appropriate recognition of monies held in trust in the customers' accounts;
- We performed testing of outflows on monies to verify whether these transactions are for valid purposes and appropriately supported by requisite documentation;
- We have circularised bank confirmations for trust bank accounts on a sample basis and tested samples of the bank reconciliation and verified to underlying supporting documents such as invoices and bank advices to ensure that the reconciling items are appropriate; and
- We have assessed the adequacy of the disclosures made in the financial statements in relation to the group's cash and cash equivalents in Note 16.

## Other information

Management is responsible for the other information. The other information comprises the information included in the statement by directors and the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# Independent Auditor's Report

For the financial year ended 30 June 2020

To the members of British and Malayan Holdings Limited

## Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and the financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the group's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.

# Independent Auditor's Report

For the financial year ended 30 June 2020

To the members of British and Malayan Holdings Limited

## Auditor's responsibilities for the audit of the financial statements (cont'd)

- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the company and by the subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Chow Khen Seng, effective from year ended 30 June 2019.

RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

# Consolidated Statement of Comprehensive Income

For the financial year ended 30 June 2020

	Notes	Group	
		2020 \$	2019 \$
<b>Revenue</b>	5	1,968,316	2,022,536
Other income and gains	6	118,847	41,677
Interest income		65,817	78,639
Employee benefits expense	7	(1,477,621)	(1,546,995)
Depreciation of property, plant and equipment	12	(137,059)	(167,791)
Depreciation of right-of-use-assets	18	(11,135)	–
Other losses	6	(1,250)	(1,958)
Other expenses	8	(1,281,210)	(1,229,102)
Finance costs		(1,234)	–
<b>Loss before tax from continuing operations</b>		(756,529)	(802,994)
Income tax expense	9	–	–
<b>Loss from continuing operations for the year</b>		(756,529)	(802,994)
		<b>Dollar</b>	<b>Dollar</b>
<b>Loss per share</b>			
Basic and diluted loss per share	10	(0.09)	(0.09)

*The accompanying notes form an integral part of these financial statements.*

# Statements of Financial Position

As at 30 June 2020

	Notes	Group		Company	
		2020 \$	2019 \$	2020 \$	2019 \$
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	12	2,983,260	3,045,178	–	–
Right-of-use assets	18	43,614	–	–	–
Investment in subsidiary	13	–	–	2,736,900	2,736,900
<b>Total non-current assets</b>		<b>3,026,874</b>	<b>3,045,178</b>	<b>2,736,900</b>	<b>2,736,900</b>
<b>Current assets</b>					
Trade and other receivables	14	188,157	429,185	14	564
Other non-financial assets	15	115,236	34,162	–	–
Cash and cash equivalents	16	5,706,074	6,641,936	1,047,230	1,830,819
<b>Total current assets</b>		<b>6,009,467</b>	<b>7,105,283</b>	<b>1,047,244</b>	<b>1,831,383</b>
<b>Total assets</b>		<b>9,036,341</b>	<b>10,150,461</b>	<b>3,784,144</b>	<b>4,568,283</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	17	2,736,900	2,736,900	2,736,900	2,736,900
Retained earnings		5,668,325	6,792,693	947,746	1,689,978
<b>Total equity</b>		<b>8,405,225</b>	<b>9,529,593</b>	<b>3,684,646</b>	<b>4,426,878</b>
<b>Non-current liabilities</b>					
Lease liabilities	18	34,889	–	–	–
<b>Total non-current liabilities</b>		<b>34,889</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Current liabilities</b>					
Lease liabilities	18	10,054	–	–	–
Trade and other payables	19	349,339	368,049	99,498	141,405
Other non-financial liabilities	20	236,834	252,819	–	–
<b>Total current liabilities</b>		<b>596,227</b>	<b>620,868</b>	<b>99,498</b>	<b>141,405</b>
<b>Total liabilities</b>		<b>631,116</b>	<b>620,868</b>	<b>99,498</b>	<b>141,405</b>
<b>Total equity and liabilities</b>		<b>9,036,341</b>	<b>10,150,461</b>	<b>3,784,144</b>	<b>4,568,283</b>

The accompanying notes form an integral part of these financial statements.

# Statements of Changes in Equity

For the financial year ended 30 June 2020

<u>Group</u>	Total equity \$	Share capital \$	Retained earnings \$
<b>Current year:</b>			
Opening balance at 1 July 2019	9,529,593	2,736,900	6,792,693
<b>Changes in equity:</b>			
Total comprehensive loss for the year	(756,529)	–	(756,529)
Dividends paid (Note 11)	(367,839)	–	(367,839)
Closing balance at 30 June 2020	8,405,225	2,736,900	5,668,325
<b>Previous year:</b>			
Opening balance at 1 July 2018	10,700,426	2,736,900	7,963,526
<b>Changes in equity:</b>			
Total comprehensive loss for the year	(802,994)	–	(802,994)
Dividends paid (Note 11)	(367,839)	–	(367,839)
Closing balance at 30 June 2019	9,529,593	2,736,900	6,792,693
<u>Company</u>	Total equity \$	Share capital \$	Retained earnings \$
<b>Current year:</b>			
Opening balance at 1 July 2019	4,426,878	2,736,900	1,689,978
<b>Changes in equity:</b>			
Total comprehensive loss for the year	(374,393)	–	(374,393)
Dividends paid (Note 11)	(367,839)	–	(367,839)
Closing balance at 30 June 2020	3,684,646	2,736,900	947,746
<b>Previous year:</b>			
Opening balance at 1 July 2018	3,159,651	2,736,900	422,751
<b>Changes in equity:</b>			
Total comprehensive loss for the year	1,635,066	–	1,635,066
Dividends paid (Note 11)	(367,839)	–	(367,839)
Closing balance at 30 June 2019	4,426,878	2,736,900	1,689,978

The accompanying notes form an integral part of these financial statements.

# Consolidated Statement of Cash Flows

For the financial year ended 30 June 2020

	Group	
	2020	2019
	\$	\$
<b>Cash flows from operating activities</b>		
Loss before tax	(756,529)	(802,994)
Adjustments for:		
Depreciation of property, plant and equipment	137,059	167,791
Depreciation of right-of-use assets	11,135	–
Interest income	(65,817)	(78,639)
Interest expense	1,234	–
Operating cash flows before changes in working capital	(672,918)	(713,842)
Trade and other receivables, current	233,338	(61,133)
Other non-financial assets, current	(81,074)	126,733
Trade and other payables, current	(18,710)	(58,152)
Other non-financial liabilities, current	(15,985)	(18,688)
Net cash flows used in operations	(555,349)	(725,082)
Income taxes paid	–	–
Net cash flows used in operating activities	(555,349)	(725,082)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(75,141)	(25,986)
Interest received	73,507	79,553
Net cash flow (used in)/ from investing activities	(1,634)	53,567
<b>Cash flows from financing activities</b>		
Lease liabilities – principal portion paid	(9,806)	–
Interest paid	(1,234)	–
Dividends paid to equity owners (Note 11)	(367,839)	(367,839)
Net cash flows used in financing activities	(378,879)	(367,839)
<b>Net decrease in cash and cash equivalents</b>	(935,862)	(1,039,354)
Cash and cash equivalents, consolidated statement of cash flows, beginning balance	6,641,936	7,681,290
<b>Cash and cash equivalents, consolidated statement of cash flows, ending balance (Note 16)</b>	5,706,074	6,641,936

The accompanying notes form an integral part of these financial statements.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 1. General

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the company (referred to as “parent”) and the subsidiary.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activity of the company is that of investment holding. It is listed on the Singapore Exchange Securities Trading Limited, (“SGX-ST”).

The principal activity of the subsidiary, British and Malayan Trustees Limited (the “subsidiary”) is the provision of trustee services in Singapore.

The registered office and principal place of business of the company is located at 1 Coleman Street, #08-01 The Adelphi, Singapore 179803.

### Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and the related Interpretations to SFRS(I) (“SFRS(I) INT”) as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Companies Act, Chapter 50 and with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”).

### Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

### Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity’s accounting policies. The areas requiring management’s most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this note to the financial statements, where applicable.



# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 1. General (cont'd)

### Basis of presentation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee and cease when the reporting entity loses control of the investee.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as fair value through other comprehensive income financial assets in accordance with the financial reporting standard on financial instruments.

The company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act, Chapter 50, the company's separate statement of comprehensive income is not presented.

## 2. Significant accounting policies and other explanatory information

### 2A. Significant accounting policies

#### Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Trustee fees – Fees from the provision of trustee services consist of acceptance fee, periodic trustee fees and a proportion of trustee fees collected upfront. For a contract that includes a single performance obligation (series of distinct services that are substantially the same and have the same pattern of transfer and has time based measure of progress) that is satisfied over time the revenue is recognised over time. Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Revenue recognition (cont'd)

Interest income – Interest income from fixed deposits and interest-bearing securities is recognised in profit or loss on a time-proportion basis. When a receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instruments and thereafter amortising the discount as interest income.

Dividend income – Dividend income from equity securities is recognised in profit or loss in the financial year in which the right to receive payment is established.

#### Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

#### Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

#### Foreign currency transactions

The functional currency of the company is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Income tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the statements of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is: recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

#### Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Leasehold property	–	Shorter of 50 years and lease term
Leasehold improvements	–	5 years
Furniture and fittings	–	5 years
Office equipment	–	5 years
Computer equipment	–	3 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The right-of-use assets is depreciated over 5 years.

#### Leases of lessee

A lease is a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised lease is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-to-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term and an interest expense on the recognised lease liability (included in finance costs). Short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard whereby the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

#### Subsidiary

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity. An investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

#### Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Financial instruments (cont'd)

Classification and measurement of financial assets:

1. Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income ("FVTOCI"): There were no financial assets classified in this category at reporting year end date.
3. Financial asset that is an equity investment measured at fair value through other comprehensive income ("FVTOCI"): There were no financial assets classified in this category at reporting year end date.
4. Financial asset classified as measured at fair value through profit or loss ("FVTPL"): There were no financial assets classified in this category at reporting year end date.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

#### Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include bank and cash balances, on demand deposits and any highly liquid debt asset instruments purchased with an original maturity of three months or less. For the consolidated statement of cash flows, the item includes cash and cash equivalents less cash subject to restriction that form an integral part of cash management.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2A. Significant accounting policies (cont'd)

#### Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

### 2B. Other explanatory information

#### Segment reporting

The reporting entity discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 2. Significant accounting policies and other explanatory information (cont'd)

### 2B. Other explanatory information (cont'd)

#### Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

### 2C. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

#### Allowance for trade receivables:

The entity has a few customers and which can be graded as low risk individually. These trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. At the end of the reporting year a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition. At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the Note on trade and other receivables.



# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

### 3A. Members of a group

Name	Relationship	Country of incorporation
The Nyalas Rubber Estates Limited	Ultimate parent company	Singapore

Related companies in these financial statements include the members of the above group of companies.

### 3B. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

In addition to transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

Significant related party transactions:

<u>Group</u>	Related party	
	2020	2019
	\$	\$
Deferred compensation payment	138,049	–

The nature of the transaction is a deferred compensation payment to Mr. Paul Martin Pavey, an executive director of the group's wholly owned subsidiary British and Malayan Trustees Limited ("BMT") for identifying the opportunity for BMT to receive a withdrawal fee for its work in relation to the winding down and liquidation of an estate for which BMT acts as trustee. The payment is only payable on winding down of the estate in September 2021 and BMT receiving the requisite withdrawal fee to which it is entitled.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 3. Related party relationships and transactions (cont'd)

### 3C. Key management compensation:

	Group	
	2020	2019
	\$	\$
Salaries and other short-term employee benefits	720,258	740,334

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Group	
	2020	2019
	\$	\$
Remuneration of key management personnel of the group	570,258	590,334
Fees to directors of the group	150,000	150,000

Further information about the remuneration of individual directors is provided in the report on corporate governance.

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

## 4. Financial information by operating segments

### 4A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

The group's activities are carried out wholly in Singapore. For management purposes, the group has only one single reportable segment as the principal activity of the group is the provision of trustee services in Singapore through its subsidiary.

#### *Information about major customers*

Revenue from two major customers, amounts to \$595,550 and \$349,915 (2019: \$650,463 and \$406,940) respectively. The revenue from the two major customers arises from provision of trustee services in Singapore.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 5. Revenue

	Group	
	2020	2019
	\$	\$
Trustee fees	1,787,190	1,832,967
Other service fees	181,126	189,569
Total revenue	1,968,316	2,022,536

The reporting entity offers a variety of services with one or more customers with services covered by a single contract or separately in individual contracts. An amount of \$755,354 (2019: \$760,082) is recognised based on point in time and the balance is over time. The customers are private trust, corporate trust and corporate customers.

## 6. Other income and gains and (other losses)

	Group	
	2020	2019
	\$	\$
Foreign exchange adjustment gain/ (loss)	470	(1,958)
Other income	118,377	41,677
Bad debts written off trade receivables	(1,250)	–
Net	117,597	39,719
Presented in profit or loss as:		
Other income and gains	118,847	41,677
Other losses	(1,250)	(1,958)
Net	117,597	39,719

## 7. Employee benefits expense

	Group	
	2020	2019
	\$	\$
Short term employee benefits expense	1,351,929	1,418,095
Contributions to defined contribution plan	125,692	128,900
Total employee benefits expense	1,477,621	1,546,995

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 8. Other expenses

	Group	
	2020	2019
	\$	\$
Audit fees	88,000	88,000
Non-audit fees to auditors of the company	20,240	18,164
Non-audit fees other auditors	44,000	45,000
Advertising expense	273	3,773
Building and office maintenance and repairs	239,678	272,838
Directors' fees	150,000	150,000
General expense	80,819	99,926
Insurance expense	200,729	183,918
Other expense	256,596	237,965
Professional fees	182,058	108,701
Printing and stationery	11,955	13,410
Training fees	6,862	7,407
	1,281,210	1,229,102

## 9. Income tax expense

### 9A. Components of tax expense recognised in profit or loss include:

	Group	
	2020	2019
	\$	\$
<b>Current tax expense:</b>		
Current tax expense	-	-
Total income tax expense	-	-

The income tax in profit or loss varied from the income tax amount determined by applying the Singapore income tax rate of 17.0% (2019: 17.0%) to loss before income tax as a result of the following differences:

	Group	
	2020	2019
	\$	\$
Loss before tax	(756,529)	(802,994)
Income tax benefit at the above rate	(128,610)	(136,509)
Expenses not deductible for tax purposes	54,659	20,324
Income not subject to tax	(11,261)	(1,671)
Unrecognised deferred tax assets	87,939	117,856
Other minor items less than 3% each	(2,727)	-
Total income tax expense	-	-

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 9. Income tax expense (cont'd)

There are no income tax consequences of dividends to the owners of the company.

## 9B. Deferred tax income recognised in profit or loss

	Group	
	2020	2019
	\$	\$
<b>Deferred tax assets recognised in profit or loss:</b>		
Tax loss carryforwards	74,023	117,856
Excess of tax over book depreciation on plant and equipment	13,916	–
Deferred tax assets not recognised	(87,939)	(117,856)
Net balance	–	–

## 9C. Deferred tax balance in the statements of financial position

	Group	
	2020	2019
	\$	\$
<b>Deferred tax assets recognised in statements of financial position:</b>		
Tax loss carryforwards	770,203	696,180
Excess of tax values over net book value of plant and equipment	178,446	164,530
Deferred tax assets not recognised	(948,649)	(860,710)
Net balance	–	–

The above deferred tax assets have not been recognised in respect of the remaining balance, as the future profit streams are not probable against which the deductible temporary difference can be utilised. The realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 10. Loss per share

The following table illustrates the numerators and denominators used to calculate basic and diluted loss per share of no par value:

	2020 \$	2019 \$
<b>A. Numerator: loss attributable to equity:</b>		
Continuing operations:		
Total basic and diluted loss attributable to equity holders	(756,529)	(802,994)
<b>B. Denominator: weighted average number of equity shares</b>		
Basic and diluted	8,758,080	8,758,080

The weighted average number of equity shares refers to shares in circulation during the reporting year.

The loss per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. There is no difference between the basic and diluted weighted average number of shares.

## 11. Dividends on equity shares

	Group and company	
	2020 \$	2019 \$
Interim exempt (1-tier) dividend paid of 1.50 cents (2019: 1.50 cents) per share	131,371	131,371
Final exempt (1-tier) dividend paid of 2.70 cents (2019: 2.70 cents) per share	236,468	236,468
Total dividends paid in the year	367,839	367,839

The directors have proposed that a final dividend of 2.70 cents per share with a total of \$236,468 be paid to shareholders after the annual general meeting to be held on 23 October 2020. There are no income tax consequences on the reporting entity. This dividend is subject to approval by shareholders at the next annual general meeting and has not been included as a liability in these financial statements. The proposed dividend is payable in respect of all ordinary shares in issue at the end of the reporting year and including any qualifying shares issued up to the date the dividend becomes payable.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 12. Property, plant and equipment

Group	Leasehold property \$	Leasehold improvements \$	Furniture and fittings \$	Office equipment \$	Computer equipment \$	Total \$
<b>Cost:</b>						
At 1 July 2018	4,656,986	62,755	47,481	44,360	558,073	5,369,655
Additions	–	–	–	2,200	23,786	25,986
At 30 June 2019	4,656,986	62,755	47,481	46,560	581,859	5,395,641
Additions	–	–	–	–	75,141	75,141
Written off	–	–	–	(5,244)	(279,599)	(284,843)
At 30 June 2020	4,656,986	62,755	47,481	41,316	377,401	5,185,939
<b>Accumulated depreciation:</b>						
At 1 July 2018	1,583,377	59,011	36,867	40,119	463,298	2,182,672
Depreciation for the year	93,140	2,176	5,616	3,954	62,905	167,791
At 30 June 2019	1,676,517	61,187	42,483	44,073	526,203	2,350,463
Depreciation for the year	93,140	1,479	3,269	946	38,225	137,059
Written off	–	–	–	(5,244)	(279,599)	(284,843)
At 30 June 2020	1,769,657	62,666	45,752	39,775	284,829	2,202,679
<b>Carrying value:</b>						
At 1 July 2018	3,073,609	3,744	10,614	4,241	94,775	3,186,983
At 30 June 2019	2,980,469	1,568	4,998	2,487	55,656	3,045,178
At 30 June 2020	2,887,329	89	1,729	1,541	92,572	2,983,260

The fair value of the leasehold property was measured in June 2020 (2019: June 2019) based on the market approach valuation techniques based on the concept of comparables to reflect the actual market state and circumstances as of the end of the reporting year. The fair value was based on a desktop valuation made by Edmund Tie & Company (SEA) Pte Ltd, a firm of independent professional valuers on a systematic basis at least once yearly. The firm holds a recognised and relevant professional qualification with sufficient recent experience in the location and category of the investment property being valued. There has been no change to the valuation technique during the year.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 12. Property, plant and equipment (cont'd)

For fair value measurements categorised within the fair value hierarchy below, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows:

Asset:	An office unit located on the 8 <sup>th</sup> storey of The Adelphi, a 10 storey commercial building at 1 Coleman Street, Singapore
Fair Value and Fair value hierarchy – Level:	\$9,600,000 (2019: \$9,600,000). Level 3 (2019: Level 3).
Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent transaction prices for similar properties.
Significant observable inputs and range (weighted average):	Price per square foot: \$2,281 (2019: \$2,281)
Relationship of unobservable inputs to fair value:	Favourable (adverse) changes in discount rates reflecting current market assessments of the uncertainty in the amount and timing of cash flows will increase (decrease) fair value.
Sensitivity on management's estimates – 10% variation from estimate	Impact – lower by \$960,000; higher by \$960,000

## 13. Investment in subsidiary

	Company	
	2020	2019
	\$	\$
<b>Movements during the year. At cost:</b>		
Balance at beginning and end of the year	2,736,900	2,736,900
<b>Carrying value in the books of the company comprising:</b>		
Unquoted equity shares at cost	2,736,900	2,736,900
Total at cost	2,736,900	2,736,900
Net book value of subsidiary	7,457,479	7,839,615



# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 13. Investment in subsidiary (cont'd)

The subsidiary owned by the company is listed below:

Name of subsidiary, country of incorporation, place of operation, principal activity and independent auditor	Cost in books of company		Effective percentage of equity held by group	
	2020	2019	2020	2019
	\$	\$	%	%
<b>Held by the company</b>				
British and Malayan Trustees Limited Singapore Provision of trustee services (RSM Chio Lim LLP)	2,736,900	2,736,900	100	100

## 14. Trade and other receivables

	Group	
	2020 \$	2019 \$
<b>Trade receivables</b>		
Outside parties	70,619	72,977
Accrued income	116,011	346,991
Net trade receivables – subtotal	186,630	419,968
<b>Other receivables</b>		
Refundable deposits	1,140	1,140
Outside parties	387	8,077
Net other receivables – subtotal	1,527	9,217
Total trade and other receivables	188,157	429,185
<b>Company</b>		
	2020 \$	2019 \$
<b>Other receivables</b>		
Outside parties	14	564

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 14. Trade and other receivables (cont'd)

The trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The methodology applied for impairment loss is the simplified approach to measuring expected credit losses ("ECL") which uses a lifetime expected loss allowance for all trade receivables. The expected lifetime losses are recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the expected credit losses. The credit loss allowance is based on its historical observed default rates (over a period of certain months) over the expected life of the trade receivables. At every reporting date the historical observed default rates are updated. There is no loss allowance arising from outstanding balances as the ECL is not material.

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period. There are no collateral held as security and other credit enhancements for the trade receivables.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade customers is between 30 days (2019: 30 days).

Concentration of trade receivable customers as at the end of reporting year:

	Group	
	2020 \$	2019 \$
Top 1 customer	56,175	53,504
Top 2 customers	69,015	68,739
Top 3 customers	69,550	70,077

The group determines concentrations of credit risk by monitoring the customers' profile of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables at the end of the reporting year is as follows:

	2020		2019	
	\$	% of total	\$	% of total
Corporate clients	12,840	18	1,337	2
Individual clients	57,779	82	71,640	98

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

The other receivables of the group and company at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The other receivables at amortised cost and which can be graded as low risk individually are considered to have low credit risk. No loss allowance is necessary.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 14. Trade and other receivables (cont'd)

Other receivables of the group and company are normally with no fixed terms and therefore there is no maturity. Other receivables are regarded as of low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

## 15. Other non-financial assets

	Group	
	2020	2019
	\$	\$
Prepayments	115,236	34,162

## 16. Cash and cash equivalents

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Not restricted in use	5,706,074	6,641,936	1,047,230	1,830,819

The weighted average effective interest rates for the cash balances is 0.06% (2019: 1.09%) per annum.

## 16A. Reconciliation of liabilities arising from financing activities

	2019	Cash flows	Non-cash		2020
	\$	\$	Changes		\$
			\$		
Lease liabilities	–	(9,806)	54,749	(a)	44,943
Total liabilities from financing activities	–	(9,806)	54,749		44,943

(a) Adoption of new financial reporting standard on leases on 1 July 2019 (see Note 18).

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 17. Share capital

<u>Group</u>	<u>Number of shares issued</u>	<u>Share capital \$</u>
Ordinary shares of no par value: Balance at 1 July 2018, 30 June 2019 and 2020	8,758,080	2,736,900
<u>Company</u>	<u>Number of shares issued</u>	<u>Share capital \$</u>
Ordinary shares of no par value: Balance at 1 July 2018, 30 June 2019 and 2020	8,758,080	2,736,900

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.

### Capital management:

The objectives when managing capital are to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt.

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital. There are no significant external borrowings. The debt-to-adjusted capital ratio does not provide a meaningful indicator of the risk of borrowing.

In order to maintain its listing on the Singapore Stock Exchange, the company has to have share capital with at least a free float of 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 18. Lease liabilities and right-of-use assets

The leases are for rental of office equipment. The lease contracts are usually for fixed periods of 5 years. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

At the date of transition to the new standard on leases, management elected to measure the right-of-use assets at an amount equal to the lease liability above adjusted for any prepaid or accrued lease payments that existed at the date of transition (applied to leases previously classified as finance leases or operating leases). The lease liability does not include the short-term leases and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The right-of-use assets and lease liabilities are in the statement of financial position. The movements are as follows:

### Group

	Office equipment \$	Lease liabilities \$
At 1 July 2019	54,749	54,749
Accretion of interest	–	1,234
Lease payments – principal portion paid	–	(9,806)
Interest paid	–	(1,234)
<b>Accumulated depreciation:</b>		
At 1 July 2019	–	–
Depreciation for the year	(11,135)	–
<b>Carrying value:</b>		
At 1 July 2019	54,749	54,749
At 30 June 2020	43,614	44,943

Lease liabilities are presented in the statement of financial position as follows:

	Group	
	2020 \$	2019 \$
Lease liabilities, current	10,054	–
Lease liabilities, non-current	34,889	–
	44,943	–

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 18. Lease liabilities and right-of-use assets (cont'd)

The new standard on leases has been applied using the modified retrospective transition approach. Therefore no comparative amounts for the year ended 30 June 2019 are presented.

On transition to the new standard on leases the weighted average incremental borrowing rate applied to lease liabilities recognised was 2.5%. The right-of-use asset and lease liability before the date of initial application are measured at the same amounts as under the new standard.

Reconciliation of lease commitments and lease liability at the date of initial application:

### Group

	2020 \$
Operating lease commitments as at 30 June 2019	60,540
Relief option for short-term leases	(2,180)
Subtotal – Operating lease liabilities before discounting	58,360
Discounted using incremental borrowing rate	(3,611)
Total lease liabilities recognised at 1 July 2019	54,749

A summary of the maturity analysis of lease liabilities that shows the remaining contractual maturities is as follows:

### Group

2020	Minimum payments \$	Finance charges \$	Present value \$
Minimum lease payments payable:			
Due within one year	11,040	(986)	10,054
Due within two to five years	36,280	(1,391)	34,889
Total	47,320	(2,377)	44,943

## 19. Trade and other payables

	Group		Company	
	2020 \$	2019 \$	2020 \$	2019 \$
<b>Trade payables</b>				
Accrued liabilities	327,784	350,816	99,498	141,372
Trade payables - subtotal	327,784	350,816	99,498	141,372
<b>Other payables</b>				
Outside parties	21,555	17,233	–	33
Total trade and other payables	349,339	368,049	99,498	141,405

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 20. Other non-financial liabilities

	Group	
	2020	2019
	\$	\$
Contract liabilities (Note 20A)	236,834	252,819

## 20A. Contract liabilities

	Group	
	2020	2019
	\$	\$
The amount is made up of:		
Advanced trustee services billings	236,834	252,819

The movements in contract liabilities are as follows:

	Group	
	2020	2019
	\$	\$
At beginning of the year	252,819	271,507
Consideration received or receivable	236,834	252,819
Performance obligation satisfied – revenue recognised	(252,819)	(271,507)
At end of the year	236,834	252,819

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 20. Other non-financial liabilities (cont'd)

### 20A. Contract liabilities (cont'd)

Transaction price allocated to the remaining performance obligations:

	Group	
	2020	2019
	\$	\$
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting year:		
Expected to be recognised within 1 year	236,834	252,819

## 21. Financial instruments: information on financial risks

### 21A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
<b>Financial assets:</b>				
Financial assets at amortised cost	5,894,231	7,071,121	1,047,244	1,831,383
<b>Financial liabilities:</b>				
Financial liabilities at amortised cost	394,282	368,049	99,498	141,405

Further quantitative disclosures are included throughout these financial statements.

### 21B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate and currency risk exposures. Management has certain practices for the management of financial risks. The following guidelines are followed:

1. Minimise interest rate, currency and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposure to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.



# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 21. Financial instruments: information on financial risks (cont'd)

### 21C. Fair value of financial instruments

The analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

### 21D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes.

However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. Management adopts the simplified approach to measure the impairment loss for financial assets. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process. Note 16 discloses the maturity of the cash and cash equivalents balances. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

### 21E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2019: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 21. Financial instruments: information on financial risks (cont'd)

### 21E. Liquidity risk – financial liabilities maturity analysis (cont'd)

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

#### Group:

<u>Non-derivative financial liabilities:</u>	<u>Less than 1 year</u> \$	<u>1 – 3 years</u> \$	<u>Total</u> \$
<b>2020:</b>			
Gross lease liabilities	11,040	36,280	47,320
Trade and other payables	349,339	–	349,339
At end of the year	360,379	36,280	396,659

<u>Non-derivative financial liabilities:</u>	<u>Less than 1 year</u> \$	<u>1 – 3 years</u> \$	<u>Total</u> \$
<b>2019:</b>			
Trade and other payables	368,049	–	368,049
At end of the year	368,049	–	368,049

#### Company:

<u>Non-derivative financial liabilities:</u>	<u>Less than 1 year</u> \$	<u>1 – 3 years</u> \$	<u>Total</u> \$
<b>2020:</b>			
Trade and other payables	99,498	–	99,498
At end of the year	99,498	–	99,498

<u>Non-derivative financial liabilities:</u>	<u>Less than 1 year</u> \$	<u>1 – 3 years</u> \$	<u>Total</u> \$
<b>2019:</b>			
Trade and other payables	141,405	–	141,405
At end of the year	141,405	–	141,405

### 21F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position. The interest from financial assets including cash balances is not significant.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 21. Financial instruments: information on financial risks (cont'd)

### 21G. Foreign currency risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, ie in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

Analysis of amounts denominated in non-functional currency:

<b>Group:</b>	<b>US dollars</b>
<b><u>2020</u></b>	<b><u>\$</u></b>
<b><u>Financial assets:</u></b>	
Cash	26,511
Total financial assets	<u>26,511</u>
<b><u>2019</u></b>	
<b><u>Financial assets:</u></b>	
Cash	44,938
Total financial assets	<u>44,938</u>

There is exposure to foreign currency risk as part of its normal business.

Sensitivity analysis:

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
A hypothetical 10% strengthening in the exchange rate of the functional currency Singapore dollars against US dollars would have a favourable effect on pre-tax loss of	<u>2,651</u>	<u>4,494</u>

## 22. Other matter

There are current uncertainties in the economy related to the COVID-19 outbreak that emerged since early 2020. These uncertainties have impacted the company's operations and may create questions about the impairment or recoveries of certain assets. As the situation is still evolving, the full effect of the outbreak is still uncertain. It is however reasonably possible that COVID-19 will have an adverse impact on the group's revenues and results for the next reporting year, the extent of which will depend on how long the outbreak lasts.

# Notes to the Financial Statements

For the financial year ended 30 June 2020

## 23. Changes and adoption of financial reporting standards

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

SFRS (I) No.	Title
SFRS (I) 16	Leases (and Leases – Illustrative Examples & Amendments to Guidance on Other Standards)
SFRS (I) INT 23	Uncertainty over Income Tax Treatments
SFRS (I) 1-12	Improvements (2017) – Amendments: Income Taxes

## 24. New or amended standards in issue but not yet effective

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

SFRS No.	Title	Effective date for periods beginning on or after
SFRS (I) 1-1 and 1-8	Definition of Material – Amendments to The Conceptual Framework for Financial Reporting	1 January 2020

# Shareholding Statistics

As at 18 September 2020

Number of Issued Shares	:	8,758,080
Class of shares	:	Ordinary Shares
Voting rights	:	One vote per share
Treasury shares	:	Nil

## DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	Number of Shareholders	Percentage of Shareholders (%)	Number of Shares Held	Percentage of Shares Held (%)
1 - 99	6	7	240	0.00
100 - 1,000	45	50	23,860	0.28
1,001 - 10,000	22	24	73,204	0.84
10,001 - 1,000,000	16	17	913,770	10.42
1,000,001 - and above	2	2	7,747,006	88.46
<b>Total</b>	<b>91</b>	<b>100</b>	<b>8,758,080</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

	Name of Shareholders	Number of Shares	Percentage of Shareholdings (%)
1	The Nyalas Rubber Estates Ltd	6,147,294	70.19
2	Estate of Sat Alsagoff, Deceased	1,599,712	18.27
3	Chan Wing Cheng	262,742	3.00
4	Lim Guan Chiang	115,200	1.32
5	Lim Guan Teck	115,200	1.32
6	Catzavelos Peter John	96,000	1.10
7	Lee Ah Bah @ Ong Kee	81,800	0.93
8	Teo Guat Hui	43,500	0.50
9	Hood Yew Lee Alfred	32,000	0.37
10	Est of Tan Hin Jin, Dec'd	32,000	0.37
11	Alwee Alkaff	28,800	0.33
12	Khoo Sin Hock Victor	21,600	0.25
13	Cecil V R Wong	16,128	0.18
14	Lee Thor Seng	14,400	0.16
15	Tan Hiang Lee	14,400	0.16
16	Tan Sieu Lee Amelia	14,400	0.16
17	Raffles Nominees (Pte) Ltd	13,600	0.16
18	Khoo Thomas Clive	12,000	0.14
19	Clive Heng Boon Howe	6,000	0.07
20	OCBC Securities Pte Ltd	6,000	0.07
		<b>8,672,776</b>	<b>99.05</b>

# Shareholding Statistics

As at 18 September 2020

## SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
The Nyalas Rubber Estates Ltd	6,147,294 <sup>(1)</sup>	70.19	–	–
Estate of Sat Alsagoff, Deceased	1,599,712	18.27	–	–
Lee Yung Shih Colin	–	–	6,161,694 <sup>(2)</sup>	70.35
Lee Chung Shih Justin	–	–	6,161,694 <sup>(3)</sup>	70.35

**Note:**

<sup>(1)</sup> The Nyalas Rubber Estates Ltd. acquired all of the Shares previously owned by BMT Investment Holdings Pte Ltd (and held on their behalf by Citibank Noms Singapore Pte Ltd) pursuant to a share purchase agreement dated 13 May 2016, and the transfer upon completion thereof was recorded by the Registrar of the Company on 23 September 2016.

<sup>(2)</sup> Mr Lee Yung Shih Colin is deemed interested in the shares held by The Nyalas Rubber Estates Ltd and Mr Lee Thor Seng.

<sup>(3)</sup> Mr Lee Chung Shih Justin is deemed interested in the shares held by The Nyalas Rubber Estates Ltd and Mr Lee Thor Seng.

## PUBLIC FLOAT

Based on Shareholders' Information as at 18 September 2020 and to the best knowledge of the Directors, approximately 11.38% of the total numbers of issued ordinary shares of the Company is held by the public.

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# BRITISH AND MALAYAN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
Company Registration No.: 201632914Z

## IMPORTANT:

1. For investors who have used their CPF monies to buy British and Malayan Holdings Limited' shares, the Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. A Relevant Intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see Note 3) for the definition of "Relevant Intermediary".
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

## PROXY FORM

\*I/We \_\_\_\_\_ (Name)

of \_\_\_\_\_ (Address)

being a \*member/members of British and Malayan Holdings Limited (the "Company") hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings to be represented by proxy	
		No. of Shares	%
Address:			

\*and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings to be represented by proxy	
		No. of Shares	%
Address:			

or failing \*him/her, the Chairman of the Meeting as \*my/our \*proxy/proxies to vote for \*me/us on \*my/our behalf at the Annual General Meeting of the Company to be held at the Board Room of British and Malayan Holdings Limited at 1 Coleman Street, #08-01 The Adelphi, Singapore 179803 on Friday, 23 October 2020 at 2:30 p.m. and at any adjournment thereof.

\*I/We direct \*my/our \*proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specific directions as to voting are given, the \*proxy/proxies will vote or abstain from voting at \*his/their discretion.

No.	Ordinary Resolutions	No. of votes For <sup>#</sup>	No. of votes Against <sup>#</sup>	No. of votes Abstain <sup>#</sup>
1.	To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2020 together with the Directors' Statement and the Independent Auditor's Report thereon.			
2.	To re- elect Mr Colin Lee Yung-Shih as Director.			
3.	To re-elect Mr Lee Boon Huat as Director.			
4.	To approve the payment of Directors' fees of S\$150,000 for the financial year ending 30 June 2021, to be paid quarterly in arrears.			
5.	To declare a Final Dividend (tax exempt one-tier) of 2.7 cents per ordinary share for the financial year ended 30 June 2020.			
6.	To re-appoint Messrs RSM Chio Lim LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
7.	To authorise Directors to allot and issue shares.			
8.	To authorise Directors to allot and issue shares under British and Malayan Holdings Employee Share Option Scheme and British and Malayan Holdings Performance Share Plan.			

\* Delete accordingly

<sup>#</sup> If you wish to use all your votes "For" or "Against", please indicate with an "X" within the box provided. Otherwise, please indicate number of votes "For" or "Against" for each resolution within the box provided. If you wish your proxy/proxies to Abstain from voting on a resolution, please indicate with an "X" in the Abstain box. Alternatively, please indicate the number of shares that your proxy/proxies is directed to abstain from voting.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2020

Total number of shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s)/Common Seal

**IMPORTANT.** Please read notes overleaf.



## Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. Where a member appoints two proxies, he shall specify the proportion of his shares (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
3. A member who is a **Relevant Intermediary\*** is entitled to appoint more than two proxies to attend and vote at the meeting. He shall specify the proportion of his shares (expressed as a percentage of the whole) to be represented by each proxy.

### **\*Relevant Intermediary is:**

- (a) a banking corporation licensed under the Banking Act (Cap.19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who hold shares in that capacity; or
  - (b) a person holding a capital markets services license to provide a custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap.36), in respect of shares purchased on behalf of CPF investors.
4. A corporation which is a member may appoint an authorised representative or representatives in accordance with Section 179 of the Companies Act, Cap. 50 of Singapore to attend and vote for and on behalf of such corporation.
  5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or signed on its behalf by an officer or attorney duly authorised in writing.
  6. Where an instrument appointing a proxy is signed on behalf of the appointor by the attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
  7. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 1 Coleman Street, #08-01 The Adelphi, Singapore 179803, not less than seventy-two (72) hours before the time appointed for holding the Annual General Meeting.
  8. In the case of joint shareholders, all shareholders must sign the instrument appointing a proxy or proxies.
  9. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse the admission of any person or persons appointed under the instrument of proxy, to the Annual General Meeting.
  10. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such member(s) are not shown to have shares entered against his/her/their name(s) in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.
  11. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his/her name appears on the Depository Register 72 hours before the time appointed for the Annual General Meeting.

## **Personal Data Privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the members accept and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 8 October 2020.

BRITISH AND MALAYAN HOLDINGS LIMITED

Company Registration Number 201632914Z

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