

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS.

- 1 (a) **An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

Income statements for the year ended 31 December 2017:

		Group		
		YTD 2017	YTD 2016	Increase/ (Decrease) %
		S\$'000	S\$'000	
	Note			
Continuing operations				
Revenue		44,865	47,806	(6.2)
Cost of sales		(30,070)	(31,582)	(4.8)
Gross profit		14,795	16,224	(8.8)
Other gains		749	1,115	(32.8)
Distribution and marketing expenses		(6,271)	(7,670)	(18.2)
Administrative expenses		(4,975)	(5,072)	(1.9)
Finance income/(expenses)	1	134	(452)	(129.6)
Other operating expenses		(116)	(137)	(15.3)
		(11,228)	(13,331)	(15.8)
Profit before income tax	2	4,316	4,008	7.7
Income tax (expenses)/credit		(842)	334	(352.1)
Profit for the year, representing profit attributable to owners of the Company		3,474	4,342	(20.0)
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Retirement benefit plan remeasurement		(352)	(70)	402.9
Tax on items that will not be reclassified to profit or loss		94	18	422.2
Items that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation reserves - foreign operations		44	(2,209)	NM
Other comprehensive income for the year, net of tax		(214)	(2,261)	
Total comprehensive income for the year		3,260	2,081	56.7

NM: Not meaningful

Note :

1. Finance income/(expenses) include favourable net change in derivative of \$0.18mil (2016 YTD : unfavourable \$0.39mil)

	YTD 2017	YTD 2016
	S\$'000	S\$'000
2. Profit for the year has been arrived at after (charging)/crediting:		
Depreciation and amortisation	(144)	(172)
Reversal of allowance for impairment of trade receivables	5	1
Reversal write-down/(write-off) on inventories	17	(58)
Foreign exchange gain - net	316	285

NM: Not meaningful

Brook Crompton Holdings Ltd
Unaudited Full Year Financial Statement

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

	Note	Group 31-Dec-17 S\$'000	Group 31-Dec-16 S\$'000	Company 31-Dec-17 S\$'000	Company 31-Dec-16 S\$'000
ASSETS					
Cash and cash equivalents		14,767	8,676	1,277	1,670
Trade and other receivables		9,841	11,524	6,415	1,842
Prepayments		1,010	710	8	8
Inventories		14,244	15,020	-	-
Current assets		39,862	35,930	7,700	3,520
Investments in subsidiaries		-	-	21,814	12,195
Property, plant and equipment		2,180	2,172	19	42
Deferred tax assets		691	1,211	-	-
Non-current assets		2,871	3,383	21,833	12,237
Total assets		42,733	39,313	29,533	15,757
LIABILITIES					
Trade and other payables, including derivatives		9,470	9,229	176	213
Current tax liabilities		364	122	3	2
Provision for warranty		94	97	-	-
Borrowings		1,820	1,841	-	-
Current liabilities		11,748	11,289	179	215
Borrowings		9	9	-	-
Retirement benefit obligations		722	307	-	-
Deferred tax liabilities		67	72	-	-
Non-current liabilities		798	388	-	-
Total liabilities		12,546	11,677	179	215
NET ASSETS		30,187	27,636	29,354	15,542
EQUITY					
Share capital		149,642	149,642	149,642	149,642
Other reserves		17,177	17,133	18,650	18,650
Accumulated losses		(136,632)	(139,139)	(138,938)	(152,750)
Equity attributable to owners of the Company		30,187	27,636	29,354	15,542

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

(a) Amount repayable in one year or less, or on demand

As at 31/12/2017		As at 31/12/2016	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
1,820	-	1,841	-

(b) Amount repayable after one year

As at 31/12/2017		As at 31/12/2016	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
9	-	9	-

Details of any collateral

Secured borrowings are generally bank overdrafts and finance lease secured on building and/or floating charge over the assets of borrowing companies.

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

	Group	
	2017	2016
	S\$'000	S\$'000
Cash flows from operating activities		
Profit after tax	3,474	4,342
Adjustments for:		
Income tax expenses/(credit)	842	(334)
Depreciation and amortisation	144	172
Retirement benefit plan expense	258	234
Interest income	-	(7)
Interest expense	77	37
(Reversal write-down)/write-off on inventories	(17)	58
Provision made/(written back) for warranty	58	(7)
Reversal of allowance for impairment of trade receivables	(5)	(1)
Net change in fair value of derivatives	(175)	387
Unrealised foreign exchange (gain)/loss - net	(33)	5
	4,623	4,886
Changes in :		
- Inventories	455	1,806
- Trade and other receivables	1,561	(3,211)
- Prepayments	(292)	(330)
- Trade and other payables, including derivatives	888	(901)
- Provision for warranty	(56)	(19)
- Retirement benefit contribution paid	(193)	(201)
Cash generated from operations	6,986	2,030
Income tax paid	(52)	(22)
Net cash generated from operating activities	6,934	2,008
Cash flows from investing activity		
Acquisitions of property, plant and equipment	(184)	(65)
Interest received	-	7
Net cash used in investing activity	(184)	(58)
Cash flows from financing activities		
Repayment of finance lease	(15)	(15)
Interest paid	(77)	(71)
Dividend paid	(709)	-
Repayment to intermediate holding company	-	(1,706)
Net cash used in financing activities	(801)	(1,792)
Net increase in cash and cash equivalents	5,949	158
Cash and cash equivalents at 1 January	6,841	7,772
Effect of exchange rate fluctuation on cash held	166	(1,089)
Cash and cash equivalents at 31 December (Note A)	12,956	6,841
Note A:	2017	2016
Cash and cash equivalents consist of:	S\$'000	S\$'000
Cash and bank balance	14,767	8,676
Less: Bank overdrafts which form an integral part of cash management	(1,811)	(1,835)
	12,956	6,841

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

STATEMENTS OF CHANGES IN EQUITY - GROUP

	<u>Share Capital</u> S\$'000	<u>Capital Reserve</u> S\$'000	Foreign Currency Translation <u>Reserve</u> S\$'000	Accumulated <u>Losses</u> S\$'000	<u>Total</u> S\$'000
Balance at 1 January 2017	149,642	18,650	(1,517)	(139,139)	27,636
Profit for the year	-	-	-	3,474	3,474
Dividend paid				(709)	(709)
Other comprehensive income					
Retirement benefits plan remeasurement	-	-	-	(258)	(258)
Foreign currency translation reserves - foreign operations	-	-	44	-	44
Balance at 31 December 2017	<u>149,642</u>	<u>18,650</u>	<u>(1,473)</u>	<u>(136,632)</u>	<u>30,187</u>
Balance at 1 January 2016	149,642	18,650	692	(143,429)	25,555
Profit for the year	-	-	-	4,342	4,342
Other comprehensive income					
Retirement benefits plan remeasurement	-	-	-	(70)	(70)
Tax on items that will not be reclassified to profit or loss	-	-	-	18	18
Foreign currency translation reserves - foreign operations	-	-	(2,209)	-	(2,209)
Balance at 31 December 2016	<u>149,642</u>	<u>18,650</u>	<u>(1,517)</u>	<u>(139,139)</u>	<u>27,636</u>

STATEMENTS OF CHANGES IN EQUITY - COMPANY

	<u>Share Capital</u> S\$'000	<u>Capital Reserve</u> S\$'000	Accumulated <u>Losses</u> S\$'000	<u>Total</u> S\$'000
Balance at 1 January 2017	149,642	18,650	(152,750)	15,542
Total comprehensive income for the financial year	-	-	14,521	14,521
Dividend paid	-	-	(709)	(709)
Balance at 31 December 2017	<u>149,642</u>	<u>18,650</u>	<u>(138,938)</u>	<u>29,354</u>
Balance at 1 January 2016	149,642	18,650	(152,356)	15,936
Total comprehensive income for the financial year	-	-	(394)	(394)
Balance at 31 December 2016	<u>149,642</u>	<u>18,650</u>	<u>(152,750)</u>	<u>15,542</u>

- 1 (d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no outstanding warrants as at 31 December 2017 (31 December 2016 : NIL).

- (d)(iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 31 December 2017, the Company has issued ordinary shares of 35,458,818 (31 December 2016: 35,458,818). There has been no changes in the Company's share capital since the end of previous year reported on.

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

The Company does not hold any treasury shares at the end of the current financial year reported on.

- 2 **Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have not been audited or reviewed by the Group's auditors.

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

Not applicable

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

The Group has applied the same accounting policies and methods of computation used in the financial statements for the current reporting year compared with the audited financial statements for the year ended 31 December 2016.

- 5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

An assessment has been made of Amendments and Interpretations to the Singapore Financial Reporting Standards ("FRS") effective from 1 January 2017 and it is not expected to have any significant impact on the financial statements of the Group.

6 Earnings/(losses) per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings per ordinary share of the Group for the financial year, after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares in issue
- continuing operations

(ii) On a fully diluted basis
- continuing operations

Group	
2017	2016
Cents	Cents
9.8	12.2
9.8	12.2
9.8	12.2
9.8	12.2

7 Net asset value (for the issuer and group) per ordinary share based on the total of issued share excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

Net asset value per ordinary share based on issued share capital of the issuer at the end of the financial year

Number of existing issued shares at end of year

Group		Company	
2017	2016	2017	2016
Cents	Cents	Cents	Cents
85.1	77.9	82.8	43.8
35,458,818	35,458,818	35,458,818	35,458,818

8

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Income Statement

For the twelve months ended 31 December 2017 ('FY 2017'), Brook Crompton Holdings Limited and its subsidiaries ('the Group') recorded sales of S\$44.9 million, down 6.2% from previous twelve months' ('FY2016') sales of S\$47.8 million. Approximately 3.8% of the decrease is due to the depreciation of GBP against SGD after the Brexit Referendum in Jun 2016 as compared to the preceding year. Excluding the effect of GBP depreciation, actual sales in Brook Crompton UK Limited ("BCUK") and Brook Crompton Asia Pacific Pte Ltd ("BCAP") have fallen but was compensated by the increase in sales of S\$1.7 million from Brook Crompton USA, Inc ("BCUS") and Brook Crompton Limited, Canada ("BCCAN"). At Gross Profit level, there was a drop from S\$16.2 million in prior year to S\$14.8million in current year, as result of the weaker sales and higher cost of sales that was caused by higher products costs and depreciation of GBP.

Total group expenses for FY2017 decreased by 15.8% to S\$11.2 million compared with the prior year's S\$13.3 million. This is the resultant effect from the control of personnel costs and other overheads that attributed the savings in 18.2% of distribution and marketing expenses and 1.9% in administrative expenses. The favourable position from finance income in current year are mainly due to gain from fair value of derivatives of \$0.18 million and favourable foreign exchange gain from financing activities. In comparison, the finance expense in prior year was resulted by fair value loss on derivatives of S\$0.39 million.

Profit before income tax was S\$4.3 million compared with prior year of S\$4.0 million. EBITDA (earnings before interest, foreign exchange impact from financing activities, tax and depreciation) for FY2017 was S\$4.59 million slightly lower than previous year of S\$4.63 million, after the exclusion of favourable position in finance expenses. Income tax expenses in current year is much higher as compared to prior year, mainly due to BCUK has utilised all the prior years tax losses and from 2017 onwards BCUK is subjected to local corporate tax.

Statement of Cash Flows

Net cash generated from operating activities increased to S\$6.9 million compared to S\$2.0 million in prior year with the improvement in working capital. Net cash used in financing activities dropped to S\$0.8 million from prior year of S\$1.8 million with the full repayment of loan to intermediate holding company in May 2016. Net cash position stand at S\$12.9 million from the previous S\$6.8 million.

Statement of Financial Position

Net Assets increased by 9.2% to \$30.2 million after taking in the net profit for the year of \$3.4 million and after dividend payout of \$0.7 million. Current ratio stays at a healthy level of 3.4 compare to 3.2 in prior year. Trade receivables have improved from \$11.5 million in prior year to \$9.8 million in current year. The improved trade receivables collection and profits for the year has resulted in \$6.1 million increased in cash and cash equivalents.

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

Not applicable

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

Based on the IHT Markit interim data, EMEA region is expected to grow steadily between 2018 and 2021 in the compound annual growth rate ("CAGR") of approximately 3%. Some growth is expected as a result of continued drive to high efficiency electric motors. With stability of the oil price, America market is expected to grow steadily between 2018 and 2021 in the CAGR of approximately 5%. The deployment of drilling rigs in America is increasing, which indicates a good sign to the market. Asia Pacific market still remains stagnant, as the results of the ongoing low oil price.

Other than macro-economic factors, the Group still faces challenges from competitors in term of pricing and product innovation. The Group will continue to remain vigilant to stay competitive and to identify new opportunities to ride through the situation.

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

11 Dividend

(a) **Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?
Name of dividend : Final
Dividend Type : Cash
Dividend amount per share (in cents) : 5.0 cent
Tax rate: Tax exempt (one tier)

(b) **Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?
Name of dividend : Final
Dividend Type : Cash
Dividend amount per share (in cents) : 2.0 cent
Tax rate: Tax exempt (one tier)

(c) **Date payable**

Not applicable

(d) **Books closure date**

Not applicable

12 If no dividend has been declared / recommended, a statement to that effect

Not Applicable

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of Interested Person	Aggregate value of all interested person 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)	
	YTD		YTD	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
<u>General Transactions</u>				
ATB Nordenham Gmbh	-	-	792	787
ATB Sever d.o.o.	-	-	560	279
ATB Tamel S.A.	-	-	10,818	11,583
ATB Schorch GmbH	-	-	1,125	107
Wolong Electric Group Co Ltd	-	-	12,977	11,686
ATB Special Products Ltd	-	-	501	1,228
ATB Motors (Wuhan) Co., Ltd.	-	-	-	280
			26,773	25,950

14 Negative Assurance on interim Financial Statement

Not Applicable

15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the preceding year

By geographical segment

The group has one primary business in the distribution of electric motors and components operating in the following regions :

United Kingdom
United States
Canada
Asia Pacific

Sales are based on the region where the business unit operates. Total assets and capital expenditure are shown by the geographical area where the assets are located.

15

2017

	Distribution of Electric Motors					Combined -
	<u>United</u>				<u>Corporate</u>	<u>Continuing</u>
	<u>Kingdom</u>	<u>United States</u>	<u>Canada</u>	<u>Asia Pacific</u>		<u>business</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Sales for continuing operations	21,638	12,123	10,687	3,716	-	48,164
Intersegment sales	(7)	(710)	(2,582)	-	-	(3,299)
Sales to external parties	<u>21,631</u>	<u>11,413</u>	<u>8,105</u>	<u>3,716</u>	<u>-</u>	<u>44,865</u>
Segment results	3,959	1,135	(745)	114	(101)	4,362
Interest expense, net	-	-	(77)	-	-	(77)
Depreciation and amortisation	(33)	(28)	(56)	(3)	(24)	(144)
Net change in fair value of derivatives	175	-	-	-	-	175
Profit/(loss) before tax	<u>4,101</u>	<u>1,107</u>	<u>(878)</u>	<u>111</u>	<u>(125)</u>	<u>4,316</u>
Segment assets	<u>21,985</u>	<u>7,235</u>	<u>9,566</u>	<u>2,546</u>	<u>1,401</u>	<u>42,733</u>
The above assets include :						
Non-current assets	136	969	1,737	10	19	2,871
Capital expenditure						
- Property, plant & equipment	12	133	30	9	-	184
Segment liabilities	<u>4,150</u>	<u>2,002</u>	<u>5,517</u>	<u>698</u>	<u>179</u>	<u>12,546</u>

2016

	Distribution of Electric Motors					Combined -
	<u>United</u>				<u>Corporate</u>	<u>Continuing</u>
	<u>Kingdom</u>	<u>United States</u>	<u>Canada</u>	<u>Asia Pacific</u>		<u>business</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Sales for continuing operations	24,202	11,778	9,177	5,384	-	50,541
Intersegment sales	(10)	(811)	(1,914)	-	-	(2,735)
Sales to external parties	<u>24,192</u>	<u>10,967</u>	<u>7,263</u>	<u>5,384</u>	<u>-</u>	<u>47,806</u>
Segment results	5,014	871	(509)	589	(1,368)	4,597
Interest expense, net	7	(1)	(69)	-	33	(30)
Depreciation and amortisation	(45)	(37)	(64)	(3)	(23)	(172)
Net change in fair value of derivatives	(387)	-	-	-	-	(387)
Profit/(loss) before tax	<u>4,589</u>	<u>833</u>	<u>(642)</u>	<u>586</u>	<u>(1,358)</u>	<u>4,008</u>
Segment assets	<u>18,727</u>	<u>7,646</u>	<u>8,824</u>	<u>2,324</u>	<u>1,792</u>	<u>39,313</u>
The above assets include :						
Non-current assets	597	965	1,776	3	42	3,383
Capital expenditure						
- Property, plant & equipment	25	3	2	-	35	65
Segment liabilities	<u>4,819</u>	<u>1,089</u>	<u>4,812</u>	<u>743</u>	<u>214</u>	<u>11,677</u>

- 16 In the review of performance, the factors leading to any material changes in contributions to turnover and earning by the business or geographical segments

Non applicable.

- 17 A breakdown of sales

		Group		
		FY 2017	FY 2016	Increase / (Decrease)
		S\$'000	S\$'000	%
First Half Year				
(a)	Sales reported	23,295	27,677	(15.8)
(b)	Operating profit after tax reported	1,934	1,890	2.3
Second Half Year				
(c)	Sales reported	21,570	20,129	7.2
(d)	Operating profit after tax reported	1,540	2,452	(37.2)

- 18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	Latest Year (S\$'000)	Previous Year (S\$'000)
Ordinary		
- Final	1,773*	709
Preference	Not Applicable	Not Applicable
Total	1,773	709

* The final dividend for FY2017 is subjected to shareholders' approval at the forthcoming annual general meeting of the Company.

- 19 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

The Board of Directors of Brook Crompton Holdings Limited hereby confirms that to the best of their knowledge, as at the date hereof, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a Director or Chief Executive Officer or substantial shareholder of the Company.

- 20 Confirmation that the issuer has procured undertaking from all its Directors and executive officers (in the format set out in Appendix 7.7 under Rule 720(1))

The Company confirms that it has already procured undertakings from all of its Directors and executive officer in the format as set out in Appendix 7.7 of the SGX-ST Listing Manual.

On behalf of the Board

Chen Yingzhu
Chief Executive Officer, Director
Singapore, 27 February 2018