

# BROOK CROMPTON

*a WOLONG company*



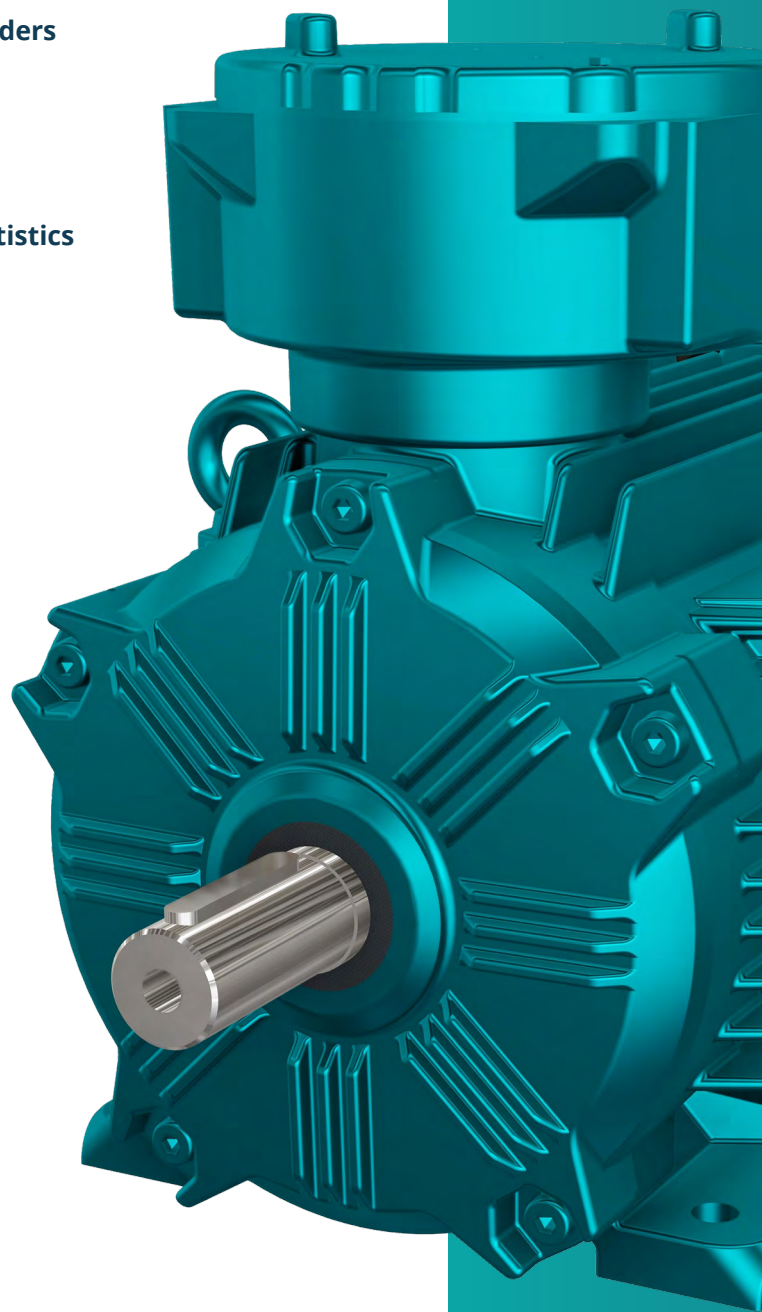
POSITIONED FOR GROWTH  
**POWERING A  
SUSTAINABLE FUTURE**

ANNUAL REPORT 2024

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“Brook Crompton Holdings Ltd., is an established electric motors company. Our trademark BROOK CROMPTON brand has been at the forefront of major technological breakthroughs in this arena, and is active in the supply of high-efficiency electric motors that also fulfil client needs for reliability and cost-effectiveness.”

Through its commitment to quality and service, the Group has forged longstanding relationships with leading customers around the world. Always ready to devise solutions that satisfy the unique requirements of every client, we offer robust and versatile products that are widely deployed in sectors ranging from marine, mining oil and gas, HVAC (heating, ventilation, air conditioning), to water and wastewater.

To bolster our position in key regions and facilitate our expansion to new markets, we have taken decisive steps to strengthen our supply chain and distribution channel.

Our expanded sales and marketing teams are moving rapidly to widen our client base across the continents. Under the flagship of BROOK CROMPTON, Brook Crompton UK Limited, Brook Crompton Italy Branch and Brook Makina Ticaret Limited Sirketi covers the markets in United Kingdom, Middle East, North Africa and Continental Europe; Brook Crompton USA, Inc and Brook Crompton Limited (Canada) covers the North America market and Brook Crompton Asia Pacific Pte Ltd and Brook Crompton Australia Pty Ltd cover the Asia Pacific market.



# FINANCIAL HIGHLIGHTS

Income Statement (S\$'000)	FY2020	FY2021	FY2022	FY2023	FY2024
Turnover	44,861	48,087	61,745	71,810	61,640
Profit from continuing operations	2,158	2,661	1,977	4,170	2,200
Total Profit attributable to shareholders	2,158	2,661	1,977	4,170	2,200
<b>Statement Of Financial Position (S\$'000)</b>					
Non-current assets	5,968	4,847	4,755	5,837	5,113
Current assets	46,591	52,167	55,688	60,371	65,520
Current liabilities	11,694	14,825	19,208	19,882	21,206
Non-current liabilities	4,443	2,742	2,319	3,310	2,165
Shareholders' fund	36,422	39,447	38,916	43,016	47,262
<b>Statement Of Cash Flows (S\$'000)</b>					
Net cash generated from (used in) operating activities	3,090	2,981	(6,270)	6,149	3,964
Net cash (used in) generated from investing activities	(89)	(82)	(1,280)	321	(65)
Net cash used in financing activities	(1,457)	(812)	(1,608)	(1,587)	498
Cash & cash equivalents at the beginning of financial year	17,601	19,279	21,233	13,312	17,938
Effect of exchange rate fluctuation on cash held	134	(133)	1,237	(257)	159
Cash & cash equivalents at the end of financial year	19,279	21,233	13,312	17,938	22,494

## SALES BY GEOGRAPHICAL SEGMENT



# CORPORATE STRUCTURE



### NORTH AMERICA

- Brook Crompton USA, Inc
- Brook Crompton Limited (Canada)

### UNITED KINGDOM & CONTINENTAL EUROPE

- Brook Crompton UK Limited
- Brook Crompton Italy Branch
- Brook Makina Ticaret Limited Sirketi

### ASIA PACIFIC

- Brook Crompton Asia Pacific Pte Ltd
- Brook Crompton Australia Pty Ltd
- Brook Crompton Services Technology Pte. Ltd.
- Brook-TM Services Technology Pte. Ltd. (Joint venture with 51% shares)

# GEOGRAPHICAL PRESENCE



### 5 WAREHOUSE

- Toronto
- Cleveland
- Huddersfield
- Reggio Emilia
- Brisbane

### 5 SALES OFFICE

- Canada
- United Kingdom
- Italy
- Singapore
- Australia

# CHAIRMAN AND CEO STATEMENT

The Group's revenue for 12 months in 2024 is S\$61.6 million, decrease by 14.2% as compared to the corresponding preceding 2023 sales of S\$71.8 million. This is mainly due to lower sales in United Kingdom market and United States market. Overall year to date gross profit margin in 2024 is much higher as compared to 2023, due to bulk sales of low margin products in 2023 for project business, which lower down overall margin in 2023.

## DEAR VALUED SHAREHOLDERS,

On behalf of the Board of Directors, we are pleased to present you the annual report for Brook Crompton Holdings Ltd (**"The Group"**) for the financial year ended 31 December 2024 (**"FY2024"**).

In fiscal year 2024 the group remained dedicated to the sale and distribution of electric motor and drive systems as key component of its business activities.

As our customers' needs evolve, the group remains attuned to emerging trends and adopts to their requirements by leveraging our expertise in the motor technology and expanding our portfolio for industry specific solutions such as HVAC, Oil and Gas, Chemical, Petrochemical, Mining. Our core product offering remains centered on electric motors and drives, complimented by technical support from our group's expertise as needed.

Brook TM JV has now progressed, and we are proactively engaging with several customers. Within our portfolio of offerings through the JV, we have added a service support with Prognosis Health Management (**"PHM"**) system. JV Brook TM is focusing and covering the ASEAN based customers with the PHM offering. Group continues to look into new opportunities with existing and new customers, we have strengthened our promotional activities through social media, various trade associations

and fair exhibitions. The group insures consistent, clear communication and collaboration with close distribution network and continues to find new ways of reaching out and supporting the relevant industries.

Our customers are striving to achieve their sustainability goals while also assisting end users achieving these objectives. Through our expertise, products and technology we provide innovative energy-efficient solutions and products, ensuring comprehensive support for our customers' needs. Sustainability continues to be a core business driver/strategy for many organizations. Government imposed legislation are in place, organisations in most regions where the Group operates in, they are aiming to meet the carbon neutrality or net-zero emissions by 2050, many countries are accelerating the phase out of coal and exploring opportunities in new renewable energy solutions and tapping into renewable investments. The Group believes that it has a diverse enough supply chain to continue to manage any emerging scenarios in existing and new markets.

In the past year 2024 the group continued with the strong although lower revenue and profit compared to 2023 due to previous peak in projects orders and new business expansions in Australia and Italy. The sales in larger regions UK, and USA declined due to various market conditions. In both regions new governments were due to be elected and number of investments planned by previous governments were delayed or postponed. Subsequently, due to lower sales we have decrease in our gross profitability. Main growth revenue regions were covered by Canada, AP and the Australian business now already established in the region

We had to overcome series of logistics challenges caused by the global geopolitical situation, the global economy did not recover as much as forecasted, the crises in Russia Ukraine and Middle East impacted the Group's business activities. We are mitigating these challenges with good Group inventories available in the 5 warehouses.

Our BC UK region is the larger revenue contributor in the group due to long term established distribution and customer base in the UK. The challenging market situation in UK and Europe had an impact in our lower revenue and profitability for the group. We continued

to strengthen our portfolio to tap into additional markets and gain some new customers in all regions especially Canada and BC Australia.

At the beginning of 2025 US announced changes in tariffs for some countries. US President Donald Trump levied a series of tariffs in early February 2025. Currently, only those on China are in place (met with limited retaliation), with tariffs on US imports of aluminum and steel due to take effect in March. Media reports suggest that further restrictions on the US' trading partners are to come.

We are seeing uncertainties due to these tariffs and customers are holding off some orders. Groups customers are looking for strengthening their supply chains in order to avoid future tariffs impact. The US shares a small goods trade surplus with the UK, suggesting that it is less of a target for trade restrictions. Much of the UK's trade with the US is also in services, which would be unaffected by tariffs. Thus, the impact of even severe US tariffs on the UK should be limited. However, the hit could be greater for our group's regions such as BC CA and BC USA within the supply chains of affected countries, and those concentrated in specific sectors - such as pharmaceuticals and automotive products. We stay vigilant and work with our supply chain closely to ensure mitigations are put in place in these circumstances.

The recovery of the European economy in 2024 remained weak in overall compared to other advanced economies. The United Kingdom Economy - (major region of our business volume) continues to be flat over the last three years, however there are some pockets of positive news, the new government supports investments in renewable energy recently announced in the UK Industrial strategy for the coming years.

During the year we have seen increase of raw material and product prices due to inflation imposed by our supply chain. On positive side we are seeing demand in the global industrial fans and blowers' market for solution type of offering where energy efficiency is considered in EC (electronically commutated) technology. The legislations demand this change for smaller sizes of motors and this market demand is projected to grow due to number of main drivers such as: strict environmental regulations, technology advancement in low noise, high efficiency blowers

and fans replacing old units – emphasis on workspace safety drive for better exhaust and ventilation systems.

Globally the market is expected to grow in the coming years 2023-2028 for the HVAC (heating ventilation and Air Conditioning).

We continue to follow the global trends of the market where our Group and portfolio of products are used and adjust the organisation to stay focused, supportive and agile to meet our customer's needs.

We have expanded our portfolio of product covering wider customer demands in solutions for the WIMES (Water Industry Mechanical and Electrical Specifications) product suitable to serve (from our inventories in UK) the Water and Wastewater market in UK with high energy efficient products. Additionally in our inventories we have diverse portfolio to serve timely the general industry as well as use these for HVAC, Mining (focusing in the Australian market), and the Oil and Gas Industry.

We strengthened our product portfolio management, and continue with marketing activities with aim to enable the Group to monitor closely the market requirements, customer needs for energy savings, CO2 reduction, and be able to implement much faster changes in our portfolio of products to serve our customers.

The supply chain team has been strengthened and 'extensive sharing of know how' within the Group is now widely used among each regional team. We are serving our customer needs globally with the same close approach and addressing their needs as a global player.

We understand the need to be agile and fast to market, customer demands and strong competition are driving us to be quick to respond on demands and we pride ourselves for building up our Groups team's capabilities and expanding tools to address these needs for the industry.

We would like to thank our employees for their dedication and flexibility as well as our Board of directors for their commitments in the past year. We would also like to express our gratitude to our customers, suppliers, financial partners, and shareholders for their trust in our company and their loyalty to the Brook Crompton Group.

## FINANCIAL HIGHLIGHTS

### Financial performance

The Group's revenue for 12 months in 2024 is S\$61.6 million, decrease by 14.2% as compared to the corresponding preceding 2023 sales of S\$71.8 million. This is mainly due to lower sales in United Kingdom market and United States market. Overall year to date gross profit margin in 2024 is much higher as compared to 2023, due to bulk sales of low margin products in 2023 for project business, which lower down overall margin in 2023.

Other income for 12 months in 2024 is higher as compared to 2023 mainly due write back of inventories and higher interest from fixed deposits in 2024.

The distribution and marketing in 2024 is lower as compared to 2023, mainly due to lower sales commission resulted from lower sales in 2024. The administrative expenses in 2024 is higher as compared to 2023, due to higher audit fee and IT expenses in current financial year.

Other losses in 2024 is much lower as compared to 2023 mainly due to lesser impairment of inventories and partially offset by the net foreign exchange translation losses position in 2024 which prior year being net foreign exchange translation gain position

As a result of the above, profit before income tax decreased by 42.3% to S\$3.2 million and EBITDA (earnings before interest, tax, depreciation and amortisation) decreased to S\$3.6 million in 2024 from S\$6.2million in 2023. Significant decrease in EBITDA mainly due to lower profit before tax attributable during the financial year, which caused by decrease in sales. Income tax expense in 2024 is much lower as compared to prior year, due to lower profit before tax attributable during the financial year.

### Statement of Cash flow Highlights

Net cash generated from operating activities of S\$4.0 million in current financial year mainly resulted from lower operating profit as compared to 2023. In prior year is net cash from operating activities of S\$6.1 million.

Net cash used in investing activities of S\$65K in current financial year is much lower as compared to prior year. This mainly due to acquisition of property, plant and equipment of S\$0.7 million, as compared to S\$0.1 million in prior year.

Net cash generated from financing activities in current financial year is S\$0.5 million as compared to prior year is net cash used in financing activities of S\$1.6 million. This is mainly resulted from capital contribution by non-controlling interests in current financial year.

Net cash position stand at S\$22.5 million as at 31 December 2024, which is much higher as compared to net cash position of S\$17.9 million as at 31 December 2023.

### Statement of Financial Position Highlights

Net assets increased by 9.9% to S\$47.2 million as compared to year ended 2023's S\$43.0 million, after taking in the net profit of S\$2.5 million, dividends paid of S\$0.7 million and exchange differences on translation of foreign operations of S\$0.3 million for the financial year 2024. Current ratio remains at a healthy level of 3.1 as at 31 December 2024.

The cash and bank balance increased by 25.4% to S\$22.5 million mainly resulted from net cash generated from operations activities and capital contribution by new subsidiary in current financial year.

Trade and other receivables decreased by 1.6% to S\$16.3 million from prior year of S\$16.6 million, resulted from lesser sales contributed in past few months. As at 31 December 2024, 5% of overall trade receivables are past due more than 180 days and 3% of overall trade receivables are past due 91 – 180 days. Management has assessed the estimated the future cash flows of the receivables and determined no expected credit losses.

Prepayment increased by 16.5% as compared to prior year mainly due to higher prepaid of income tax in current financial year.

Inventories as at 31 December 2024 increased by 2.9% to S\$26.0 million as compared to prior year of S\$25.2 million. Increased in inventories mainly due to higher stocks replenishment needed to meet the sales budget, especially Brook Crompton North America.

Non-current assets have decreased by 12.4% to S\$5.1 million from S\$5.8 million in prior year. The decrease mainly due to termination of retirement benefits plan in Brook Crompton Canada and no retirement benefits assets recognised as at 31 Dec 2024. Besides, property, plant, equipment and intangible assets as at 31 December 2024 are much lower as compared to prior year due depreciation and amortisation of property, plant, equipment and intangible assets in current financial year.

Current liabilities have increased by 6.7% to S\$21.2 million from S\$19.9 million in prior year. The increase mainly due increased in trade payables, resulted from slow payment made to suppliers due to longer shipment time from factory. Most of the goods shipped by factory have yet to be received and unable to settle the payment to suppliers. These are mainly relating to sales orders under ex-works incoterms. Overdue invoices that relate to goods in transits have yet to be settled. However, income tax payable is lower as compared to prior year, mainly due to lower provisional income tax in current financial year, resulted from lower profit attributable during the financial year.

Non-current liabilities have decreased by 34.6% to S\$2.2 million from S\$3.3 million in prior year. The decrease mainly due lower lease liabilities (non-current liabilities) as at 31 December 2024, resulted from repayment of lease rental and shorter remaining lease period of the leases as compared to prior year.

## Unlocking potential sustaining growth

The continues to serve our customers and push for growth in 2025, we are expanding our distribution channels with new distribution and service network in Italy, Canada, Australia, USA and Middle East. Our focus continuous to be the demand of our existing customers we aim to serve existing installed base and continue expanding our customer base by introducing new products and widening our reach.

A service support with PHM through our newly formed Joint Venture in Asia Pacific region will be provided and we will be supporting with supply of highly efficient product and solutions globally.

During the last year we have strengthen the effectiveness of our operations and product management team, increased promotional activities and expanded our customer base. We will digitalise our processes and insure we set up effective trading in regions where we operate.

Group has used and continue to use the management principles through ISO accreditation and we are strengthening our systems in each region.

Group has started planning and implementation of the new Enterprise Resource Planning ("ERP") system with aim to strengthen our business longevity and make dealing with our Group easy for our customers.

Group is aiming to increase growth further in the newly established regions such as Australia as well-established business in North America and United Kingdom by using new product lines and technologies in energy saving and renewables.

The Group continues reinforcing central functions, roles, collaboration and exchange of 'know how', continuously is strengthening the team and providing better support to our customers. The Management believe that the holding stock to service the distribution network, strategic Original Equipment Manufacturers ("OEM") and end users remains effective in all 3 regions where Group is present with warehouses inventory, technical team support and modification capabilities. We are in process of reviewing other regions to ensure coverage where we see a demand in the distribution and service network.

We will continue investing in our people, developing cross departmental skills and capabilities ensuring professional growth and safe environment to develop and thrive in success of our organisation.

We will continue strengthening our marketing and promotional activities to make our existing and new customers aware and familiar with our product and service offerings and can learn about new technologies available through our Group offerings.

Further investments will be made in IT systems to allow the Group's core partners to become more self-sufficient, allowing the key personnel in the team to focus on strategic business development with existing and new OEM's, end clients and distribution network.

Low cost of ownership and sustainability continue to be core values of the Group.

Groups customers' needs are changing; we are evolving our business around customers' demands and providing the necessary services covering product portfolio requirements and setting up different business models to support customer business needs.

## **United Kingdom and Europe, Middle East and North Africa**

As our portfolio is now completed with the new products to serve the demands in the industry we operate in 2025, we will be supporting our Distribution/Service Network, existing and new OEMs (Original Equipment Manufacturers), end clients with projects and solution offerings in the United Kingdom, Europe and Middle East region. In the last year Group has expanded its product portfolio to support existing and new OEM in their drive to sustainable and energy efficient solutions, which together with operational changes will allow the Company to exploit potential within Europe as well as the United Kingdom & Ireland.

We continue to Strengthen the distribution network and presence in the Middle East and North Africa – supported by focused sales support. The Company will continue to work on the North African market, supported by the Wolong Group in some cases.



The prediction of the United Kingdom and European economic growth is that will continue slowing down through 2025 there has been a decline in activity in the three months to February which comes after GDP posted lacklustre growth of 0.1% in the fourth quarter of 2024, driven mainly by government spending as private sector activity weakened. Although the rate in UK is at 3.7% is expected to drop to targeted 2% by 2027. We continue to focus on strategic OEM's in our core markets HVAC, Oil and Gas, Waster Waste Watter ("WWW"), Asset Management Period 8 ("AMP8") in United Kingdom, starts in April 2025. The Group has been engaging in strategic collaboration with OEM's and clients to support this as a critical regulatory phase in the WWW market, AMP8 aims to spearhead a transformative agenda in the sector, focusing on increased efficiency and elevated service levels. Data centres are also an area where group is able to supply product to cover necessary demand of high efficient motors and solutions. These solutions are combination of permanent magnet or synchronous reluctance with drive technology.

The Group has invested in WIMES (Water Industry Mechanical and Electrical Specification) a high inventory levels to support the industry and our distribution network as required. High efficiency product such as IE3 IE4 IE5 motors and drives are also available for OEM's in HVAC and other industries as needed. Our inventory, modification capability combined with skilled engineering

### **North America**

During financial year 2023 we restructured our sales approach in BC Canada region and engaged directly with number of our distribution networks as well as OEM customers offering wider product portfolio and services. We have seen the growth and positive impact in our Canadian operations as a result of this change. In 2024 we have done similar approach for the US business and expect to see the benefits of the work done by the team over the last year working closely with strategic distribution and service network. Our inventories level is strong to cover the needs of our existing and new customers.

Further promotional activities have been conducted in the region engaging with members of EASA (Electrical Apparatus Service Association) companies. We

continue to work together with number of Identified strategic customers to support future collaboration and new products to foster growth establishment in HVAC market, as well supporting distribution network by expanding our sales and support presence. We have built business relationship with some global OEMs expanding our presence and adding value with our inventory and modification capabilities. We provide short lead times and engineering support. We are seeing growth in data centres in the North America market, the owners of these face complex challenges to deliver the infrastructure needed for AI-powered, real-time data processing and rapidly increasing demands. We are committed to supporting organizations in navigating these challenges by providing innovative solutions and products to OEMs in HVAC industry that enhance energy efficiency and reduce environmental impact.

North America's business remains a region for potential growth for our Group. The economy grew by 2.8% in 2024 and is expected in 2025 to grow by 1.7%. With our new portfolio introduced for the BC NA region have further opportunities to cover various industries including agriculture with farm duty product, PSC (Permanent Split Capacitor), EC (Electronically Commutator) motor for the HVAC industry, data centres and standard high efficiency AC machines which are the core of our portfolio.

Regular customer training has been conducted with our distribution network and OEM customers.

With large numbers of Group manufacturing outside China and the supply chain agility of the Group, we are effectively managing the supply to overcome the tariffs introduced in the North American market. There will be inevitable impact whilst these announcements are being finalised. Customers are vigilant on investments to ensure right origin of manufacturing is adhered to. We work closely with strategic OEMs to insure we support with correct manufacturing supply chain to support our customers' needs.

### **Asia Pacific**

In the Asia Pacific region, we continue to tap into the potential and sustain growth with existing customers and new customers where we will be offering service and PHS through our newly formed JV. we continue to use

the support of the Wolong Group production unit in Vietnam and "close to the market" production in able to grow its business with local partners in Singapore, Malaysia and Thailand as well as work with HVAC strategic OEM's in this area. We will strengthen our end client focus and sales presence to ensure our installed base and customers are supported by our teams and distribution network. The Company well established warehousing in Australia is now supporting partners in Australia and New Zealand and is introducing products to continue pursuing project work in the Australian water, mining and steel industries.

## **ACKNOWLEDGEMENT AND APPRECIATION**

Dr. Knut Unger stepped down from his role as an Independent Director in end of April 2024. We are thankful for his contribution as a member of the Board, Lead of Independent Director and the role of Chairman for Remuneration and Nominating Committees.

On 13 May 2024, we welcomed Ms. Thi Thuy Trang Phan, who brings extensive legal experience in corporate, as Independent Director. Ms Thi Thuy Trang Phan joined us as an Independent Director and role of Chairman of the role of Chairman for Remuneration and Nominating Committees.

Mr. Chao Mun Leong, as Independent Director, will be stepping down from the Board at the upcoming AGM. With much appreciation, we thank Mr. Chao Mun Leong for his years of guidance and stewardship.

Today, our board composition is well-diversified, comprising experienced professionals, ensuring strong governance, strategic insight and decision-making.

We would like to extend the Board's appreciation to our employees for their dedication and hard work. To our valued customers, business partners, and shareholders, we look forward to your continued trust and support as we embark on our journey of growth and value creation.

**Pang Xinyuan**  
Chairman

**Julijana Ristov**  
Chief Executive Officer

# BOARD OF DIRECTORS

## MR. PANG XINYUAN Chairman, Non-Independent, Non-Executive Director

Mr. Pang Xinyuan (“**Mr. Pang**”) was appointed as a Director of the Company and Chairman of the Board of Directors on 10 November 2016.

He is the Managing Director and Senior Vice President of Wolong Holdings Group Co., Ltd (“**Wolong Holdings**”) and Managing Director and Chairman of Wolong Electric Group Co., Ltd (“**Wolong Electric**”) and together with Wolong Holdings, the “**Wolong Group**”), a company listed on the Shanghai Stock Exchange. He also holds directorship in several companies in the Wolong Group and the ATB Group. Before joining Wolong Group, he had held managerial position at Vishay Intertechnology Asia Pte Ltd. He has Doctor of Business Administration Global Financial Management from Arizona State University. He also earned a Masters in Advertising and Marketing from Leeds University after obtaining a Bachelor degree from Shanghai Jiao Tong University.

Mr. Pang is also a member of the Audit Committee, the Nominating Committee and the Remuneration Committee. Mr. Pang was last re-elected as a Director of the Company on 24 April 2023.

### DIRECTORSHIPS IN OTHER LISTED COMPANIES AND OTHER PRINCIPAL COMMITMENTS

#### Present

1. Wolong Electric Group Co., Ltd.
2. Wolong Holding Group Co., Ltd.
3. ATB Austria Antriebstechnik AG

#### Past (for the last 5 years)

Nil

## MS. THI THUY TRANG PHAN Lead Independent Director

Ms. Thi Thuy Trang Phan (“**Ms. Trang**”) was appointed as a Director of the Company on 13 May 2024.

Ms. Trang has obtained her Law degree in Germany and has done part of her legal training in New York and London. She further completed her Masters of Laws in Commercial Criminal Law before working as a Solicitor in Germany and Singapore. Ms. Trang is currently a partner at Luther LLP.

With over 18 years of extensive experience as a Solicitor, Ms. Trang has advised numerous continental and local companies on their establishment and operations within the APAC region. Her expertise encompasses providing comprehensive support in commercial and corporate matters, specializing in restructuring, reorganization, and compliance. Throughout her career, she has guided companies through complex legal landscapes, ensuring their ventures are well-structured and compliant with regional regulations.

Ms. Trang is also the Chairman of the Nominating Committee and the Remuneration Committee and a member of the Audit Committee.

### DIRECTORSHIPS IN OTHER LISTED COMPANIES AND OTHER PRINCIPAL COMMITMENTS

#### Present

1. Partner in Luther LLP

#### Past (for the last 5 years)

Nil

## MR. CHAO MUN LEONG Independent Director

Mr. Chao Mun Leong (“**Mr. Chao**”) was appointed as an Independent Director of the Company on 1 July 2016.

Mr. Chao has been the Managing Director of Asia for Profit Velocity Solutions LLC USA (PV solution) since 2012. He has over 37 years of working experience in the electronic industry having accumulated his experience from working with a number of multi-national corporations such as General Electric, Varta Batteries, Philips Components and Vishay Inc. Mr. Chao is also the advisory consultant to the CEO office of Wolong Electric Group Co., Ltd.

Mr. Chao graduated from the Singapore Polytechnic in the field of Polymer Science and Technology and further obtained a post graduate diploma in Business Administration.

Mr. Chao is the Chairman of the Audit Committee and a member of the Nominating Committee and the Remuneration Committee. Mr. Chao was last re-elected as a Director of the Company on 28 April 2022.

### DIRECTORSHIPS IN OTHER LISTED COMPANIES AND OTHER PRINCIPAL COMMITMENTS

#### Present

1. CAYTECH International LLP
2. Advisory Consultant to the CEO office of Wolong Electric Group Co., Ltd.

#### Past (for the last 5 years)

1. Profit Velocity Solutions LLC, USA

## MRS. JULIJANA RISTOV Chief Executive Officer

Mrs. Julijana Ristov (“**Mrs. Ristov**”) was appointed as Chief Executive Officer (“**CEO**”) of the Company on 1 Dec 2022. She is responsible for the Company’s operations, strategic planning, corporate management and business development. Prior to becoming CEO of Brook Crompton Holdings, Mrs. Ristov held the role of Deputy CEO of the Company, before re-joining the company she spent over 25+ years in the electric motors and drives sector. She has also held role of a council member for the UK BPMA trade association (British Pump Manufacturers Association) since 2015. Mrs. Ristov started her early engineering and management carrier with Brook Crompton in the International Projects Department in Huddersfield United Kingdom, and she continued accumulating working and leadership experience in the sector through various roles in the multinational corporation Siemens.

Mrs. Ristov holds a bachelor Degree in Industrial Automation and Electrical Machines from St Kiril and Methodij University, Skopje Macedonia.

## MS. CHEN YANNI Operations Director for Asia Pacific Brook Crompton Holdings Ltd

Ms. Chen Yanni was appointed as Supply Chain Director of the Company on 1 March 2023. Subsequently, she redesignated as Operations Director for Asia Pacific on 4 March 2024. Her roles are mainly managing business development for Asia Pacific region which is under new business model, supervise business development and operations teams in Asia Pacific to sustain profitable business growth as per budget.

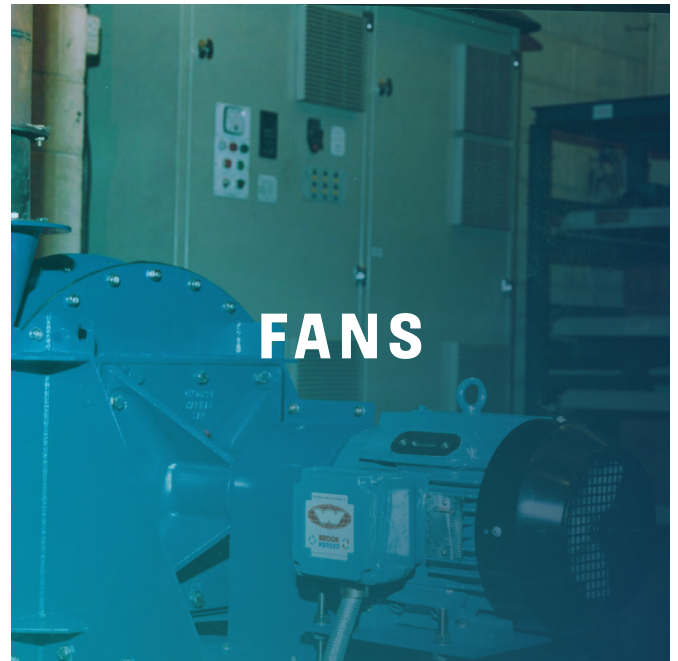
She is Chairman and Chief Executive Officer of Wolong Holdings Group Co., Ltd (“**Wolong Holdings**”). She also holds directorship in several companies in the Wolong Group. She earned a EMBA degree from China Europe International Business School. She holds Master’s Degree in Finance, University of London, Imperial College of Science, Technology and Medicine, after obtaining a Bachelor Science degree from the University of Reading.

## MS. SHAVY KWAN WEI YEE Financial Controller Brook Crompton Holdings Ltd

Ms. Shavy Kwan Wei Yee responsible for all accounting, financial and taxation matters. She joined the company in November 2017 with over 22 years of experience in commercial accounting and auditing. Before joining the Company, she served as the Financial Manager in two Singapore Exchange Main Board listed companies and was with Deloitte & Touche as an Assistant Audit Manager. She holds Association of Chartered Certified Accountants (ACCA) accounting qualification and is a Chartered Accountant of the Institute of Singapore Chartered Accountants.

# PRODUCT APPLICATION

ALLIANCE WITH SUPPLIERS FOR DISTRIBUTION OF ELECTRIC MOTORS TO VARIOUS USERS VIA ESTABLISHED SALES CHANNEL



# INDUSTRIAL APPLICATION

PARTNERSHIP WITH ELECTRIC MOTOR USERS FOR STRATEGIC GEOGRAPHICAL MARKET OUTREACH



## BOARD OF DIRECTORS

### **Pang Xinyuan**

Chairman/ Non-Independent,  
Non-Executive Director

### **Thi Thuy Trang Phan**

Lead Independent Director

### **Chao Mun Leong**

Independent Director

## AUDIT COMMITTEE

### **Chao Mun Leong**

Chairman and Independent Director

### **Thi Thuy Trang Phan**

Member/Lead Independent Director

### **Pang Xinyuan**

Member/Non-Independent,  
Non-Executive Director

## NOMINATING COMMITTEE

### **Thi Thuy Trang Phan**

Chairman and Lead Independent Director

### **Chao Mun Leong**

Member/Independent Director

### **Pang Xinyuan**

Member/Non-Independent,  
Non-Executive Director

## REMUNERATION COMMITTEE

### **Thi Thuy Trang Phan**

Chairman and Lead Independent Director

### **Chao Mun Leong**

Member/Independent Director

### **Pang Xinyuan**

Member/Non-Independent,  
Non-Executive Director

## COMPANY SECRETARIES

### **Chua Kern**

### **Shavy Kwan Wei Yee**

## REGISTERED OFFICE

19 Keppel Road,  
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## REGISTRAR, AGENT AND TRANSFER OFFICER

### **Tricor Barbinder Share Registration Services**

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## AUDITORS

### **RSM SG Assurance LLP**

8, Wilkie Road  
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(appointed from financial year  
ended 31 December 2021)  
Audit Partner: Eu Chee Wei David

## OUR COMMITMENT TO CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance within the Company and its subsidiaries (the “**Group**”) as part of its mission to enhance shareholder value for the long term. The Company’s corporate governance policies and practices that were in place throughout the financial year ended 31 December 2024 (“**FY2024**”) are guided by the corporate governance principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) and accompanying Practice Guidance which forms part of the continuing obligations of the Listing Rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Listing Rules**”).

The Company has endeavoured to adhere to the principles and provisions stipulated in the Code in FY2024. This Corporate Governance Report (the “**CG Report**”) details the Group’s corporate governance practices and sets out the manner in which the Group has applied the principles and the extent of compliance with the provisions set out in the Code, and the Listing Rules where applicable. Where there have been deviations from the Code, the appropriate explanations have been provided in this CG Report.

In the opinion of the Board of Directors of the Company (the “**Board**”), the Company has generally complied with the principles set out in the Code for FY2024. Where there are any deviations from the Code, appropriate explanations as to how the Group’s practices were consistent with the intent of the principle in question have been provided in this CG Report. The Company did not adopt any alternative corporate governance policies in FY2024.

## 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.*

#### **Provision 1.1 – Board’s Role**

The Board’s primary role is to provide entrepreneurial leadership, set and monitor the execution of the Group’s strategies, and to ensure that all the necessary resources (including financial and human resources) are in place for the Company to meet its objectives of enhancing long-term shareholders’ value. To safeguard shareholders’ interest and the Company’s assets, the Board has in place a risk management framework where all the risks within the Group are assessed and managed to ensure prudent and effective controls of the Group’s assets. The Board constantly reviews Management’s performance to ensure that they are on track in carrying out the strategies set by the Board and that any deviations should be explained and justified. The Board recognises that the perceptions of key stakeholders groups affect the Group’s reputation, and in this connection, the Board regularly seeks their feedback to improve the Group’s performance and in ensuring that their expectations are met. The Board also recognises that it is important to constantly uphold the Group’s reputation, and in this regard, it has set the Group’s values and standards (including ethical standards) to ensure that its obligations to shareholders and other stakeholders are understood and met. In setting these values and standards, the Board has also considered environmental, social and governance factors to ensure sustainability of the Group’s business.

## ***Directors' Fiduciary Duties***

The Directors bring with them their diversified qualification, skills and experience, and shall at all times use reasonable diligence to exercise judgment in discharging their duties and responsibilities in the interests of the Company and the Group. Where there are circumstances in which a Director has a conflict of interest or it appears that the Director might have a conflict of interest in relation to any matter, the Director concerned will recuse himself from participating in the discussions and decisions of the matter. Such compliance will be recorded in the minutes of meeting or in the Board resolutions.

Directors, especially those with multiple board representation must ensure that they give sufficient time and attention to the affairs of the Company. Information on the Directors' other listed company directorships and principal commitments (if any) is disclosed in the Directors' Profile on page 8 of this Annual Report.

## ***Role of Non-Executive Directors***

During the year under review, the Non-Executive Directors had participated actively in the Board and Board Committee meetings. They were not afraid to challenge the proposals put forth by the Management team, and were able to provide constructive feedback on the proposals presented to the Board and Board Committees.

## ***Provision 1.2 – Board Orientation and Training***

The Directors receive regular updates on changes in the relevant laws and regulations which are relevant to the Group at the Board meetings. Directors are also encouraged to attend training programmes conducted by the Singapore Institute of Directors or other training providers on topics that are relevant to their performance of duties as a Director or Board Committee member on a regular basis to enhance their skills and knowledge, at the expense of the Company.

Where a new Director is appointed, he/she will be provided with a formal appointment letter setting out the Director's duties and obligations. If the new Director has not served on any company listed on SGX-ST, he/she will be required to undergo training in the roles and responsibilities of a director of a listed company as prescribed by the SGX-ST pursuant to Rule 201(5)(a) of the Listing Rules of the SGX-ST and Practice Note 2.3 of the Listing Rules. The new Director will be provided with minutes of the Board and Board Committees' meetings for the past one year, the Company's Constitution and Terms of Reference of the Board Committees. The new Director will also receive appropriate induction including briefings on the Group's structure, strategic objectives, business operations, policies and governance practices of the Group. All the Directors are also given the opportunities to visit the Group's operational facilities and to interact with members of the Management team. Ms. Thi Thuy Trang Phan ("**Ms. Trang**") who was appointed in FY2024 and had no prior experience as a director of public-listed companies in Singapore, had completed the mandatory trainings for first-time Director as prescribed by the SGX-ST pursuant to Practice Note 2.3 of the Listing Rules.

In FY2024, the Directors attended various training courses of their choice, and if the training is relevant to the performance of their duties as a Director of the Company, they may request for the expenses to be borne by the Company. In addition, Mr. Chao Mun Leong ("**Mr. Chao**") had attended trainings conducted by the Singapore Institute of Directors which was relevant to his duties as a Chairman of the Audit Committee.



## ***Provision 1.3 - Matters Reserved for the Board***

The Group has put in place an internal guideline on matters that are reserved for the Board. The matters that require the Board's approval include the following:

- (i) The Group's strategies, objectives, and broad policies;
- (ii) Annual budgets;
- (iii) Major funding;
- (iv) Material acquisitions, investments and divestments;
- (v) Capital commitment above certain set limit;
- (vi) Interested person transactions;
- (vii) Financial results announcements and public announcements;
- (viii) Payment of interim dividends and recommendation of final dividends;
- (ix) Changes to the composition of the Board and Board Committees; and
- (x) Appointment of key management personnel and their remuneration.

## ***Provision 1.4 - Delegation of Authority to Board Committees***

The Board is supported by three Board Committees, namely the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"). The responsibilities and authorities of each committee are set out in their respective terms of reference. The Board accepts that although it has delegated specific responsibilities to these Board Committees, it is the Board which makes the final decision and the ultimate responsibility lies with the Board. The activities of the Board Committees are reported to the Board by the respective Committee Chairmen after each meeting.

## ***Provision 1.5 - Meetings of Board and Board Committees***

The Board meets at least twice (2) a year on a half-yearly basis, to deliberate and approve the half yearly financial results and announcements, and other matters requiring Board's discussion and approval. The half-yearly Board meetings and the Company's Annual General Meeting ("**AGM**") are scheduled in advance with consultation with all the Directors to enable the Directors to plan their schedule ahead. In addition to these scheduled meetings, ad-hoc Board meetings are also convened when the Directors deemed these meetings to be necessary. If the Directors are not able to attend in person at the venue of the meeting, they may participate in the meeting via teleconferencing or video-conferencing. If a physical meeting is not possible or deemed not necessary in between the scheduled meetings, the Directors may agree and pass resolutions by written means.



## ***Provision 1.6 - Access to information***

The Management endeavours to provide the Board with complete, adequate and timely information prior to the Board meetings and on an on-going basis for the Directors to deliberate and make informed decisions to discharge their duties and responsibilities. Board and Board Committees meeting papers and materials are circulated to the Directors, as far as possible, at least one week before the scheduled meetings so as to give Directors sufficient time to read and to raise questions or request for further information or materials before the meetings. As and when there are important matters that require the Board's attention, the information will be furnished to the Directors as soon as practicable, and if need be, ad-hoc meetings will be convened for the Directors to discuss and make decisions. Information that is provided to the Directors include, amongst other things, the financial report and analysis, yearly budgets and forecast, and other relevant information for the agenda items tabled at the meetings.

## ***Provision 1.7 - Access to Management and Company Secretaries***

All the Directors have separate and independent access to the Management for records and other information as they may require. Key management personnel or external consultants are invited to the Board and Board Committees meetings to make the relevant presentations and to answer any queries from the Directors.

The Directors have separate and independent access to the outsourced Company Secretary, whose duties and responsibilities are defined in the letter of engagement. The Company Secretary and his representatives provide corporate secretarial support to the Board which includes attending all Board and Board Committees meetings and the Company's general meetings, ensuring that all Board and general meeting procedures are followed, and facilitating good information flow between Management and the Board, as well as within the Board. The Company Secretary, together with the Management, also ensures that applicable rules and regulations of the Companies Act 1967 of Singapore (the "**Companies Act**") and the listing requirements are adhered to. The appointment and removal of the Company Secretary is a decision of the Board as a whole.

The Directors, either individually or as a group, may also seek such independent professional advice on any Company matters as he may require, at the Company's expense.

## **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.*

## ***Provisions 2.1 to 2.3 - Independent Directors and Non-Executive Directors comprise a majority on the Board***

As at 31 December 2024 and the date of this CG Report, the Board comprises the following three (3) members, all of whom are Non-Executive Directors, and two (2) of whom are Independent Directors:

Mr. Pang Xinyuan	Non-Independent, Non-Executive Director & Chairman
Ms. Thi Thuy Trang Phan	Lead Independent Director
Mr. Chao Mun Leong	Independent Director

Profile of the Directors, detailing their qualifications, directorships in other listed companies and principal commitments, their appointment to the Board and the date of their last re-election can be found on pages 8 of this Annual Report.

## ***Board Independence***

The Board has established a process for determining the independence of Directors. On an annual basis, each and every Independent Director is required to declare and confirm his/her independence via a prescribed declaration form. Based on the declaration, the NC will deliberate and determine whether a Director is independent taking into consideration the circumstances set forth in Provision 2.1 of the Code and Listing Rule 210(5)(d), as well as other factors including whether that Director is able to exercise independent judgment and whether he/she has any relationships or circumstances which are likely to affect his/her independent judgment and character. In accordance with Listing Rule 210(5)(d), a Director will not be independent under any of the following circumstances:

- (a) a Director being employed by the Company or any of its related corporations for the current or any of the past three financial years; and
- (b) a Director who has an immediate family member who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC.

In addition, the NC and the Board consider the following circumstances recommended by the Code's Practice Guidance which will deem a Director not be independent:

- (a) a Director, or whose immediate family member, in the current or immediate past financial year, provided to or received from the Company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services), other than compensation for board service. As a guide, payments aggregated over any financial year in excess of S\$50,000 should generally be deemed significant;
- (b) a Director who, in the current or immediate past financial year, is or was, or whose immediate family member, in the current or immediate past financial year, is or was, a substantial shareholder (i.e. with at least 5% interest) of, or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services (which may include auditing, banking, consulting and legal service). As a guide, payments aggregated over any financial year in excess of S\$200,000 should generally be deemed significant;
- (c) a Director who is or has been directly associated with a substantial shareholder (i.e. with at least 5% interest) of the Company, in the current or immediate past financial year.

The NC reviewed the independence of the Independent Directors, namely Ms. Trang and Mr. Chao. Mr. Chao was appointed to the Board on 1 July 2016. For transparency, the NC has set out its determination of the independence of Mr. Chao as follows:

- (i) The NC (save for Mr. Chao who abstained from deliberation on this matter) noted that Mr. Chao has declared that he has since April 2018 been engaged by Wolong Electric Group Co Ltd ("**WEG**") (a majority shareholder of the Company with a deemed interest of 61.20% in the Company) as an advisor to the Chief Executive Officer ("**CEO**"). Mr. Chao's engagement with WEG was carried out through Caytech International LLP of which Mr. Chao is the beneficial owner. The type of advisory services Mr. Chao provides to WEG through Caytech International LLP includes:
  - 1) Development of international sales strategies for aggressive growth;
  - 2) Sales organization and structure realignment;
  - 3) Redefining global key account management;
  - 4) Developing global distribution strategies;
  - 5) Developing and implementing sales training program for key talents; and
  - 6) Introducing international sales contract and agreement policy.

- (ii) The NC took into account that the annual advisory fee Mr. Chao received from WEG was less than S\$200,000 which was within the threshold set out in the Practice Guidance to the Code for determining the independence of a Director. The NC also considered Mr. Chao's performance on the Board and Board Committees, and had observed that Mr. Chao had at all times discharged his duties with professionalism and objectivity, constantly challenged management's proposals in a constructive manner, and acted as an effective check on the Management. The NC agreed that Mr. Chao had exercised independent judgement in the best interests of the Company and should therefore be considered as an Independent Director.

Mr. Chao was last re-elected in April 2022 and shall remain as an Independent Director with his independence be subjected to NC's scrutiny annually.

Save from the abovementioned, the NC noted that the two Independent Directors had no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or reasonably perceived to interfere, with the exercise of the Directors' independent business judgment with a view to the best interests of the Company, and they had exercised objective judgment on corporate affairs independently from Management. The NC was satisfied that each Independent Director has demonstrated independence in his/her conduct, character and judgment during discussion sessions of the Board and Board Committees. Each of the Independent Directors had abstained from deliberating on his/her own independence.

The Board noted that none of the Independent Non-Executive Directors has served on the Board beyond nine (9) years from the date of his/her first appointment, however, Mr. Chao shall be retiring at the forthcoming annual general meeting ("**AGM**") to facilitate board renewal.

The Company is in compliance with Provision 2.2 of the Code whereby the Independent Directors make up a majority of the Board when the Chairman is not independent. The Company has also complied with Provision 2.3 given that all the members of the Board are Non-Executive Directors as of 31 December 2024.

#### ***Provision 2.4 – Board Size***

The NC and the Board review the size of the Board on an annual basis, and based on the latest review, was satisfied that the present Board size is appropriate to facilitate decision-making considering the nature of the business and the operations of the Company and the Group.

#### ***Board Balance***

The Board had concurred with the NC's view that the current Board provides an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as age, with core competencies in accounting/finance, legal, business management and marketing. Ms. Trang, who is the Company's Lead Independent Director, possesses professional legal qualifications and is currently a practicing lawyer. Mr. Chao, who is the AC Chairman, brings with him more than 37 years of working experience in the electronics industry and expertise in finance and business advisory. Mr. Pang Xinyuan ("**Mr. Pang**"), the Non-executive Board Chairman, who has Master Degree in Advertising and Marketing from the Leeds University, brings with him not only marketing expertise, but also vast experience in business management having served as Managing Director and Senior Vice President of Wolong Holdings Group Co., Ltd and Managing Director and Chairman of the Wolong Electric Group Co., Ltd, a company listed on the Shanghai Stock Exchange.

## ***Board Diversity Policy***

The Board acknowledges and embraces the benefits of diversity on the Board and has endeavoured to achieve diversity of skills, knowledge, experience and age as described above, so as to avoid group-think and to foster constructive debate. In this regard, the Company has put in place a Board diversity policy which commits to giving due consideration to the benefits of diversity when seeking to appoint candidates to the Board. The policy defines “diversity” to refer not only to gender but also to skillset, age, cultural ethnicity, sectoral experience, background and other relevant attributes to ensure decisions are made objectively and in the best interests of the Company taking into account diverse perspectives and insights. The Board believes that the policy will benefit the Group in having access to a wider pool of talents as well as varied perspectives to facilitate problem solving and strategic thinking.

The current Board composition reflects the Company’s commitment to Board diversity in terms of gender where current Board comprise of two (2) males, or is 66% male, and as among the Independent Directors, the female representation is 34%. The current Board has also achieved age diversity with its Directors in different age ranges. Currently, the ages of the Board members range from 45 to 71.

The Company remains committed to implementing its Board diversity policy and any further progress made towards the implementation of such policy will be disclosed in future Corporate Governance Reports, as appropriate.

The NC and the Board believe that currently there being an appropriate balance of industry knowledge, skills, background, experience, professional qualifications, age and gender on the Board, allows for diverse and objective perspectives on the Group’s business and direction to support the long-term success of the Group, and are satisfied that the objectives of the Board diversity policy are met and the current Board composition reflects the Company’s commitment to Board diversity. The NC will also continue to review the Board diversity policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval.

## ***Provision 2.5 - Non-Executive Directors Meets up without presence of Management***

For a more effective check on the Management team, the Non-Executive Directors had met several times without the presence of Management in FY2024 to discuss informally the more sensitive issues (including the performance of the Management).

The two Independent Directors meet periodically or sometimes over telephone calls, albeit on an informal basis to discuss matters relating to the Company. Where necessary, appropriate feedback will be provided to the Chairman after such informal meetings or discussions.

## **Chairman and Chief Executive Officer (CEO)**

***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.*

## ***Provision 3.1 - Chairman and Chief Executive Officer (“CEO”)***

The Company ensures that the roles of the Chairman and the CEO are separate so that there is an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The role of the Board Chairman is assumed by Mr. Pang, who is a Non-Independent, Non-Executive Director. The role of the CEO is assumed by Mrs. Julijana Ristov (“**Mrs. Ristov**”). There is no familial relationship between the Chairman, Mr. Pang and the CEO, and Mrs. Ristov.

The Chairman is responsible for leading the Board. He approves the agenda for all the Board meetings, with consultation of the Management and the Secretary and he ensures that all the Board meeting materials containing complete and adequate information reach all the Directors in a timely manner to facilitate meaningful discussion at the meetings. He promotes high standards of corporate governance by inviting the Directors to give constructive feedback on the proposals presented at the meetings and encourages them to debate openly on the matters presented. To facilitate effective contributions from the rest of the Non-Executive Directors, the Chairman initiates regular informal discussions, sometimes without the presence of the Management team members.

As the Chairman, who has deemed interest in the shares of the Company held by Wolong Electric Group Co., Ltd, the immediate holding company of the Company, is not considered independent, the Board has appointed Ms. Trang to be the Lead Independent Director where shareholders with concerns may contact her, when contact through the normal channels of communication via the Chairman, CEO or the Financial Controller has failed to provide satisfactory resolution, or when such contact is inappropriate or inadequate.

The CEO, Mrs. Ristov, who is responsible for the day-to-day operations of the Group and implementing the strategies and policies approved and adopted by the Board.

## 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.*

### **Provision 4.1 & 4.2 – Nominating Committee and its activities**

As at the date of this CG Report, the NC comprises three (3) Directors, the majority of whom, including the NC Chairman, are independent. Ms. Trang, who is the Lead Independent Director, assumes the position of NC Chairman. The composition of the NC is as follows:

Ms. Thi Thuy Trang Phan	Chairman of the NC, Lead Independent Director
Mr. Chao Mun Leong	Member, Independent Director
Mr. Pang Xinyuan	Member, Non-Independent Non-Executive Director

The NC meets at least once a year and as and when necessary. The NC held one meeting in FY2024.

During FY2024, the NC conducted activities in line with its terms of reference.

The NC's responsibilities are set out in the terms of reference of the NC. Their duties and responsibilities include making recommendations to the Board on relevant matters relating to:

- (a) reviewing new appointment/replacement to the Board and re-election of the Directors to the Board;
- (b) reviewing appointment/replacement of key management personnel;
- (c) reviewing succession plans for the Directors, the Chairman, the CEO and key management personnel;
- (d) developing a process and criteria for evaluation of the performance of the Board, the Board Committees and the Directors;
- (e) reviewing the training and professional development programmes for the Directors; and
- (f) reviewing annually, and as and when circumstances require, if a Director, is independent.

## ***Provision 4.3 – Directors’ selection and nomination process***

The NC has put in place a process for nomination and selection of new Directors. The process starts with the annual review of the Board size, composition, balance and diversity. From this review, the NC will identify gaps and draw up the skillset of the potential candidate(s) required by the Company. The search for potential candidate(s) will include through the network of the Directors and the controlling shareholder, professional firms, external consultants and the Singapore Institute of Directors. The profile and curriculum vitae of the potential candidate(s) will be submitted for NC’s screening and selection. The NC will meet with the potential candidate(s) if deemed necessary to further assess their suitability and fit with the Board before making recommendations to the Board.

In recommending new appointment and re-election of Directors, the NC will consider factors such as existing Board size, composition, balance and diversity, the need for progressive Board renewal and the individual’s competencies and his/her commitment and contributions to the Board.

## ***Directors’ rotation and re-election***

All Directors appointed to the Board are required to submit themselves for re-nomination and re-election at least once in every three years in line with Listing Rule 720(5). The Constitution of the Company provides that at each AGM, one-third of the Directors who have served the longest since their last re-election (or, if the number of Directors is not a multiple of three (3), then the number nearest to but not less than one-third) must retire from office and if they are eligible, they may stand for re-election. In addition, Regulation 108 of the Constitution of the Company requires any person so appointed by the Directors to hold office only until the next AGM and shall then be eligible for re-election. If the Director retiring is a NC member, he/she must abstain from deliberating and voting on his/her own nomination for re-election.

In this regard, Ms. Trang who is retiring under Regulation 108 of the Constitution of the Company at the forthcoming AGM, has been nominated by the NC for re-appointment at the forthcoming AGM. Ms. Trang will, upon re-election as a Director, remain as the Lead Independent Director of the Company and Chairman of the Nominating Committee and Remuneration Committee, and a member of Audit Committee of the Company.

Mr. Chao, an Independent Director, who was last re-elected as a Director of the Company on 28 April 2022, and is due for retirement pursuant to Regulation 104 of the Company’s Constitution at the forthcoming AGM. Although eligible for re-election, he has indicated to the NC and Board that he will not be seeking re-election at the AGM in order to facilitate Board renewal in line with the good governance and Mr. Chao will retire as an Independent Director of the Company and concurrently relinquish his roles as Chairman/member of the Board Committees of the Company at the conclusion of the forthcoming AGM.

Following the retirement of Mr. Chao effective at the conclusion of the forthcoming AGM to be held on 28 April 2025, the Board comprises of one (1) Non-Independent Non-Executive Director and one (1) Lead Independent Director. To fill the vacancy of the Board and Board Committees, the NC has commenced search for a suitable candidate to take up the Independent Director role to complement the diversity of the Board and contribute to the Board invaluable and also to ensure compliance with the relevant Listing Rules and the Code, including to meet the requirement of Rule 704(7) of the Listing Rules to fill the vacancy in the AC so as to ensure that it comprises not less than three members, within two (2) months, but in any case not later than three (3) months, as well as Provision 4.2 and 6.2 of the Code to fill the vacancy in the NC and RC to meet the requirement of a minimum number of three members.



## ***Provision 4.4 – Determination of Directors' Independence***

The NC has been charged with the responsibility of reviewing the independence of each and every Independent Director at least on an annual basis, the NC has established the process to determine a Director's independence. Once a year, after the end of the financial year under review, the Form of Declaration of Independence will be sent to the Independent Directors for their confirmation and declaration. The duly signed Declaration Forms will then be tabled for the NC's review. In considering whether an Independent Director is independent under the Listing Rules and the Code, the NC will not solely based its assessment on the Declaration Form. The NC will consider if each of the Independent Directors has exercised and can continue to exercise independent judgment. The NC will then present its conclusion to the Board for the Board's concurrence. The NC will convene a meeting if circumstances call for it, to review the independence of an Independent Director in between the annual review.

## ***Provision 4.5 – Maximum limit on outside directorships***

To ensure that Directors are able to carry out his/her duties adequately to the Board, the NC, with the concurrence of the Board, has determined that the maximum number of listed company board representations which any Director of the Company may hold is five (5). All Directors have complied with this requirement in FY2024. The Company has adopted internal guidelines to remind Directors that they have to ensure they are able to devote sufficient time to serve on the Board and Board Committee(s) of the Company if they serve on multiple boards. Details of the Directors' directorships in other listed companies and principal commitments (if any) are disclosed in the Directors' Profile section of this Annual Report.

## ***No Alternate Director***

The NC would generally avoid recommending to the Board the appointment of alternate Director as it is of the view that alternate Director should only be appointed under special circumstances, for example, when a Director has a medical emergency. Under such circumstances, the alternate Director should only be appointed for a limited time period. The process for the appointment of an alternate Director will be the same as the appointment of any new Director, and he/she is expected to be appropriately qualified, knows the duties and responsibilities of a Director and is familiar with the Company's business affairs. No alternate director was appointed in FY2024.

## **Board Performance**

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

## ***Provision 5.1 & 5.2 – Assessing the effectiveness of the Board, Board Committees, Individual Director***

The NC has recommended and the Board has approved a formal system of evaluating Board performance and assessing the effectiveness of the Board as a whole and its Board Committees and for assessing the contribution by the Chairman and each Director to the effectiveness of the Board. The evaluation of Board performance is carried out on an annual basis through the use of evaluation forms. The assessment of the Board as a whole deals with matters such as Board composition, availability of Board information, Board processes, Board accountability, risk management, Board's contribution towards development of strategy, Board's response to problems and crisis and standards of conduct.

The evaluation of Director's performance is based on criteria such as the Director's attendance at meetings, Director's participation, contribution, knowledge, compliance of corporate governance rules, and ability to maintain independence in conflicting issues. The Board Committees' evaluation deals with the efficiency and effectiveness of each Committee in assisting the Board.

The evaluation forms completed by each Director for the assessment of the Board, Board Committees and individual Directors are submitted to the Company Secretary who will assist to compile and summarise for presentation to the NC. The Chairman of the NC will then present the deliberations of the NC to the Board. Chairman of the Board would act based on the result of the evaluation, and in consultation with the NC, propose actions to be taken, if required, including where appropriate, the appointment of new Director(s) or seeking the resignation of Director(s).

The last Board performance evaluation was conducted in February 2025. Based on the review, the NC was satisfied that the Board was effective as a whole and that each and every Director had demonstrated commitment and had contributed to the effective functioning of the Board and the Board Committees. The Company did not engage any external consultant to facilitate the Board performance evaluation for FY2024.

## 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.*

### **Provision 6.1 & 6.2 – Composition and Role of the Remuneration Committee (“RC”)**

The RC was established to assist the Board with in reviewing the framework of remuneration for the Directors and key management personnel, and in determining the specific remuneration packages for each Executive Director, Non-executive Director and key management personnel. The RC is comprised of three (3) Directors, all of whom are non-executive, and the majority of whom, including the Chairman, are independent. The composition of the RC is as follows:

Ms. Thi Thuy Trang Phan	Chairman of the RC, Lead Independent Director
Mr. Chao Mun Leong	Member, Independent Director
Mr. Pang Xinyuan	Member, Non-independent Non-executive Director

The roles and responsibilities of the RC include, among other things, the following:

- (a) reviewing and recommending to the Board a general framework of remuneration for the Directors and key management personnel;
- (b) reviewing and recommending to the Board the specific remuneration packages for each of the Directors and key management personnel; and
- (c) reviewing the Company’s obligations arising in the event of termination of the Executive Director(s) and/or the CEO and key management personnel’s contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

## ***Provision 6.3 – Remuneration Framework***

The RC is regulated by a set of written terms of reference, which has been approved by the Board. During FY2024, the RC conducted activities in line with its terms of reference

In determining the specific remuneration packages of the Executive Director(s) and/or the CEO and key management personnel, the RC will consider all aspects, including but not limited to director's fees (if applicable), salaries, allowances, bonuses, options, share-based incentives and benefits in kind. None of the RC members or Directors is involved in the deliberations in respect of any form of remuneration or benefits to be granted to him. RC members have authority to engage external consultancy services on remuneration related matters to discharge their duties when necessary. No external consultant was engaged to advise the RC on remuneration matters in FY2024.

The RC had reviewed the termination clauses in the contracts of service of the CEO and key management personnel, and opined that the terms are fair and reasonable, and not overly generous. The RC will ensure that it is fair in rewarding the CEO and key management personnel, and poor performance will not be rewarded. The Company does not have any Executive Director in FY2024.

## **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 the sustained performance and value creation of the company, taking into account the strategic objective of the company.*

## ***Provision 7.1 to 7.3 – Remuneration of Executive Director, Non-Executive Directors and Key Management Personnels (“KMPs”)***

### ***Remuneration linked to performance***

The remuneration packages for the CEO and the key management personnel comprised fixed and variable components. The variable component is linked to the performance of the individual and board division level, entity level and/or Group level to ensure the interests of the CEO and that of the key management personnel are aligned with the interests of shareholders and other stakeholders as the remuneration is linked to both individual and corporate performance. Before the commencement of the new financial year, the Company will develop the key performance indicators (“KPIs”) for the CEO and the key management personnel, and the variable portion of their remuneration will depend on whether they meet the set KPIs for the financial year. The KPIs comprise financial and non-financial metrics. Financial metrics include increase in revenue and profits. Non-financial metrics include cultivating good corporate culture and building relationship with suppliers and customers. The Company sees value creation as improving the revenue and profits, thereby increasing the return to shareholders.

Linking rewards to corporate and individual performance helps to promote long term success of the Company. Remuneration is to attract talent, retain and motivate directors to provide good stewardship of the Company and KMP to successfully manage the company for the long term.

Currently, the Group has not considered the use of contractual provisions to allow the Group to reclaim incentive components of remuneration from the CEO and the key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group as the Company opines that there are sufficient safeguards in place.

## Non-executive Directors' fees

Independent Directors are remunerated having taking into account their responsibilities and time spent on the affairs of the Company. Their fees are not excessive as to affect their independence and objectivity.

Mr. Pang, who is the Board Chairman and the only Non-independent, Non-executive Director on the Board, did not receive any Director's fee for FY2024. He was nominated to the Board by Wolong Holding Group Co. Ltd, a substantial shareholder of the Company and had waived his right to the Director's fee.

## Disclosure of 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 CEO for FY2024 (include remuneration received from the Company and any of its subsidiaries) is disclosed to the nearest thousand dollars and that of the key management personnel is disclosed in the band of S\$250,000 as follows:

### Remuneration table for Directors and CEO

DIRECTORS	REMUNERATION S\$ '000	FEE %	SALARY %	ALLOWANCES %	BONUS %	POST EMPLOYMENT BENEFIT	TOTAL %
<b>Non-Executive Directors</b>							
Ms. Thi Thuy Trang Phan	31	100	Nil	Nil	Nil	Nil	100
Mr. Chao Mun Leong	50	100	Nil	Nil	Nil	Nil	100
Mr. Pang Xinyuan <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Knut Unger <sup>(2)</sup>	17	100	Nil	Nil	Nil	Nil	100
<b>CEO</b>							
Mrs. Julijana Ristov	324	Nil	63%	Nil	10%	27%	100

(1) Mr. Pang Xinyuan has waived his right to receive Director's fee for FY2024.

(2) Dr. Knut Unger has retired as Lead Independent Director with effect from 29 April 2024.

The remuneration of the CEO disclosed above includes a breakdown in percentage term of the remuneration earned through base/fixed salary, allowances, benefits-in-kind and variable or performance-related bonuses. The Non-Executive Directors' remuneration comprised solely of Directors' fees which were approved by shareholders at the AGM held last year. There were no stock options, share based incentive/awards and other long-term incentives for the Directors and CEO.

# CORPORATE GOVERNANCE REPORT

## Remuneration Bands of key management personnel (who are not Directors or the CEO)

KEY MANAGEMENT PERSONNEL	POSITION	SALARY %	ALLOWANCES %	BONUS %	POST EMPLOYMENT	TOTAL %
					BENEFIT %	
<b><i>S\$200,001 to S\$300,000</i></b>						
Ms. Chen Yanni	Operation Director for Asia Pacific	92	Nil	8	Nil	100
<b><i>below S\$200,000 and above S\$100,000</i></b>						
Ms. Shavy Kwan Wei Yee	Financial Controller	75	Nil	13	12	100

The Company has disclosed the remuneration of the top two key management personnel (instead of the top five as stated in Provision 8.1 of the Code) as the Company considers that it only has two key management personnel (excluding the CEO), taking into consideration the size of the Group's operations. There were no stock options, share based incentive/awards and other long-term incentives.

The total remuneration paid to the top two management personnel for FY2024 was S\$430,960.

## Remuneration of employees who are substantial shareholders or are immediate family members of a Director, CEO or substantial shareholder

KEY MANAGEMENT PERSONNEL	SALARY %	ALLOWANCES %	BONUS %	POST EMPLOYMENT	TOTAL %
				BENEFIT %	
<b><i>S\$200,001 to S\$300,000</i></b>					
Ms. Chen Yanni	92	Nil	8	Nil	100

Ms. Chen Yanni, who is one of the top two (2) key management personnel and has disclosed her remuneration in bands no wider than S\$100,000 as required by the Code. She is spouse of Mr. Pang, a Non-Executive Chairman of the Company and substantial shareholder of the Company. She is deemed to be interested in the shares held by ATB Austria Antriebstechnik AG by virtue of Section 7(4) of the Companies Act 1967 through Wolong Holding Group Co Ltd. She is also a daughter of Mr. Chen Jiancheng, who are substantial shareholder of the Company, is deemed to be interested in the shares held by ATB Austria Antriebstechnik AG by virtue of Section 7(4) of the Companies Act 1967 through Wolong Holding Group Co Ltd.

## 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.*

#### ***Provision 9.1 & 9.2 - Design, Implementation and Monitoring of Risk Management and Internal Control Systems***

The Company does not have a separate risk committee. The Board, with the assistance from the AC, is responsible for the governance of risk by ensuring that the Management maintains a sound system of risk management and internal controls to safeguard shareholders' interest and the Group's assets, and determine the nature and extent of significant risks which the Board is willing to take in achieving its strategic objectives.

The Group has in place an Enterprise Risk Management ("ERM") Framework which governs the risk management process of the Group. Through this framework, risks capabilities and competencies are continuously enhanced. The ERM Framework also enables the identification, prioritisation, assessment, management and monitoring of key risks to the Group's business. The risk management process in place covers, inter alia, financial, operational, compliance and information technology controls risks, including any sanctions-related risk faced by the Group. The key risks of the Group are deliberated by the Management and reported to the AC. The AC reviews the adequacy and effectiveness of the ERM Framework against leading practices in risk management and vis-a-vis the external and internal environment which the Group operates in.

The Company carried out an assessment on sanctions-related risks following the SGX RegCo's Regulatory Column issued on 7 March 2022 and confirmed that the Company does not have trade or non-trade transactions with any individuals and corporates which are subject to sanctions.

The Board and the AC will be (i) responsible for monitoring the Company's risk of becoming subject to, or violating any Sanctions Law; and (ii) ensuring timely and accurate disclosures to SGX and other relevant authorities. The terms of reference of the AC has also included the additional role of the AC to monitor the risk and to assess whether there is a need to obtain independent legal advice or appoint a compliance adviser in relation to the sanctions-related risks applicable to the Company. Complementing the ERM framework is a Group-wide system of internal controls. The Group has in place a risk management process that requires the Group to perform a Control Self Assessment to assess the effectiveness of its internal controls.

In addition, the AC, with the assistance of internal auditors, reviews the adequacy and effectiveness of the Group's internal control systems. Internal and external auditors would highlight material control findings from their field audit. These findings together with improvement recommendations are reported to the AC. The AC will review the internal and external auditors' comments and findings, ensure that there are adequate internal controls within the Group and that follow up actions are taken and recommendations from the auditors are implemented.

The risk management reports and the internal audit reports are submitted to the AC at least on a yearly basis for discussion. The AC may request for more regular reports if deemed necessary.

The Board has received assurance:

- from the CEO and the Financial Controller that, as at 31 December 2024 the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- from the CEO and the Financial Controller who are responsible, regarding the adequacy and effectiveness of the Group's risk management and internal control systems in addressing key financial, operational, compliance (including any sanctions-related risk) and information technology controls.

Based on the review of the key risks identified through the ERM process, and the internal controls established and maintained by the Group, work performed by the internal auditors, reviews performed by the Management and the AC; and the aforesaid assurances from the CEO and the Financial Controller, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, addressing financial, operational, compliance (including any sanctions-related risk) and information technology risks, and the risk management systems were adequate and effective as at 31 December 2024.

## Audit Committee

*Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.*

### **Provision 10.1 & 10.2 – Composition and Role of the AC**

The AC is comprised of the following three (3) Non-Executive Directors, the majority of whom are independent, including the AC Chairman:

Mr. Chao Mun Leong	Chairman of the AC, Independent Director
Ms. Thi Thuy Trang Phan	Member, Lead Independent Director
Mr. Pang Xinyuan	Member, Non-independent Non-executive Director

At least two (2) members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience. For information on the relevance of the AC members' skillset and experience, please refer to the Directors' Profile on pages 8 of this Annual Report.

During FY2024, the AC conducted activities in line with its terms of reference and its statutory duties prescribed under Section 201B(5) of the Companies Act 1967.

The AC is regulated by a set of written terms of reference endorsed by the Board. The duties and responsibilities of the AC include amongst others, the following:

- (a) Reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and announcements relating to the company's financial performance;
- (b) Reviewing the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance, information technology controls, risk management systems and any sanction related risk at least annually;
- (c) Reviewing assurance from the CEO and the Financial Controller that the financial records have been properly maintained and give a true and fair view of the Group's operations and finances;
- (d) Reviewing the adequacy, effectiveness, independence, scope and results of the company's internal audit function;

- (e) Reviewing the scope and results of the external audit, the independence and objectivity of the external auditors relating to the audit and non-audit services provided by them, the adequacy of resources and the effectiveness of the audit;
- (f) Making recommendations to the Board regarding the appointment, re-appointment and removal of the external auditors;
- (g) Reviewing the terms of engagement of the external auditors and the external audit fees;
- (h) Reviewing the appointment, termination and fee of the internal auditor;
- (i) Reviewing interested party transactions; Determining the Group's level of risk tolerance and risk policies; and
- (j) Review the policy and arrangements (eg whistle blowing) by which staff of the Company and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters; and ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken.

The AC has the explicit authority to investigate any matter within its terms of reference, full access to and co-operation by the Management and full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

The Board is of the view that all the members of the AC are appropriately qualified to discharge their responsibilities.

#### ***Provision 10.3 – Former Partner or Director of the Company's Existing Auditing Firm***

The AC is not comprised of any former partner or director of the Group's existing auditing firm or audit corporation and none of the members have any financial interest in the Group's existing auditing firm or corporation.

#### ***Provision 10.4 – Internal Audit***

For FY2024, the Company outsourced its internal audit function to Yang Lee & Associates (“YLA”). YLA, the outsourced internal auditor, is a professional service firm that specialises in the provision of Internal Audit, Enterprise Risk Management and Sustainability Reporting advisory services. YLA was established in the year 2005 and currently maintains an outsourced internal audit portfolio of SGX-ST listed companies across different industries including distribution, manufacturing, services, food & beverage, retail and property development industries.

The internal audit function is guided by the International Standards for the Professional Practice of Internal Auditing (“**IIA Standards**”) issued by the Institute of Internal Auditors. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with sufficient expertise in corporate governance, risk management, internal controls and other relevant disciplines.

The internal audit team, independent of the Company's daily operations and accounting functions, have unfettered access to all the Company's documents, records, properties and personnel, including access to the AC. The Internal Auditor reports directly to the Chairman of the AC on all internal audit matters.

The internal audit plan for FY2024 was reviewed and approved by the AC. The internal auditors completed its FY2024 internal audit in accordance with the internal audit plan approved by the AC at the beginning of the year. The findings and recommendations of the internal auditors, Management's responses, and Management's implementation of remedial actions were reported to the AC.

The AC reviewed and confirmed that YLA is a suitable professional service firm to meet the Company's internal audit obligations, having regard to the adequacy of resources, independence and experience of the firm and the assigned engagement director, number and experience of supervisory and professional staff assigned to internal audits.



## ***Provision 10.5 - Meetings with the External Auditors and the Internal Auditors***

The AC meets with the external auditors and the internal auditors without the presence of Management at least annually. During the financial year under review, the AC held separate private session with the external and internal auditors once without the presence of the Management and CEO. The last private session was held in February 2025.

The Company confirms compliance with Rule 712 and 715 of the Listing Rules in relation to engagement of auditor.

The AC reviews the independence of the external auditor on an annual basis, and as and when the situation calls for it. In FY2024, the AC undertook a review of the independence and objectivity of RSM SG Assurance LLP ("**RSM**"), the Company's external auditors through discussions with RSM as well as reviewing the non-audit service fees paid to them. The AC had received an audit report from RSM setting out the non-audit services provided and the fees charged for FY2024. In reviewing the independence of RSM, the AC had noted that the total amount of fees paid to RSM in FY2024 was S\$147,000 and it was solely for audit services. The AC was of the opinion that the provision of the non-audit services had not affected the independence of the external auditor. The external auditor had affirmed their independence in this respect.

A breakdown of the audit and non-audit service fees paid to the Company's auditor is disclosed on page 98 of this Annual Report.

The AC has recommended the re-appointment of RSM as the Company's external auditors for the financial year ending 31 December 2025.

## **SHAREHOLDER RIGHTS AND ENGAGEMENT**

### **Shareholder 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.*

### ***Provision 11.1 - Participation of shareholders at general meetings***

General meetings of the Company are the main channel where shareholders could interact with Directors, Senior Management and the Auditors to understand the Group's business and also for the Company to understand shareholders' concerns or their views. All shareholders of the Company receive the annual report of the Company and the notice of AGM within the prescribed period. Shareholders are informed of rules, including voting procedures that govern the general meetings of shareholders. At general meetings, shareholders are given the opportunity to voice their views and seek clarification on issues relating to the business as outlined in the meeting agenda.

All the resolutions put forth at the general meetings will be voted on by way of a poll. Polling may be conducted either by the manual mode or the electronic mode. In determining which mode to use, the Company takes into consideration cost and expected attendance at the general meetings. An independent scrutineer is appointed for each general meeting to ensure that proper voting process is in place and to direct, supervise and validate the vote count.

The Company monitors the dissemination of material information to ensure that it is made publicly available on a timely and non-selective basis. The detailed polling results and annual report are announced within the mandatory period via SGXNet. The Company does not practice selective disclosure.

## ***Provision 11.2 - Separate resolutions at general meetings on each substantially separate issue***

The Company avoids “bundling” of resolutions unless the resolutions are interdependent and linked so as to form one significant proposal. The Company adheres to the requirements of the Listing Rules of the SGX-ST, all resolutions at the Company’s shareholders’ meetings are put to vote by poll. The detailed results showing the number of votes cast for and against each resolution are announced via SGXNet after the meetings.

## ***Provision 11.3 - Attendance at general meetings***

Members of the Board, the Board Committees and the Management will attend the general meetings to answer any queries addressed by the shareholders. The external auditor will also be present at the AGM to answer questions pertaining to the external audit and the Auditor’s report. Directors’ attendance at the AGM is disclosed at Principle 1 above.

## ***Provision 11.4 - Absentia voting***

If any shareholder is unable to attend, he/she is allowed to appoint up to two (2) proxies to vote on his/her behalf at the meeting through proxy forms. The duly completed proxy form is required to be deposited at the Group’s share transfer agent’s office or sent by email to the Company at least seventy-two (72) hours before the shareholders’ meeting. Presently, the Company’s Constitution does not provide for absentia voting at general meetings. However, the Company will consider amending its Constitution to allow for absentia voting when the practice is more prevalent and/or adopt absentia voting when relevant legislative changes have been effected. An exception is made for the forthcoming AGM to be held in respect of FY2024, at which shareholders shall be allowed to submit their proxy forms via electronic means.

## ***Provision 11.5 - Minutes of general meetings***

Minutes of general meetings prepared by the Company Secretary records substantial and relevant comments or queries from Shareholders relating to the agenda of the meeting, and responses from the Board and Management. In addition, the minutes of general meetings are also published on SGXNet within one (1) month after the general meetings. Minutes of the upcoming AGM will accordingly be published within one (1) month after the AGM on SGXNet.

## ***Provision 11.6 - Dividend Policy***

The Company does not have a fixed dividend policy. The frequency and amount of dividends will depend on the Company’s earnings, general financial condition, results of operations, capital requirements, cash flow and general business condition, development plans and other factors as the Directors may deem appropriate. Any pay-outs are clearly communicated via announcements through SGXNet.

## Engagement with 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.*

### **Provision 12.1 - Communication with shareholders**

The Company recognises the importance of accountability to shareholders and the Board ensures that all shareholders are treated fairly and equitably, including the non-controlling shareholders. The Company ensures that all shareholders are informed of any material changes in the Group's businesses in a timely manner and that sufficient information is disclosed on all matters that are likely to affect the value of the Company's share price.

The Company values feedback and communication with shareholders and has in place an investor relations policy that set out the principles and procedures in engaging its shareholders and communicating pertinent information to shareholders. The investor relations policy sets out the mechanism which shareholders may contact the Company with questions and through which the Company may respond to such questions. The Company's corporate website has a dedicated investor relations section which shareholders may access for information on its announcements and publications.

All shareholders are given opportunity to participate in the Company's general meetings and to ask questions relating to the motions that are proposed at the general meetings. Shareholders are also given the opportunity to interact with the Directors and the Management of the Company on an informal basis immediately after the general meetings.

### **Provisions 12.2 and 12.3 - Investor Relations**

The Board embraces openness and transparency in the conduct of Company's affairs, whilst safeguarding its commercial interests. Although the Company does not have an investor relations policy, shareholders can still provide their enquiries and feedback to the Company via email feedback [mgt@brookcromptonholdings.com](mailto:mgt@brookcromptonholdings.com). The Company has in place a revised Investor Relations Policy which the Company formally adopted in February 2025, which sets out the process and mechanism to engage its shareholders, including the channel of communication for questions to be posed by shareholders and through which the Company may respond accordingly. Shareholders can provide their enquiries and feedback to the Company via email feedback to [mgt@brookcromptonholdings.com](mailto:mgt@brookcromptonholdings.com).

## MANAGING STAKEHOLDERS RELATIONSHIPS

### 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.*

#### **Provision 13.1 - Material stakeholder groups**

The Board recognises the interests of other parties such as shareholders, customers, employees, business partners, governments and regulators, suppliers and communities are essential as part of value creation for the Group to ensure business is sustainable. The Group has in place a process to identify the major stakeholders, their needs and effective communication channels to engage these stakeholders to strike a balance between its business and interests of its stakeholders. Effective stakeholder engagement would enhance better understanding on their needs and incorporate these into the Group's corporate strategy.

#### **Provision 13.2 - Management of stakeholder relationships**

The Company has regularly engaged its stakeholders through various channels to ensure that the Group's business interests are aligned with those of its stakeholders, and to understand and address the stakeholders' concerns so as to improve the Group's businesses. The stakeholders of the Group have been identified as parties who are impacted by the Group's businesses and operations, including suppliers, customers, employees, shareholders, communities and regulators.

The Company has in place a sustainability policy ("**SR Policy**") covering the Group's sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring the material environmental, social, governance ("**ESG**") factors which are important to stakeholders. Under the SR Policy, the material ESG factors are monitored, reviewed and updated from time to time by the Board, taking into account the feedback received from the Group's engagement with its stakeholders, organisational and external developments.

#### **Provision 13.3 - Corporate website to communicate and engage with stakeholders**

All material information, including financial results announcements, would be disclosed and announced through SGXNET on a timely manner. The Company does not practice selective disclosure. In an event that inadvertent disclosure was made to a select group, the Company will ensure that the same information is disclosed to the public via the SGXNET. Released announcements on the financial results and the past Annual Reports are available on the Company's website - [www.brookcromptonholdings.com](http://www.brookcromptonholdings.com). The website is updated regularly and provides information on the Group and the Company which serves as an important resource for investors and stakeholders.

## MATERIAL CONTRACTS

Saved as disclosed under Corporate Governance, in the Directors' Report and in the Financial Statements, the Company and its subsidiaries did not enter into any material contracts involving the interests of the CEO, the directors or controlling shareholder of the Company during the financial year and no such material contracts still subsist at the end of the financial year.

## DEALING IN SECURITIES

The Company has adopted its own internal compliance codes in line with Rule 1207(19) of the Listing Manual applicable to all its Directors and officers in relation to dealings in the Company's securities. For FY2024, the Company and its officers are not allowed to deal in the Company's shares during the period commencing one month before the announcement of the Company's half year and full year financial results. In addition, the Directors and officers of the Company are discouraged from dealing in the Company's securities on short term considerations.

## WHISTLEBLOWING POLICY

The Company had put in place a whistleblowing policy which sets out the procedures for a whistle blower to make a report to the Company on misconduct or wrongdoing relating to the Company and its officers. The Company has designated the AC as the independent function to investigate whistleblowing reports made in good faith. The AC is responsible for the oversight and monitoring of whistleblowing. The Company is committed to ensure that the identity of the whistleblower is kept confidential and the whistleblower will be protected against detrimental or unfair treatment. The complaint channels are administered by an independent party, a professional service firm.

## INTERESTED PERSON TRANSACTIONS ("IPT")

The AC reviews the Group's IPT for assurance that the transactions are executed at normal commercial terms and do not prejudice the interests of the Group and its minority shareholders. At the AGM held on 29 April 2024, the resolution 5, approval of the renewal of the General Mandate for interested person transactions has been carried. After the aforesaid resolution was passed in the meeting, IPT General Mandate shall continue in force until the next Annual General Meeting of the Company is held or is required by law to be held, whichever is earlier.

# CORPORATE GOVERNANCE REPORT

Following the ordinary resolution was passed, the new IPT general mandate has resumed its business with its subsidiaries and associated companies to enter into any transactions with ATB, Wolong Holding Group Co. Ltd and any of its associates and its group of subsidiaries.

The interested person transactions presented in the format pursuant to Rule 907 of the Listing Rules is tabled below:

NAME OF INTERESTED PERSON	NATURE OF RELATIONSHIP	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	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>General Transactions</b>					
<i>Purchase:</i>					
ATB Nordenham Gmbh		-	497	1,477	1,276
ATB Sever d.o.o.	Associates	-	-	656	333
ATB Tamel S.A.	of Controlling	-	624	9,861	12,026
ATB Schorch GmbH	Shareholder	-	155	224	6,644
ATB Welzheim		-	-	500	773
ATB Group UK		-	-	772	109
Wolong Electric Group Co Ltd		-	312	15,247	5,121
Wolong Electric America LLC		-	-	3,912	3,034
Wolong Electric (Vietnam) Company Limited		-	100	3,490	2,769
Wolong Electric Nanyang Explosion Protection Group Co., Ltd		-	-	2,301	-
Wolong (Zhejiang) Marine Technology Co., Ltd		124	-	-	-
<i>Sales:</i>					
ATB Motors B.V.		-	-	(8)	(146)
Wolong EMEA Germany		-	-	(8)	(276)
<i>Management fee income:-</i>					
Wolong Electric Group Co Ltd		-	-	(338)	(249)
<i>License fee income:-</i>					
ATB Tamel S.A.		(293)	-	-	-
		(169)	1,688	38,086	31,414

Any issue raised would be investigated independently by the AC and the appropriate follow up actions carried out. In FY2024, there were no reports received through the whistle blowing mechanism.

The Company regularly conducts independent check for compliance of Interested Person Transactions under the Group.

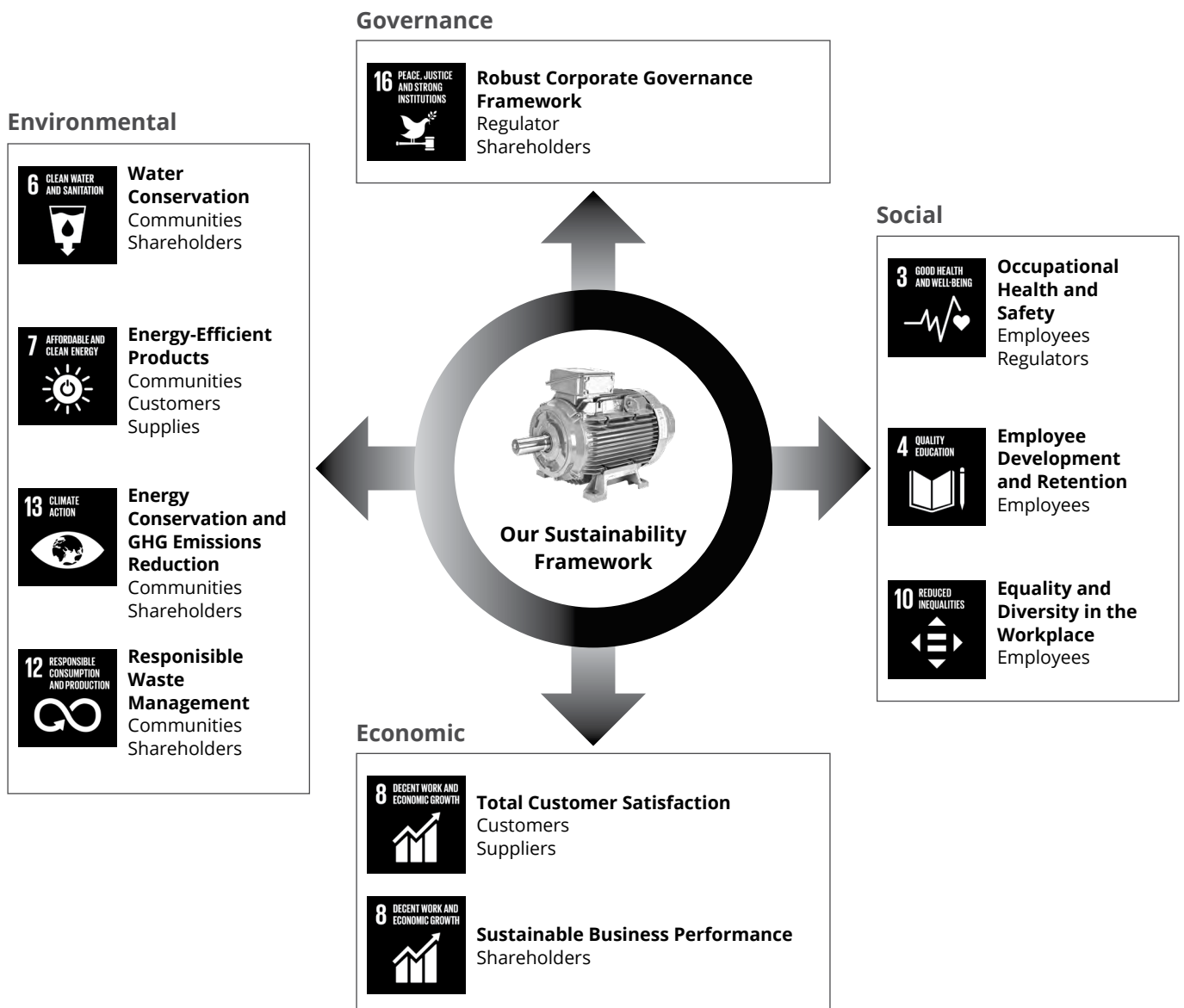
# SUSTAINABILITY REPORT FY2024

## 1. BOARD STATEMENT

Brook Crompton Holdings Ltd. (“**BCH**” or the “**Company**”, and together with its subsidiaries, the “**Group**” or “**We**”) reaffirm its commitment to sustainability with the publication of this sustainability report (“**Report**”). For this Report, we provide insights into the way we do business, while highlighting our sustainability factors under the pillars of environmental, social, governance and economic performance (collectively referred to as “**Sustainability Factors**”).

We are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure the long-term future of the Group. In line with our commitment, the Board, having considered sustainability issues as part of its strategic formulation, determined the material Sustainability Factors and overseen the management and monitoring of the material Sustainability Factors.

Our sustainability framework communicates our commitment towards supporting the United Nations’ Sustainable Development Goals (“**SDGs**”) and is supported by our key stakeholders. We work closely with stakeholders in our value chain and their inputs are considered in driving our material Sustainability Factors towards the SDGs as follows:



# SUSTAINABILITY REPORT FY2024

## 2. SUSTAINABILITY PERFORMANCE AT A GLANCE

A summary of our key sustainability performance in the financial year ("FY") 2024 is as follows:

SUSTAINABILITY PILLAR	SUSTAINABILITY METRIC	SUSTAINABILITY PERFORMANCE	
		FY2024	FY2023
Economic	Product defect rate	0.40%	0.04%
	Revenue	S\$62 million	S\$72 million
	Profit for the financial year	S\$2 million	S\$4 million
	Dividend per share	2 cents	2 cents
Environmental	Percentage of products that attained efficiency level under relevant international standards	100%	100%
	Water consumption intensity (Cu M/ number of employees)	11	15
	Scope 2 greenhouse gas ("GHG") <sup>1</sup> emissions intensity (tonnes CO <sub>2</sub> e/ '000 square feet of operating space utilised)	0.72	0.72
Social	Number of workplace fatalities	-	-
	Number of high consequence work-related injuries <sup>2</sup>	-	-
	Number of reported incidents of unlawful discrimination <sup>3</sup> against employees	-	-
	Percentage of employees who received regular performance appraisals	100%	100%
	Average training hours per employee	8 hours	6 hours
	Employee turnover rate	23%	19%
Governance	Number of incidents of serious offence <sup>4</sup>	-	-
	Number of incidents of non-compliance with any applicable laws and regulations <sup>5</sup> that resulted in a significant fine or non-monetary sanction	-	-

1 The indirect GHG emissions from the consumption of electricity purchased (Scope 2) are calculated based on the emission factors published by the relevant local authorities and an electricity supplier.

2 A high consequence work-related injury refers to an injury from which a worker cannot recover or cannot recover fully to pre-injury health status within six (6) months.

3 An incident of unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to a company.

4 A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than SGD 100,000 and is punishable by imprisonment for a term of not less than two (2) years, which is being or has been committed against a company by officers or employees of the company.

5 Excluding incidents involving fraud or dishonesty.



## 3. OUR BUSINESS

### 3.1 Value Chain

We work closely with our suppliers for distributing electric motors to our customers through established sales channels. To meet our customers' needs, we offer customisation of electric motors and provide customer services to our customers through our network of service centres.



#### Our Suppliers

We source electric motors and components from our original equipment manufacturer (“OEM”) suppliers.

#### Our Operations

We are involved in:

- Distribution of electric motors;
- Design and customisation of electric motors; and
- Post-sale customer care.

#### Our Customers

We sell to:

- Wholesalers;
- Retailers; and
- End users and OEMs.

Our key markets comprise customers based in the Asia Pacific, Continental Europe, North America and the United Kingdom (“UK”) (collectively referred to as “Key Markets”).

### 3.2 People

As at 31 December 2024, a breakdown of our full-time<sup>6</sup> employees by key operating location is as follows:

SINGAPORE	UK <sup>7</sup> AND CONTINENTAL EUROPE	UNITED STATES OF AMERICA AND CANADA	AUSTRALIA	TOTAL
8	41	22	3	74

## 4. REPORTING PERIOD AND SCOPE

This Report covers the consolidated entities, as disclosed in our audited financial statements, for the financial year from 1 January to 31 December 2024 (“FY2024” or “Reporting Period”).

<sup>6</sup> Entities covered in this Report did not employ part-time employees.

<sup>7</sup> Employees in the UK comprise employees of Brook Crompton UK Limited and Brook Crompton Italy Branch.

## 5. REPORTING FRAMEWORK

This Report is prepared in accordance with 711A and 711B of the Listing Manual: Rules of Mainboard ("**Listing Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). This Report is also prepared with reference to the Global Reporting Initiative ("**GRI**") Standards for the Reporting Period. We chose to report using the GRI framework as it is an internationally recognised reporting standard that covers a comprehensive range of sustainability disclosures. The GRI content index can be found in pages in the pages 68 to 69.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped our sustainability efforts to the 2030 Agenda for Sustainable Development, which was adopted by all United Nations Member States in 2015 ("**UN Sustainability Agenda**"). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all developed and developing countries in a global partnership. We incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

Our climate-related disclosures are produced based on the 11 recommendations of Taskforce on Climate-related Financial Disclosures ("**TCFD**"). Following the publication of the International Sustainability Standards Board ("**ISSB**") Standards – International Financial Reporting Standards ("**IFRS**") S1 and IFRS S2, we conducted a gap analysis against our existing TCFD reporting and are in the process of aligning our climate-related disclosures to the ISSB Standards. We will be guided by the phased approach recommended by the Singapore Exchange Regulation ("**SGX RegCo**") in aligning our reporting of climate-related disclosures in accordance with ISSB standards.

We relied on internal data monitoring and verification to ensure accuracy of data and information for this Report. Internal review on the sustainability reporting process is incorporated as part of our internal audit review cycle. We will work towards external assurance for our future sustainability reports subject to market trends and regulatory requirements.

## 6. FEEDBACK

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account: [mgt@brookcromptonholdings.com](mailto:mgt@brookcromptonholdings.com).

## 7. STAKEHOLDER ENGAGEMENT

An important starting point in our sustainability journey is to identify our stakeholders and material Sustainability Factors relevant to our business. These include entities or individuals that have an interest that is affected or could be affected by our activities.

Through a stakeholder mapping exercise performed by the management, we identified key stakeholder groups which we prioritise our engagements with. These key stakeholders include communities, customers, employees, regulators, shareholders and suppliers.

The concerns of key stakeholders are considered when formulating corporate strategies. We adopt both formal and informal channels of communication to understand the needs of our key stakeholders and incorporate them in our corporate strategies to achieve mutually beneficial relationships.

The table below sets out how we engage our key stakeholders:

KEY STAKEHOLDER	ENGAGEMENT CHANNEL	FREQUENCY OF ENGAGEMENT	KEY CONCERNS RAISED
Communities	Annual reports	Annually	<ul style="list-style-type: none"> <li>Environmental protection</li> <li>Corporate social responsibility</li> </ul>
	Investor relations email account	Ongoing	
Customers	<ul style="list-style-type: none"> <li>Face-to-face meetings</li> <li>Email communications</li> <li>Phone calls</li> <li>Teleconferences</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Product quality and reliability</li> <li>Customer service standards</li> <li>Product delivery</li> </ul>
Employees	Employee evaluation sessions	Annually	<ul style="list-style-type: none"> <li>Workplace health and safety</li> <li>Equal employment opportunities</li> <li>Job security</li> <li>Remuneration and benefits</li> </ul>
	<ul style="list-style-type: none"> <li>Town hall meetings</li> <li>Virtual meetings</li> <li>Newsletters</li> </ul>	Ongoing	
Regulators	Consultations and briefings organised by key regulatory bodies such as the SGX-ST	As and when required	<ul style="list-style-type: none"> <li>Workplace health and safety</li> <li>Compliance with laws and regulations</li> </ul>
Shareholders	Results announcements on SGXNET	Half-yearly	<ul style="list-style-type: none"> <li>Sustainable business performance</li> <li>Market valuation</li> <li>Dividend payment</li> <li>Corporate governance</li> </ul>
	<ul style="list-style-type: none"> <li>Company's website</li> <li>Investor relations email account</li> <li>Business publications</li> <li>Investor relations events</li> </ul>	Ongoing	
	<ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Annual reports</li> </ul>	Annually	
Suppliers	<ul style="list-style-type: none"> <li>Face-to-face meetings</li> <li>Vendor conferences and events</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Demand volatility</li> <li>Timely payment</li> </ul>
	Suppliers' evaluation and feedback sessions	Annually	

## 8. POLICY, PRACTICE AND PERFORMANCE REPORTING

In line with our commitment to sustainability, a sustainability reporting policy (“SR Policy”) covering our sustainability strategies, sustainability governance structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors, is put in place and serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, considering the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

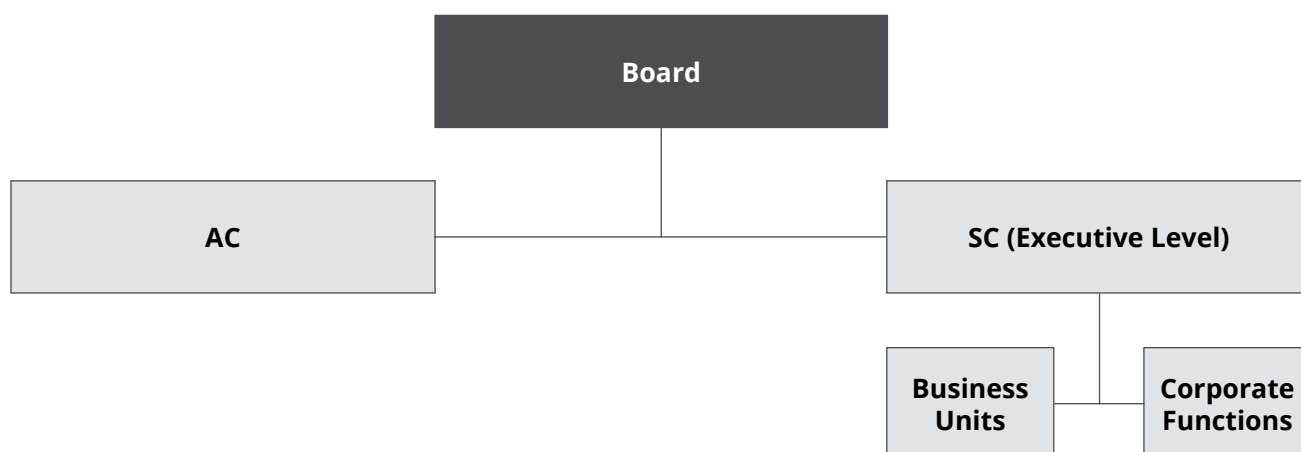
### 8.1 Sustainability Governance Structure

The Board is ultimately responsible for the oversight of the Group’s strategic direction on sustainability including, but not limited to, advising and supervising the development of sustainability strategy and performance targets setting while being supported by an executive level Sustainability Committee (“SC”) by virtue of delegation. As part of our continuous efforts to enhance and upgrade the knowledge of our Directors on sustainability reporting and to meet the requirement of Listing Rule 720 (7) of the SGX-ST, we confirm that all our Directors have attended at least one (1) of the sustainability training courses approved by SGX RegCo.

The SC is led by the Chief Executive Officer (“CEO”) and assisted by the Group Financial Controller and General Manager, UK. The SC is further supported by representatives from key business units and corporate functions, as well as Heads from our different geographical operating locations. Besides the SC, the Board is also supported by the Audit Committee of the Company (“AC”) on specific sustainability matters that fall under its terms of reference (“TOR”).

Our sustainability governance structure and the responsibilities of component parties are detailed as follows:

#### Sustainability governance structure



# SUSTAINABILITY REPORT FY2024

## TOR of component parties

COMPONENT PARTY	MEMBER	TOR
Board	Board members	<ul style="list-style-type: none"> <li>Determine material Sustainability Factors of the Group</li> <li>Review and approve sustainability strategies, policies and targets (including materiality assessment process and outcome)</li> <li>Monitor implementation of sustainability strategies, policies and performance against targets</li> <li>Oversee the identification and evaluation of climate-related risks and opportunities</li> <li>Ensure the integration of sustainability and climate-related risks and opportunities within the Group's enterprise risk management ("<b>ERM</b>") framework</li> <li>Review and approve sustainability reports</li> </ul>
AC	AC members	<ul style="list-style-type: none"> <li>Review the adequacy and effectiveness of the Group's internal controls and risk management systems</li> <li>Oversee the conduct of assurance activities pertaining to the Group's sustainability reporting processes</li> </ul>
SC (Executive Level)	<ul style="list-style-type: none"> <li>CEO</li> <li>Group Financial Controller</li> <li>General Manager, UK</li> </ul>	<ul style="list-style-type: none"> <li>Develop sustainability strategies and policies</li> <li>Ensure that the implementation of sustainability strategies is aligned across business segments</li> <li>Evaluate overall sustainability risks and opportunities, with a focus on climate-related risks and opportunities</li> <li>Perform materiality assessment</li> <li>Monitor sustainability activities and performance against targets</li> <li>Align the Group's practices with the organisation-wide sustainability agenda and strategies</li> <li>Consolidate sustainability metrics to track sustainability impact on a group basis and for reporting purposes</li> <li>Prepare sustainability reports</li> </ul>
Business Units/ Corporate Functions	Representatives from the Finance, Human Resource, Procurement and Logistics business unit and Heads from different geographical locations	<ul style="list-style-type: none"> <li>Align practices at the operational level with the Group's agenda and sustainability strategies</li> <li>Collect and compile sustainability metrics to track sustainability impact and for reporting purposes</li> </ul>

As we are still refining our sustainability related metrics measuring, tracking and target setting mechanism, we will link the key executive's remuneration to sustainability performance when the mechanism is more mature and stable.

## 8.2 Sustainability Reporting Processes

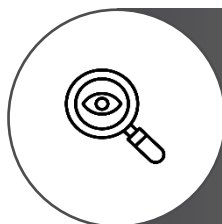
Our sustainability process begins with an understanding of the Group's context. This is followed by the ongoing identification and assessment of the Group's sustainability-related impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of material Sustainability Factors disclosed in this Report.

Processes involved are as shown below:



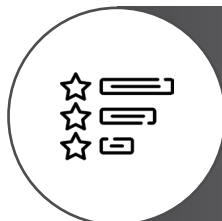
### CONTEXT

Understand the Group's context by considering its activities, business relationships, stakeholders, and sustainability context of all the entities it controls or has an interest in, including minority interests.



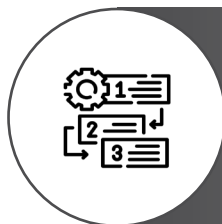
### IDENTIFICATION

Identify actual and potential impacts on the economy, environment, people and their human rights.



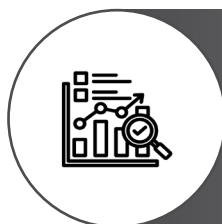
### RATING

Assess the pervasiveness of Sustainability Factors across the Group and cluster similar Sustainability Factors.



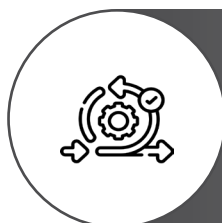
### PRIORITISATION

Prioritise the impacts based on their significance to determine the material Sustainability Factors for reporting.



### VALIDATE

Sustainability Factors are internally validated by the Board and SC.



### REVIEW

In each reporting period, review the material Sustainability Factors from the previous reporting period to account for changes in impacts which can result from feedback received from engagement with stakeholders, organisational and external developments.

## 8.3 Materiality Assessment

We constantly refine our management approach to adapt to the changing business landscape. The SC performs an annual materiality assessment to ensure that Sustainability Factors disclosed in our sustainability reports remain current, material, and relevant. From the assessment, we identify key areas that impact our ability to create value for our stakeholders.

Impacts, positive and negative, actual and potential, are assessed based on: (i) the likelihood of the occurrence of actual and potential negative and positive impacts; and (ii) their significance on the economy, environment, people and their human rights and contribution to sustainable development.



## 8.4 Performance Tracking and Reporting

We track the progress of our material Sustainability Factors by identifying, monitoring and measuring the relevant sustainability metrics. In addition, we set performance targets that are aligned with our business strategies to ensure that we remain focused in our path to sustainability. We constantly enhance our performance-monitoring processes and improve our data collection processes. A Report is published annually in accordance with our SR Policy.

## 9. MATERIAL SUSTAINABILITY FACTORS









In FY2024, a materiality assessment was conducted by the SC to update our material Sustainability Factors and this was followed by a stakeholder engagement session<sup>8</sup> to understand the concerns and expectations of our key stakeholders. In this Report, we also reported on our progress in managing these factors and set related targets to improve our sustainability performance.

We incorporated the SDGs from the UN Sustainability Agenda, as a supporting framework to shape and guide our sustainability strategy where appropriate. Below are the results showing how our material Sustainability Factors relate to these SDGs, along with a list of material Sustainability Factors applicable to the Group:

S/N	MATERIAL SUSTAINABILITY FACTOR	SDG	KEY STAKEHOLDER	OUR EFFORT
<b>Economic</b>				
1	Total customer satisfaction		<ul style="list-style-type: none"> <li>Customers</li> <li>Suppliers</li> </ul>	Maintain or improve the quality of our products as well as providing a comprehensive range of products to meet our customers' needs
2	Sustainable business performance		Shareholders	Contribute to economic growth through creating long-term economic value for our shareholders

<sup>8</sup> We engaged both internal and external stakeholders of customers, employees and suppliers for our materiality assessment.

# SUSTAINABILITY REPORT FY2024

S/N	MATERIAL SUSTAINABILITY FACTOR	SDG	KEY STAKEHOLDER	OUR EFFORT
<b>Environmental</b>				
3	Water conservation		<ul style="list-style-type: none"> <li>• Communities</li> <li>• Shareholders</li> </ul>	Implement checks on water consumption and measures to reduce water wastage in our business operations
4	Energy-efficient products		<ul style="list-style-type: none"> <li>• Communities</li> <li>• Customers</li> <li>• Suppliers</li> </ul>	Continuously strive to offer energy-efficient products that comply with market-recognised international standards
5	Energy conservation and GHG emissions reduction		<ul style="list-style-type: none"> <li>• Communities</li> <li>• Shareholders</li> </ul>	Implement measures to reduce energy consumptions as not only does it help to improve energy efficiency and reduce GHG emissions, but it also helps us to reduce our costs
6	Responsible waste management		<ul style="list-style-type: none"> <li>• Communities</li> <li>• Shareholders</li> </ul>	Minimise waste materials generated in our operations
<b>Social</b>				
7	Occupational health and safety		<ul style="list-style-type: none"> <li>• Employees</li> <li>• Regulators</li> </ul>	Adopt safety measures and procedures to avoid accidents that are preventable and in so doing, maintain the well-being and safety of our workers
8	Equality and diversity in the workplace		Employees	Build a working environment in which employees can enjoy equal opportunities based on merits, regardless of age, race, gender, religious preferences and relevant attributes
9	Employee development and retention		Employees	Invest in training, education and development of our people to maintain a quality workforce and build our business capabilities
<b>Governance</b>				
10	Robust corporate governance framework		<ul style="list-style-type: none"> <li>• Regulators</li> <li>• Shareholders</li> </ul>	Maintain a high standard of corporate governance to safeguard our shareholders' interests and maximise long-term shareholders' value

We will update our material Sustainability Factors on an annual basis to reflect changes in business operations, environment, stakeholders' feedback and sustainability trends.

The details of each material Sustainability Factor are presented as follows:



## 9.1 Total Customer Satisfaction

### Commitment

We are committed to provide value to our customers, manage their needs and expectation, as well as provide better customer experience.

### Approach

Our strategies towards customer satisfaction are as follows:

#### Offering reliable products of consistent quality

We aim to deliver the best to our customers by providing them with reliable products of consistent quality.

On product reliability, our products are certified under the following internationally recognised quality standards:

STANDARD/ CERTIFICATION	AREA
IEC 60034-5	Demonstrate protection from particles and a good level of protection against water
ATEX Certificate	Regulate product safety in explosive atmosphere
IEC Ex Certificate	
UL Certificate	Regulate product safety in safe and explosive atmospheres
CSA Certificate	
ISO 9001:2015	Specify requirements for quality management systems
ISO 14001:2015	Specify requirements for quality environmental management systems
ISO 45001:2018	Specify requirements for an occupational health and safety management system
Joint Supply Chain Accreditation Register ("JOSCAR") registered	Fulfilling the requirements for the full registration of JOSCAR and the required accreditation process will demonstrate an organisation's commitment and credentials within the defence sector

In keeping up with our commitment to product quality, we conduct regular on-site inspections of suppliers' manufacturing facilities to ensure that guidelines and customer specifications are adhered to. In addition, we track product defect levels diligently and this is measured by the amount of warranty claims made as a percentage of total purchases.

#### Offer a comprehensive product range that meets customers' needs

We offer a wide range of electric motors for operating in safe area segments, hazardous atmospheres and hostile environments to meet our customers' varied needs. Refer to our product applications disclosed in this Annual Report and a comprehensive list of our products at our corporate website: <https://www.brookcrompton.com/>

## Maintain proximity and on-time delivery

Through our global network of sales offices and warehouses in the Key Markets, we can better serve our customers through:

- Customising our products to meet the requirements of our customers to build trust and confidence in our brand and products. With our extensive technical knowledge and experience, we can design bespoke products that meet individual customer's specifications; and
- Providing efficient and effective post-sale customer care services.

Our service centres are typically located alongside solution distribution centres in our Key Markets to bring us closer to our customers.

Over the years, we built a network of OEM suppliers that operate from locations near to our Key Markets to deliver our products to our customers timely.

## Nurture a professional team of experienced employees

With over 110 years of technical and design expertise, our global footprint is driven by a core team of experienced professional employees that support our operations in the development and delivery of complex end-to-end turnkey solutions to our customers.

## Improving our products through gathering continuous feedback

We recognise the need to constantly develop new and better products that meet our customers' requirements. Customer feedback is collected from various channels such as face-to-face meetings, email communications, phone calls and teleconferences. Feedback collected is analysed to gather valuable insights into current and future customer requirements. Insights gathered are discussed during regular management meetings to drive product improvements, enhance service level and provide inputs for strategies.

### **Performance**

During the Reporting Period, we recorded a product defect rate of 0.40% (FY2023: 0.04%). The increase in product defect rate arose mainly from rectifications made to an electric motor model arising from the purchase from a customer. We will continuously work towards sourcing for quality products from our suppliers.

## **9.2 Sustainable Business Performance**

### **Commitment**

We are committed to creating long-term economic value for shareholders by rewarding shareholders with consistent profits whilst maintaining a healthy balance sheet.

### **Approach**

We generate and distribute economic value by executing our business strategy, which includes staying abreast with market trends, maintaining a healthy balance sheet and strong cash flow, whilst mitigating relevant business risks identified.

## Performance

For FY2024, the Group recorded a revenue of S\$62 million (FY2023: S\$72 million) and generated S\$2 million (FY2023: S\$4 million) of profit for the financial year. A final tax exempt one-tier dividend of 2 Singapore cents per ordinary share (FY2023: 2 Singapore cents per ordinary share) is proposed for FY2024.

Further details of our Group's economic performance can be found in the financial contents and audited financial statements of this Annual Report.

## 9.3 Water Conservation

### Commitment

Water is a limited resource and whilst we do not consume a significant amount of water in our operations, we are committed to the responsible usage of water resources through enhancing our water consumption efficiency.

### Approach

We rely on water resources largely for pantry and sanitation purposes. We mainly source our water supply from municipal water suppliers<sup>9</sup>. Key initiatives to reduce our water consumption are as follows:

- Placing notices within our premises to remind employees to save water;
- Turning off taps and repairing leaks promptly; and
- Tracking and reviewing spending on water consumption regularly to control usage and corrective actions are taken when there are unusual consumption patterns.

### Performance

Key statistics on water consumption during the Reporting Period are as follows:

SUSTAINABILITY METRIC	UNIT OF MEASUREMENT	FY2024	FY2023
Water consumption	Cu M	845	1,109
Water consumption intensity	Cu M/ total number of employees	11	15

During the Reporting Period, the reduction in water consumption intensity was mainly due to more efficient use of water resources, mainly driven by the implementation of water conservation initiatives.

9 Disclosure on water drawn from water stress areas is not made as the Group does not contribute significantly to the ability of any of the country in which it operates in, to meet the human and ecological demand for water.

## 9.4 Energy-Efficient Products

### Commitment

To ensure the sustainability of our business, we firmly believe in preserving the environment. We are committed to providing energy-efficient products that contribute to the reduction of environmental impacts.

### Approach

Efficiency level is a measurement of usable shaft power (output) over electric input power (input). Our products include a range of energy-efficient motors that comply with market recognised international standards as follows:

ORGANISATION	EFFICIENCY LEVEL	REGION	REMARKS
IEC	<ul style="list-style-type: none"> <li>IE3 Premium Efficiency</li> <li>IE4 Super Premium Efficiency</li> </ul>	<ul style="list-style-type: none"> <li>UK</li> <li>Asia Pacific</li> <li>Continental Europe</li> </ul>	We can deliver products that are compliant with IE5 Ultra Premium Efficiency, on customers' requests.
Nema	Premium Standards	North America	

Typically, electric motor systems consume large amount of electrical energy with the related energy costs contributing a high proportion of total motor operating costs over the motor's lifetime. An improvement in efficiency could result in significant energy and cost savings, which will also reduce GHG emissions that cause climate change.

### Performance

During the Reporting Period, 100% of our products on offer comply with at least IE3 Premium and/or Premium Standards efficiency level (FY2023: 100%).

## 9.5 Energy Conservation and GHG Emissions Reduction

### Commitment

We acknowledge that our energy consumption and the resultant GHG emissions contribute to climate change. Accordingly, we are committed to reducing our carbon footprint whilst open to capitalise on opportunities that may arise as we transit to become a low-carbon organisation.

### Approach

We aim to reduce our environmental footprint and at the same time, establish operational resilience to deliver long-term and sustainable value to our stakeholders. We adopt a balanced approach in effectively managing and minimising the environmental impacts arising from our business operations.

To run our operations, we rely mainly on purchased electricity for operating equipment at our premises, lighting, office work and cooling (Scope 2<sup>10</sup>). We do not generate material direct GHG emissions (Scope 1) from our operations and therefore, no separate disclosure is made on direct GHG emissions (Scope 1<sup>11</sup>). Nonetheless, we will continue to monitor such emissions and to disclose in future, as and when applicable.

10 Scope 2 GHG emissions are indirect emissions that arise from the generation of purchased electricity consumed by a reporting entity. Scope 2 GHG emissions are generated at the facility where electricity is produced.

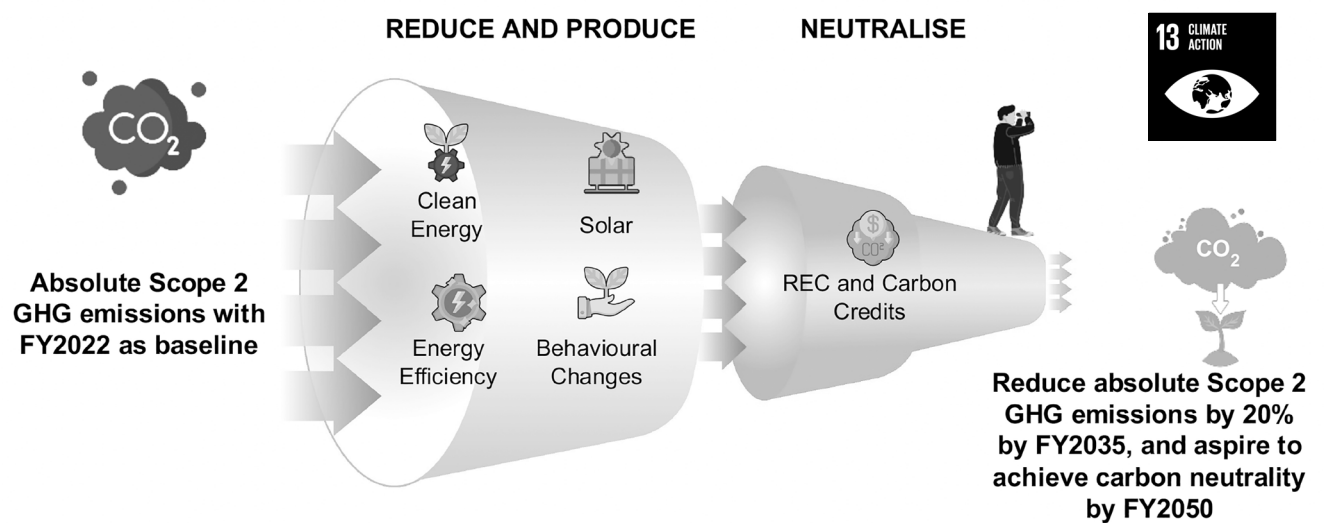
11 Scope 1 GHG emissions occur from sources that are controlled by a reporting entity.

We track and monitor our Scope 2 and certain categories of Scope 3 GHG emissions closely and are developing mechanisms to track our other categories of Scope 3 GHG emissions, where relevant and practicable. We also developed a climate change transition plan and will refine and improve the plan as we progressively implement it, by considering changes in business operations, environment and market trends. Progress updates and performance will be provided in our future sustainability reports with assurance on the reporting process covered by an internal review.

We measure our GHG emissions in alignment with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). We adopted the operational control approach as a basis to determine GHG emissions data consolidation boundaries across our entities. This approach has been selected as it allows us to manage emissions from our operations where we have practical control to introduce relevant measures and implement operating policies. We have assessed that we have operational control over all reporting entities covered in this Report.

### Climate change transition plan

Our climate change transition plan steers us in our decarbonisation journey. Under this plan, we commit to reduce our absolute Scope 2 GHG emissions by 20% and by FY2035, and aspire to achieve carbon neutrality by FY2050, with FY2022 as our baseline. Our climate change transition plan is focused on three (3) strategic levers of reduce, produce and neutralise as follows:



Details of our strategic levers adopted in our climate change transition plan are as follows:

LEVER	REDUCE	PRODUCE	NEUTRALISE
Focus area	<ul style="list-style-type: none"> <li>Energy efficiency                             <ul style="list-style-type: none"> <li>- Equipment</li> <li>- Lighting</li> <li>- Cooling</li> <li>- Electric vehicles</li> </ul> </li> <li>Clean energy</li> <li>Behavioural changes</li> </ul>	Solar energy	<ul style="list-style-type: none"> <li>Renewable energy certificates ("REC")</li> <li>Carbon credits</li> </ul>

Our action plans by lever and focus area are as follows:

LEVER	FOCUS AREA	ACTION PLAN
Reduce	Energy efficiency - Equipment	We track and review spending on energy consumption regularly to control usage and corrective actions are taken when there are unusual consumption patterns. We switch to more efficient equipment wherever possible.
	Energy efficiency - Lighting	We switch to energy-efficient light-emitting diode lightings wherever possible and install light sensors.
	Energy efficiency - Cooling	We schedule regular maintenance and servicing work for our air-conditioning systems to ensure that there are running efficiently. Air-conditioning units which are not functioning are replaced with more efficient models.
	Energy efficiency - Electric vehicles	Our action plans on this front include: <ul style="list-style-type: none"> <li>For the UK, we own a car fleet comprising electric and hybrid cars to reduce reliance on diesel fuel; and</li> <li>Across the Group, individuals who drive for business are encouraged to purchase fuel efficient vehicles or electric vehicles to reduce carbon footprint and save expenses for fuel.</li> </ul>
	Clean energy	For the UK, we purchased electricity from an energy retailer that distributes electricity from renewable sources. For the remaining entities, we are constantly exploring opportunities to use clean and/or renewable energy available in the locations where we operate in.
	Behavioural changes	We constantly remind our employees on socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use and enabling power saving modes.
Produce	Solar energy	We are exploring the installation of solar panels on our premises to further reduce our GHG emissions where practicable.
Neutralise	<ul style="list-style-type: none"> <li>REC</li> <li>Carbon credits</li> </ul>	We plan to explore the use of REC and carbon credits to offset unavoidable residual GHG emissions when the relevant markets mature.

## Performance

Key statistics on energy consumption and GHG emissions during the Reporting Period are as follows:

SUSTAINABILITY METRIC	UNIT OF MEASUREMENT	FY2024	FY2023
<b>Energy consumption</b>			
Electricity consumption	Gigajoules ("GJ")	1,955	2,229
Electricity consumption intensity	GJ/ '000 square feet of operating space utilised	11	12
<b>GHG emissions</b>			
Indirect GHG emissions (Scope 2)	tonnes CO <sub>2</sub> e	130	131
GHG emissions intensity	tonnes CO <sub>2</sub> e/ '000 square feet of operating space utilised	0.72	0.72

During the Reporting Period, we track selected categories of Scope 3 GHG emissions<sup>12</sup> for our main operations in the UK as follows:

CATEGORY	COVERAGE	UNIT OF MEASUREMENT	FY2024	FY2023
Category 6: Business travel	Air travel	tonnes CO <sub>2</sub> e	32	14
Category 7: Employee commuting	Transportation of employees between their homes and their worksites	tonnes CO <sub>2</sub> e	25	40 <sup>13</sup>

During the Reporting Period, the increase in Scope 3 GHG emissions from business travel was primarily due to an increase in overseas travel for exhibitions and supplier factory visits. Conversely, the decrease in Scope 3 GHG emissions from employee commuting was mainly due to more employees in UK opting for fuel-efficient or electric vehicles, supported by participation in the government's incentive program for sustainable transportation.

<sup>12</sup> Scope 3 GHG emissions were calculated using Department for Environment, Food and Rural Affairs of the United Kingdom emission factors, and the International Civil Aviation Organization Carbon Emissions Calculator.

<sup>13</sup> To reduce our category 7 Scope 3 GHG emissions, we joined a government incentive sustainable transport scheme, 'Decarbonising Transport' in the UK to encourage the use of more environmentally friendly mode of transport for business purposes, such as cycling and walking.

## 9.6 Responsible Waste Management

### Commitment

We recognise that environmental preservation through efficient waste management such as reducing and recycling allows us to operate in a sustainable environment. We are committed to minimise wastage in our operations and minimise potential impact of our operations on the environment.

### Approach

We will continuously monitor waste generated from our operations and make the relevant waste-related disclosure where applicable.

### Performance

As most of our production and delivery processes are outsourced, waste generated from our operations is not material and with no hazardous waste produced. Accordingly, no disclosure on waste generated is made in this Report. We will continue to monitor our waste level and disclose in future, if applicable.

## 9.7 Occupational Health and Safety

### Commitment

In our daily operations, some of our employees have to handle heavy lifting equipment such as a forklift to transfer inventories at our warehouses and operate machinery to modify our motor products. Accordingly, we are committed to maintaining a safety-conscious culture amongst our employees.

### Approach

The measures implemented to manage health and safety at our workplaces are as follows:

- A set of safety rules and regulations is in place;
- A safety committee is in place and safety inspections are performed regularly by safety officers and reported to senior managers;
- All new employees are briefed on safety procedures during orientation; and
- Regularly track and monitor accidents at the workplace and corrective action plans are established to prevent recurrences of the accidents.

### Performance

Key statistics on our work-related injuries and ill health cases are as follows:

SUSTAINABILITY METRIC	FY2024	FY2023
Number of workplace fatalities	-	-
Number of high consequence work-related injuries <sup>2</sup>	-	-
Number of recordable work-related injuries	1	-
Number of recordable work-related ill health cases	-	-

The recordable work-related injury in FY2024 relates to an accidental knock from an attempt by an employee to catch a falling object. Lessons learnt from the incident were shared with the other employees to avoid recurrence.



## 9.8 Equality and Diversity in the Workplace

### Commitment

To inspire and nurture our people, we are committed to the goals of diversity and equal opportunity in employment by providing a work environment for our employees that fosters fairness, equality and respect for social and cultural diversity, regardless of their gender and age.

### Approach

To promote equal opportunity, we implemented various human resource measures as follows:

- Assessment is performed regularly to evaluate the performance of employees, and their remuneration is adjusted where justifiable and based on merit;
- Recruitment advertisements do not state age, race, gender or religious preferences as requirement; and
- Discrimination and harassment guidelines are in place to support our overall commitment to equal employment opportunity without discrimination.

### Performance

The total number of full-time employees covered as at 31 December 2024 is 74 (as at 31 December 2023: 75).

#### Gender diversity (%)

We view gender diversity in the workplace as an essential element in supporting sustainable development. Key statistics on gender diversity of our employees are as follows:

SUSTAINABILITY METRIC	FY2024		FY2023	
	MALE	FEMALE	MALE	FEMALE
<b>Overall</b>	65%	35%	72%	28%
<b>Employee category</b>				
Management	47%	53%	61%	39%
Non-management	69%	31%	75%	25%

#### Age diversity (%)

We value mature workers for their experience, knowledge and skills. Key statistics on age diversity of our employees are as follows:

SUSTAINABILITY METRIC	FY2024			FY2023		
	BELOW 30	30 – 50	ABOVE 50	BELOW 30	30 – 50	ABOVE 50
<b>Overall</b>	9%	45%	46%	11%	40%	49%
<b>Employee category</b>						
Management	-%	67%	33%	-%	61%	39%
Non-management	12%	39%	49%	14%	33%	53%

During the Reporting Period, there were no (FY2023: zero) reported incidents of unlawful discrimination<sup>3</sup> against employees.

## 9.9 Employee Development and Retention

### Commitment

We firmly believe that our success comes from continual investment in our employees. Our human resource strategy recognises the importance of social equity and the provision of equal opportunities in an environment that is safe and healthy for employees. We believe that a low turnover improves the sustainability of our operations and allows us to contribute positively to the development of social and human capital in a wider community.

### Approach

In line with our mission to inspire and nurture our people, we are committed to employee retention through the following efforts:

- Providing pro-family benefits to eligible employees which include maternity leave, paternity leave and childcare leave;
- Employees are engaged regularly via various channels such as performance appraisals which allow them to gain feedback on their career progress. This also encourages them to take self-initiated actions to improve their capabilities; and
- In-house and external training courses are organised regularly for employees to improve their professional skills. For example, a systematic training programme is maintained for our employees based in the UK, North America and Australia to equip them with the needed product and service knowledge.

### Performance

#### Parental leave

Key statistics on maternity leave and paternity leave (collectively referred to as “**Parental Leave**”) taken by eligible employees are as follows:

SUSTAINABILITY METRIC	FY2024		FY2023	
	MALE	FEMALE	MALE	FEMALE
Number of employees entitled to Parental Leave	1	2	1	-
Number of employees who took Parental Leave	1	2	1	-
Number of employees who returned to work after Parental Leave ended	1	-	1	-
Return to work rate of employees who took Parental Leave	100%	-%	100%	-%
Retention rate of employees 12 months after they returned to work from Parental Leave <sup>14</sup>	-%	-%	100%	-%

14 Retention rate is calculated based on employees who took Parental Leave in the preceding reporting period.

# SUSTAINABILITY REPORT FY2024

## New hires<sup>15</sup>

During the Reporting Period, our hiring rate was 22% (FY2023: 24%). Key statistics on new employee hires are as follows:

SUSTAINABILITY METRIC	FY2024		FY2023	
	NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
<b>Overall</b>	16	22%	18	24%
<b>Gender</b>				
Male	7	15%	16	30%
Female	9	35%	2	10%
<b>Age</b>				
Below 30	3	43%	7	88%
30 to 50	10	30%	7	23%
Above 50	3	9%	4	11%

## Employee turnover<sup>16</sup>

During the Reporting Period, our turnover rate was 23% (FY2023: 19%). Key statistics on employee turnover are as follows:

SUSTAINABILITY METRIC	FY2024		FY2023	
	NUMBER	PERCENTAGE	NUMBER	PERCENTAGE
<b>Overall</b>	17	23%	14	19%
<b>Gender</b>				
Male	13	27%	11	20%
Female	4	15%	3	14%
<b>Age</b>				
Below 30	4	57%	6	75%
30 to 50	5	15%	4	13%
Above 50	8	24%	4	11%

15 New hire related statistics are calculated based on confirmed new hires over total employees by gender and age.

16 Turnover related statistics are calculated based on turnover of confirmed employees over total employees by gender and age.

## Training and Development

During the Reporting Period, our employees received 614 hours (FY2023: 460 hours) of training and each employee received an average of 8 hours of training (FY2023: 6 hours of training per employee).

SUSTAINABILITY METRIC	FY2024	FY2023
<b>Overall</b>		
Total training hours	614	460
Average training hours per employee	8	6
<b>Gender (Male)</b>		
Total training hours	392	314
Average training hours per employee	8	6
<b>Gender (Female)</b>		
Total training hours	222	146
Average training hours per employee	9	7

During the Reporting Period, the increase in average training hours for our employees was primarily due to mandatory biannual training courses required at one of our operating locations.

## Performance appraisals

During the Reporting Period, 100% (FY2023: 100%) of employees received regular performance appraisals.

SUSTAINABILITY METRIC	FY2024	FY2023
<b>Overall</b>	100%	100%
<b>Gender</b>		
Male	100%	100%
Female	100%	100%
<b>Employee category</b>		
Management	100%	100%
Non-management	100%	100%

## 9.10 Robust Corporate Governance Framework

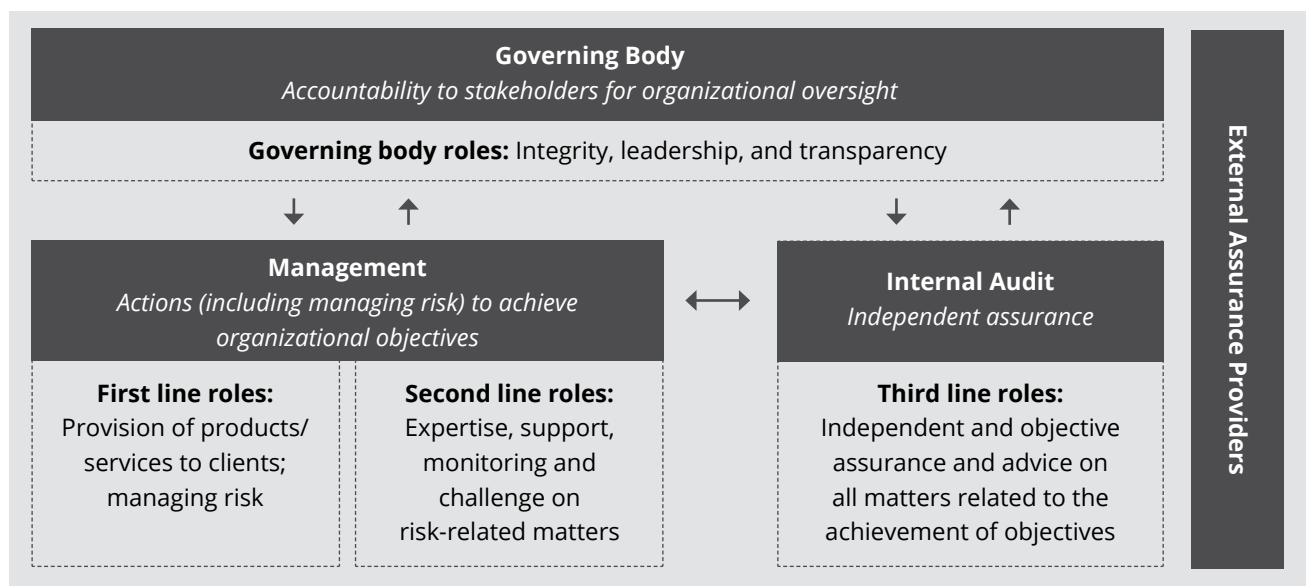
### **Commitment**

A high standard of corporate governance is integral in ensuring the sustainability of our business as well as safeguarding shareholders' interests and maximising long-term shareholders' value.

We are also committed to carry out business with integrity by avoiding corruption in any form, including bribery, and complying with the Prevention of Corruption Act of Singapore.

## Approach

We aligned our corporate governance and risk management approach with the Three Lines Model issued by the Institute of Internal Auditors (“IIA”). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first- and second-line roles), internal audit (third-line roles) and the relationship among them are defined as follows:



**Key:** ↑ Accountability, reporting      ↓ Delegation, direction, resources, oversight      ↔ Alignment, communication coordination, collaboration

Source: The IIA's Three Lines Model

Key initiatives taken by us on corporate governance include:

- An ERM framework is in place;
- Regularly assess and review our Group's business and operational environment to better identify and manage emerging and strategic sustainability risks;
- A whistleblowing policy is in place to provide a mechanism for employees to raise concerns through accessible and confidential disclosure channels on possible improprieties;
- A code of conduct is in place to provide guidance on business culture and corporate behaviour; and
- We seek to comply with the applicable laws and regulations including the Mainboard Rules of SGX-ST, Companies Act and Employment Act.

You may refer to the Corporate Governance Report of this Annual Report for more information on our corporate governance practices.

## Performance

During the Reporting Period, there were zero incidents (FY2023: zero incidents) of serious offence<sup>4</sup> and zero incidents (FY2023: zero incidents) of non-compliance with any applicable laws and regulations<sup>5</sup> that resulted in a significant fine or non-monetary sanction. Our overall Singapore Governance and Transparency Index score assessed by the National University of Singapore Business School is 64 for the year 2024 (Year 2023: 74).

## 10. TARGETS AND PROGRESS

To measure our ongoing sustainability performance and drive continuous improvement, we have developed a set of targets related to our material Sustainability Factors. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

Legend	Progress tracking
○○○	New target
●●●	Target achieved
●●○	On track to meet target
●○○	Not on track, requires review

S/N	MATERIAL SUSTAINABILITY FACTOR	TARGET <sup>17</sup>	CURRENT YEAR'S PROGRESS AGAINST PROGRESSIVE TARGET SET FOR FY2024 <sup>18</sup>
<b>Economic</b>			
1	Total customer satisfaction	<u>Short-term</u> <ul style="list-style-type: none"> <li>Maintain or improve market presence subject to market conditions</li> <li>Product defect rate maintained below 1%</li> </ul>	●●● We maintained market presence and a product defect rate below 1%.
2	Sustainable business performance	<u>Short-term</u> Maintain or improve our financial performance subject to economic conditions	●○○ Our revenue and profit for the year decreased to S\$62 million and S\$2 million respectively.

<sup>17</sup> Time horizons for target setting are: (i) short-term: within five (5) years (until FY2028); (ii) medium-term: between five (5) to 20 years (FY2029 and FY2043); (iii) long-term: more than 20 years (FY2044 onwards); and (iv) ongoing: encompassing short, medium and long-term.

<sup>18</sup> You may refer to the FY2023 Annual Report for details on targets set for FY2024.

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S/N	MATERIAL SUSTAINABILITY FACTOR	TARGET <sup>17</sup>	CURRENT YEAR'S PROGRESS AGAINST PROGRESSIVE TARGET SET FOR FY2024 <sup>18</sup>
<b>Environmental</b>			
3	Water conservation	<u>Short-term</u> Maintain or reduce water consumption intensity	●●● We reduced our water consumption intensity to 11 Cu M/ total number of employees.
4	Energy-efficient products	<u>Short-term</u> Maintain all our products on offer to comply with at least IE3 Premium Efficiency and/or Premium Standards efficiency level	●●● We maintained all our products on offer to comply with at least IE3 Premium Efficiency and/or Premium Standards efficiency level.
5	Energy conservation and GHG emissions reduction	<u>Short-term</u> Maintain or reduce GHG emissions intensity by FY2025, with FY2022 as our baseline  <u>Medium-term</u> Reduce our absolute Scope 2 GHG emissions by 20% by FY2035, with FY2022 as our baseline  <u>Long-term</u> Aspire to achieve carbon neutrality by FY2050	●●● We maintained our GHG emissions intensity at 0.72 tonnes CO2e/ '000 square feet of operating space utilised.  ●●○ We continued to reduce our absolute Scope 2 GHG emissions and is on track to meet our medium and long-term targets.
6	Responsible waste management	<u>Short-term</u> Maintain an immaterial amount of waste generated and with no hazardous waste produced	●●● We maintained an immaterial amount of waste generated with no hazardous waste produced.

S/N	MATERIAL SUSTAINABILITY FACTOR	TARGET <sup>17</sup>	CURRENT YEAR'S PROGRESS AGAINST PROGRESSIVE TARGET SET FOR FY2024 <sup>18</sup>
<b>Social</b>			
7	Occupational health and safety	<u>Ongoing and long-term</u> Maintain zero work-related injuries and ill-health cases	●○○ We maintained zero ill-health cases, however there was one (1) incident of recordable work-related injury.
8	Equality and diversity in the workplace	<u>Ongoing and long-term</u> Maintain zero reported incidents of unlawful discrimination against employees	●●● We maintained zero reported incidents of unlawful discrimination against employees.
9	Employee development and retention	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> <li>Maintain proportion of employees who receive performance appraisals</li> <li>Maintain or improve average training hours per employees</li> </ul>	●●● <ul style="list-style-type: none"> <li>100% of employees received regular performance appraisals.</li> <li>We improved the average training hours per employees</li> </ul>
<b>Governance</b>			
10	Robust corporate governance framework	<u>Ongoing and long-term</u> <ul style="list-style-type: none"> <li>Maintain zero incidents of serious offence<sup>4</sup></li> <li>Maintain zero incidents of non-compliance with any applicable laws and regulations<sup>5</sup> that resulted in a significant fine or non-monetary sanction</li> </ul>	●●● We maintained zero incidents of serious offence and zero incidents of non-compliance with any applicable laws and regulations

For the material Sustainability Factors identified in this Report, the Board and the SC have considered the relevance and usefulness of setting related targets in the short, medium and long-term horizon. As the historical data trends for certain material Sustainability Factors have yet to stabilise, we have not set the related medium and long-term targets and will disclose such targets in our future sustainability reports when the data trends have stabilised and subject to market trends.



## 11. SUPPORTING THE TCFD

Our climate-related disclosures are produced based on the 11 recommendations of TCFD:

### Governance

- a. *Describe the board's oversight of climate-related risks and opportunities.*

The Board oversees the management and monitoring of material Sustainability Factors and consider climate-related issues in determining the Group's strategic direction and policies on an annual basis.

- b. *Describe management's role in assessing and managing climate-related risks and opportunities.*

Our sustainability strategy is developed and directed by the SC in consultation with the Board. The SC is led by the CEO and assisted by the Group Financial Controller and General Manager, UK. The SC is further supported by representatives from key business units and corporate functions, as well as Heads from our different geographical locations. The responsibilities of the SC include performing materiality assessment, considering stakeholders' priorities, setting targets, as well as collecting, monitoring and reporting of performance data.

### Strategy

- a. *Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.*
- b. *Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.*

We recognise that climate change poses different types of risks to our business. The Group's assessment on the potential implications of the climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("NGFS") range of climate scenarios:

SCENARIO	DESCRIPTION
NGFS – Orderly	This scenario assumes that climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued through cohesive stringent climate policies and innovation.
NGFS – Hot house world	This scenario assumes that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise. Only currently implemented policies are preserved, leading to high physical risks.

We selected NGFS' orderly and hot house world scenarios for the purpose of our qualitative climate scenario analysis. The impact of the climate-related risks is analysed on group-wide activities in the short-term (within five (5) years, until FY2028), medium-term (between five (5) to 20 years, between FY2029 and FY2043) and long-term (more than 20 years, FY2044 onwards). Based on the above-mentioned scenarios, the climate-related risks and opportunities identified by the Group during a climate-related risk assessment exercise include the following:

RISK AND POTENTIAL IMPACT	SIGNIFICANCE OF FINANCIAL IMPACT <sup>19</sup>				MITIGATION MEASURE	CLIMATE-RELATED OPPORTUNITY
	CURRENT EFFECT (SGD)	SHORT -TERM	MEDIUM- TERM	LONG -TERM		
<b>Key physical risk identified - Increased severity of extreme weather events</b>						
Adverse changes in climate patterns such as rising temperatures and extreme weather events (such as floods and droughts) may disrupt the Group's supply chains and consequentially cause procurement delays, which will in turn adversely affect its business performance.	<b>Scenario: Orderly</b>				We put in place a climate change transition plan to steer us on our decarbonisation journey.	We may capitalise on opportunities available in improving our operational efficiency.
	NA <sup>21</sup>	○	○	○		
Additionally, with rising temperatures and more frequent heatwaves resulting from global warming and climate change, the risks of increased cooling expenditures and reduced labour productivity are expected to rise.	<b>Scenario: Hot house world</b>				The increased severity of extreme weather events drove us to increase our operational efficiency.	The Group also realises the opportunity to review and assess our value chain to reduce operating costs.
	NA <sup>21</sup>	●	●	●		
We remain vigilant in monitoring the impact of climate change on our operations, mindful of the alarming estimated global cost of USD16 million per hour <sup>20</sup> arising from climate-related damage.					You may refer to section '9.5 Energy Conservation and GHG Emissions Reduction' for further information.	

19 Significance of financial impact is determined based on the risk appetite established in accordance with the Group's ERM framework.

20 Source: <https://www.weforum.org/agenda/2023/10/climate-loss-and-damage-cost-16-million-per-hour/>

21 We are unable to estimate the current financial effect due to uncertainties in the inputs and assumptions resulting from the lack of available data, including information about climate outcomes and their effects on the Group. We will continue to monitor credible information to support our disclosures in this area.

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RISK AND POTENTIAL IMPACT	SIGNIFICANCE OF FINANCIAL IMPACT <sup>19</sup>				MITIGATION MEASURE	CLIMATE-RELATED OPPORTUNITY
	CURRENT EFFECT (SGD)	SHORT -TERM	MEDIUM-TERM	LONG -TERM		
<b>Key transition risk identified - Enhanced GHG emissions reporting obligations</b>						
<p>With rising concerns over the effects of climate change, key stakeholders such as the regulators and shareholders are requiring reporting of climate-related information. Failure to comply with enhanced GHG emissions reporting obligations may lead to adverse impacts on the Group's reputation and financial performance.</p> <p>These new requirements necessitate the investment of manpower resources in more comprehensive data collection, analysis and reporting processes, greater involvement from management and additional costs for consultants and employee training.</p>	<p><b>Scenario: Orderly</b></p> <p>9,752 to 19,652</p>	○	○	○	<p>To strengthen our sustainability governance structure, we put in place a SC for managing and monitoring our material Sustainability Factors, including working with the various business units and corporate functions to ensure that these are integrated into our day-to-day operations. In addition, we established TOR for component parties involved in the sustainability reporting process, for clarity and accountability purposes.</p> <p>With the above, we will be in a better position to meet the changes in regulations and rising expectations of stakeholders on the environment.</p>	<p>The enhanced GHG emissions reporting obligations and increase in regulatory costs will raise climate awareness among our employees. With more defined job responsibilities and training, the Group will also be better positioned to use energy resources responsibly and adopt environmentally friendly practices.</p>
	<p><b>Scenario: Hot house world</b></p> <p>9,752 to 19,652</p>	○	○	○		

**Legend**

○ Minor    ● Moderate    ● Major

In terms of our business strategy and financial planning based on the scenarios above, we will continue to formulate adaptation, mitigation plans and explore allocating resources towards transitioning to low-carbon practices. We strive to minimise the climate risks associated with our business and will seize opportunities in an effective manner such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

## Strategy

- c. *Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.*

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. The climate scenario analysis is crucial in providing insights on the potential extent of the climate-related risk exposure to our businesses as well as the potential opportunities.

Through our climate scenario analysis, we concluded that under warming scenario 1 (hot house world), unmitigated climate risks of extreme weather events may result in a severe financial impact in the medium and long-term. Under warming scenario 1 (orderly), the climate-related risks identified are not expected to result in significant financial impacts in the short, medium or long-term. We will incorporate these findings and considerations into our strategy, decision-making and ERM approach moving forward.

## Risk Management

- a. *Describe the organisation's processes for identifying and assessing climate-related risks.*
- b. *Describe the organisation's processes for managing climate-related risks.*
- c. *Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.*

Climate-related risk management is covered under our ERM framework whereby potential climate-related risks are identified, assessed, monitored and managed. Business units and functions are responsible for identifying and documenting their relevant climate-related risk exposures that might hinder their progress towards contributing to the Group's business objectives. These risks and opportunities, along with their treatment plans, are reviewed and updated during the ERM exercise and presented to the AC along with other key enterprise-wide risks. Climate-related risks are also monitored based on the trend of climate-related sustainability metrics.

## Metrics and Targets

- a. *Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.*

We track, measure and report on our environmental performance, including energy consumption, GHG emissions, water and waste management and disclose related metrics in our sustainability reports. Monitoring and reporting these metrics help us in identifying areas with material climate-related risks and enable us to be more targeted in our efforts.

- b. *Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.*

To support the climate change agenda, we disclosed our Scope 2 and certain categories of Scope 3 GHG emissions in this Report and set climate-related targets such as those related to energy consumption, GHG emissions, water and waste management. As we do not generate material direct GHG emissions (Scope 1) from our operations, no separate disclosure is made accordingly. Nonetheless, we will continue to monitor such emissions and to disclose them in future, as and when applicable.

We will continue to monitor our emissions and expand the disclosure of our Scope 3 GHG emissions wherever applicable and practicable. Our disclosure on indirect Scope 3 GHG emissions in this Report includes business travel (category 6) and employee commuting (category 7) in FY2024.

- c. *Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.*

As a commitment towards mitigating climate change, we have set climate-related targets related to energy consumption, GHG emissions, water and waste management. For further details, refer to section 10 Targets and Progress.

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## APPENDIX 1 GRI CONTENT INDEX

<b>Statement of use</b>	Brook Crompton Holdings Ltd. has reported the information cited in the GRI content index for the period from 1 January to 31 December 2024 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(S)</b>	None

<b>GRI STANDARD</b>	<b>DISCLOSURE</b>	<b>LOCATION</b>
GRI 2: General Disclosures 2021	2-1 Organisational details	1, 12, 39, 84, 133-134
	2-2 Entities included in the organisation's sustainability reporting	39
	2-3 Reporting period, frequency and contact point	39, 40, 45
	2-4 Restatements of information	None
	2-5 External assurance	40
	2-6 Activities, value chain and other business relationships	10-11, 39
	2-7 Employees	39, 54-58
	2-8 Workers who are not employees	None
	2-9 Governance structure and composition	8, 13-17, 42
	2-10 Nomination and selection of the highest governance body	21-23
	2-11 Chair of the highest governance body	8, 17-20
	2-12 Role of the highest governance body in overseeing the management of impacts	42-43
	2-13 Delegation of responsibility for managing impacts	13-17, 42-43
	2-14 Role of the highest governance body in sustainability reporting	42-43
	2-15 Conflicts of interest	13-17
	2-16 Communication of critical concerns	29-31, 33-35, 58-60
	2-17 Collective knowledge of the highest governance body	13-17, 42-43
	2-18 Evaluation of the performance of the highest governance body	23-24
	2-19 Remuneration policies	24-27
	2-20 Process to determine remuneration	24-27
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	4-7, 37
	2-23 Policy commitments	42, 58-60
	2-24 Embedding policy commitments	42, 58-60
	2-25 Processes to remediate negative impacts	29-31, 58-60
	2-26 Mechanisms for seeking advice and raising concerns	29-31, 58-60
	2-27 Compliance with laws and regulations	58-60
	2-28 Membership associations	None
	2-29 Approach to stakeholder engagement	41
	2-30 Collective bargaining agreements	As at 31 December 2024, 100% of our bargainable employees in Italy are covered by collective bargaining agreements.

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GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	42-45
	3-2 List of material topics	45
	3-3 Management of material topics	47-60
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	48-49
	201-2 Financial implications and other risks and opportunities due to climate change	63-67
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	58-60
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	50-53
	302-3 Energy intensity	50-53
	302-4 Reduction of energy consumption	50-53
	302-5 Reductions in energy requirement of products and services	50-53
GRI 303: Water and Effluents 2018	303-5 Water consumption	49
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	50
	305-2 Energy indirect (Scope 2) GHG emissions	50-53
	305-3 Other direct (Scope 3) GHG emissions	50-53
	305-4 GHG emissions intensity	50-53
	305-5 Reduction of GHG emissions	50-53
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	54
	306-2 Management of significant waste-related impacts	54
	306-3 Waste generated	54
	306-4 Waste diverted from disposal	54
	306-5 Waste directed to disposal	54
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	57
	401-3 Parental leave	56
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	54
	403-10 Work-related ill health	54
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	58
	404-2 Programmes for upgrading employee skills and transition assistance programmes	56-58
	404-3 Percentage of employees receiving regular performance and career development reviews	58
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	55
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	55

## APPENDIX 2 INDUSTRY-BASED GUIDANCE ON IMPLEMENTING CLIMATE-RELATED DISCLOSURE METRICS

The sustainability disclosure metrics are based on the IFRS Sustainability Disclosure Standard Industry-Based Guidance for implementing climate-related disclosure (Volume B50 – Industrial Machinery and Goods) for the distribution of electric motors business segment. The details are as follows:

**Table 1. Sustainability Disclosure Topics and Metrics**

TOPIC	CODE	METRIC	RESPONSE
Energy Management	RT-IG-130a.1	Total energy consumed	Our total energy consumed was 1,955 GJ in FY2024. For further details, please refer to section 9.5.
		Percentage grid electricity	Our electricity consumption was 100% drawn from the electricity grid in FY2024.
		Percentage renewable	The renewable percentage was 24% in FY2024.
Fuel Economy and Emissions in Use-phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium-and heavy-duty vehicles	Not applicable for our business as we distribute electric motors.
	RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	
	RT-IG-410a.4	Sales-weighted emissions of nitrogen oxides ("No <sub>x</sub> ") and Particular matter ("PM") for: <ul style="list-style-type: none"> <li>• Marine diesel engines</li> <li>• Locomotive diesel engines</li> <li>• On-road medium- and heavy-duty engines</li> <li>• Other non-road diesel engines</li> </ul>	

**Table 2. Activity Metrics**

CODE	ACTIVITY METRIC	RESPONSE
RT-IG-000.A	Number of units produced by product category	Not applicable as we distribute electric motors.
RT-IG-000.B	Number of employees	The total number of employees as at 31 December 2024 is 74.



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# 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 31 December 2024.

## 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 this 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:

Pang Xinyuan

Chao Mun Leong

Thi Thuy Trang Phan

(Appointed on 13 May 2024)

## 3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the company holding office at the end of the reporting year had no interests 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 Companies Act 1967 (the "Act") except as follows:

NAME OF DIRECTORS AND COMPANIES IN WHICH INTERESTS ARE HELD	SHAREHOLDINGS REGISTERED IN NAME OF DIRECTOR		SHAREHOLDINGS IN WHICH DIRECTOR IS DEEMED TO HAVE AN 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
<u>The company</u>				<u>Number of shares of no par value</u>
<u>Brook Crompton Holdings Ltd.</u>				
Pang Xinyuan	-	-	21,702,037	21,702,037
<u>Ultimate holding company</u>				<u>Capital contribution amount in Chinese renminbi</u>
<u>Wolong Holding Group Co., Ltd.</u>				
Pang Xinyuan	-	-	312,916,704*	312,916,704*

\* The capital contribution represents 38.73% of the total paid capital contribution in the capital of Wolong Holding Group Co., Ltd.

### 3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

By virtue of section 7 of the Act, Pang Xinyuan is deemed to have an interest in all related corporations of the company. In accordance with the continuing listing requirement of the Singapore Exchange Securities Trading Limited, the directors of the company state that, according to the Register of Directors' Shareholding, the directors' interests as at 21 January 2025 in the shares of the company have not changed from those disclosed as at 31 December 2024.

### 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 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 under option.

### 6. REPORT OF AUDIT COMMITTEE

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

Chao Mun Leong (Chairman)	Chairman and Independent Director
Thi Thuy Trang Phan	Member/Lead Independent Director
Pang Xinyuan	Member/Non-Independent, Non-Executive Director

The audit committee performed the functions specified by section 201B (5) of the Act. Among other functions, it reviewed the following, where relevant, with management, the external auditors and the internal auditors:

- The audit plan of the independent external auditor.
- The independent external auditor's evaluation of the company's internal accounting controls relevant to the statutory audit, the audit report on the financial statements and the assistance given by management to the 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 the management to the internal auditor.
- The financial statements of the group and the company prior to their submission to the directors of the company for adoption.
- The interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

# STATEMENT BY DIRECTORS

## 6. REPORT OF AUDIT COMMITTEE (CONT'D)

Other functions performed by the audit 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 provides non-audit services.

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

## 7. 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 board, with the concurrence of the audit committee, is of the opinion that the company's internal controls (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at 31 December 2024 to address the risks that the company considers relevant and material to its operations.

## 8. 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 28 February 2025, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

## 9. INDEPENDENT AUDITOR

RSM SG Assurance LLP has expressed willingness to accept re-appointment.

On behalf of the directors

.....  
Pang Xinyuan  
Director

.....  
Chao Mun Leong  
Director

1 April 2025

# INDEPENDENT AUDITOR'S REPORT

to the Members of BROOK CROMPTON HOLDINGS LTD.

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of Brook Crompton Holdings Ltd. (the "**Company**") and its subsidiaries (the "**Group**"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 31 December 2024, and the consolidated statement of profit or loss and other 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 material accounting policy information.

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 1967 (the "**Act**") and the 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 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and 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.

#### *Assessment of expected credit loss allowance on trade receivables*

Refer to Note 2 for the relevant accounting policy information and Notes 20 and 27D for the breakdown of trade receivables and credit risk of the group respectively.

The carrying amount of trade receivables amounted to \$13,227,000 which accounted for approximately 19% of the group's total assets as at the reporting year end.

Determining the amount of allowance requires management's judgement on overdue debts and the amount of collection default based on past collection trends and forward looking estimates.

The gross amount of trade receivables past due over 3 months amounted to \$1,177,000. An allowance of \$133,000 was made leaving a net amount of \$1,044,000 and management is of the view that these amounts are recoverable, based on their knowledge of the customers' payment history and credit worthiness.

# INDEPENDENT AUDITOR'S REPORT

to the Members of BROOK CROMPTON HOLDINGS LTD.

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

### Key audit matters (cont'd)

#### *Assessment of expected credit loss allowance on trade receivables (cont'd)*

We have evaluated management's judgement on the recoverability of these amounts via our review of the customers' credit worthiness, payment history and management's assessment of expected credit losses. We have also assessed management's process over the recoverability of outstanding trade receivables, which included the review of payments made by the customers subsequent to the reporting year end and the review of correspondence with customers to assess the potential recoverability of significant balances not provided for.

We found management's approach to be balanced and the estimates to be reasonable.

We have also assessed the adequacy of the disclosures made in the financial statements.

#### *Assessment of allowance on inventories*

Refer to Note 2 for the relevant accounting policy information and Note 19 for the breakdown of the inventories at the reporting year end.

The carrying amount of inventories amounted to \$25,970,000, which accounted for approximately 37% of the group's total assets as at the reporting year end.

The group's inventory provision policy takes into consideration the inventory ageing profiles, as well as the inventories' sales patterns for the year. Management is of the view that the inventories are realisable, based on their knowledge of the group's operations, the industry and their technical assessment of the inventories.

Determination of the method to use, period to consider, and percentages to apply to aged inventory requires significant management's judgement.

We have evaluated the group's policy for inventory obsolescence and reviewed management's judgement on their assessment of the inventories via our understanding of the business environment and our review of the sales patterns.

We have also assessed the group's inventory ageing as at the reporting year end, as well as the group's computation for inventory obsolescence and found them to be reasonable. We have compared the carrying values of the inventories to the recent sales invoices and price lists.

We have also assessed the adequacy of the disclosures made in the financial statements.

### Other information

Management is responsible for the other information. The other information comprises the statement by directors 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

to the Members of BROOK CROMPTON HOLDINGS LTD.

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

### 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 SFRS (I), 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 judgement 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.
- 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.

# INDEPENDENT AUDITOR'S REPORT

to the Members of BROOK CROMPTON HOLDINGS LTD.

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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

- (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 those subsidiary corporations 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 Eu Chee Wei David.

RSM SG Assurance LLP  
Public Accountants and  
Chartered Accountants  
Singapore

1 April 2025

Engagement partner - effective from year ended 31 December 2021



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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Year Ended 31 December 2024

	NOTES	GROUP	
		2024 \$'000	2023 \$'000
Revenue	5	61,640	71,810
Cost of sales		(45,337)	(52,500)
<b>Gross profit</b>		16,303	19,310
Other income and gains	6	2,043	1,656
Distribution and marketing costs	7	(6,812)	(7,372)
Administrative expenses	8	(6,583)	(5,786)
Other losses	6	(499)	(1,081)
Finance costs	9	(120)	(97)
Other expenses	10	(1,122)	(1,063)
<b>Profit before tax</b>		3,210	5,567
Income tax expense	12	(1,010)	(1,397)
<b>Profit, net of tax</b>		2,200	4,170
Profit attributable to owners of the parent, net of tax		2,327	4,170
Loss attributable to non-controlling interests, net of tax		(127)	-
<b>Profit, net of tax</b>		2,200	4,170
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Re-measurements of defined benefit pension plans, net of tax		-	(3)
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations, net of tax		305	642
<b>Other comprehensive income for the year, net of tax</b>		305	639
<b>Total comprehensive income for the year, net of tax</b>		2,505	4,809
Total comprehensive income attributable to owners of the parent		2,632	4,809
Total comprehensive loss attributable to non-controlling interests		(127)	-
<b>Total comprehensive income</b>		2,505	4,809
<b>Earnings per share</b>			
Basic and diluted earnings per share (cents)	13	6.6	11.8

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

# STATEMENTS OF FINANCIAL POSITION

BROOK CROMPTON HOLDINGS LTD.  
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As at 31 December 2024

	NOTES	GROUP		COMPANY	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	15	5,092	5,478	302	385
Subsidiaries	16	-	-	19,137	19,137
Intangible assets	17	21	31	7	10
Other receivables	18	-	-	2,550	-
Retirement benefit assets	24	-	328	-	-
<b>Total non-current assets</b>		<b>5,113</b>	<b>5,837</b>	<b>21,996</b>	<b>19,532</b>
<b>Current assets</b>					
Inventories	19	25,970	25,227	-	-
Trade and other receivables	20	16,292	16,550	9,250	9,842
Prepayments		764	656	4	4
Cash and cash equivalents	21	22,494	17,938	2,309	3,094
<b>Total current assets</b>		<b>65,520</b>	<b>60,371</b>	<b>11,563</b>	<b>12,940</b>
<b>Total assets</b>		<b>70,633</b>	<b>66,208</b>	<b>33,559</b>	<b>32,472</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	22	149,642	149,642	149,642	149,642
Accumulated losses		(120,219)	(121,837)	(135,569)	(136,695)
Non-controlling interest		2,323	-	-	-
Other reserves	23	15,516	15,211	18,650	18,650
<b>Total equity</b>		<b>47,262</b>	<b>43,016</b>	<b>32,723</b>	<b>31,597</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	12	22	99	-	-
Retirement benefit liabilities	24	-	-	-	-
Financial liabilities - lease liabilities	25	2,143	3,211	229	309
<b>Total non-current liabilities</b>		<b>2,165</b>	<b>3,310</b>	<b>229</b>	<b>309</b>
<b>Current liabilities</b>					
Provision for warranty		50	-	-	-
Income tax payable		770	944	7	3
Trade and other payables	26	19,559	18,306	519	487
Financial liabilities - lease liabilities	25	827	632	81	76
<b>Total current liabilities</b>		<b>21,206</b>	<b>19,882</b>	<b>607</b>	<b>566</b>
<b>Total liabilities</b>		<b>23,371</b>	<b>23,192</b>	<b>836</b>	<b>875</b>
<b>Total equity and liabilities</b>		<b>70,633</b>	<b>66,208</b>	<b>33,559</b>	<b>32,472</b>

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

# STATEMENTS OF CHANGES IN EQUITY

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Year Ended 31 December 2024

GROUP	TOTAL EQUITY	SHARE CAPITAL	NON-CONTROLLING INTEREST	ACCUMULATED LOSSES	TRANSLATION RESERVE	CAPITAL RESERVES
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Current year:</b>						
Opening balance at 1 January 2024	43,016	149,642	-	(121,837)	(3,439)	18,650
<b>Changes in equity:</b>						
Profit for the financial year	2,200	-	(127)	2,327	-	-
Dividend paid (Note 14)	(709)	-	-	(709)	-	-
Capital contribution on a subsidiary	2,450	-	2,450	-	-	-
<b>Other comprehensive income for the year</b>						
Exchange differences on translation of foreign operations	305	-	-	-	305	-
Other comprehensive income for the year	305	-	-	-	305	-
<b>Closing balance at 31 December 2024</b>	<b>47,262</b>	<b>149,642</b>	<b>2,323</b>	<b>(120,219)</b>	<b>(3,134)</b>	<b>18,650</b>

GROUP	TOTAL EQUITY	SHARE CAPITAL	ACCUMULATED LOSSES	TRANSLATION RESERVE	CAPITAL RESERVES
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Previous year:</b>					
Opening balance at 1 January 2023	38,916	149,642	(125,295)	(4,081)	18,650
<b>Changes in equity:</b>					
Profit for the financial year	4,170	-	4,170	-	-
Dividend paid (Note 14)	(709)	-	(709)	-	-
<b>Other comprehensive loss for the year:</b>					
Re-measurements of defined benefit pension plans, net of tax	(3)	-	(3)	-	-
Exchange differences on translation of foreign operations	642	-	-	642	-
Other comprehensive (loss) / income for the year	639	-	(3)	642	-
<b>Closing balance at 31 December 2023</b>	<b>43,016</b>	<b>149,642</b>	<b>(121,837)</b>	<b>(3,439)</b>	<b>18,650</b>

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

# STATEMENTS OF CHANGES IN EQUITY

Year Ended 31 December 2024

COMPANY	TOTAL EQUITY \$'000	SHARE CAPITAL \$'000	ACCUMULATED LOSSES \$'000	OTHER RESERVES \$'000
<b>Current year:</b>				
Opening balance at 1 January 2024	31,597	149,642	(136,695)	18,650
<b>Changes in equity:</b>				
Total comprehensive income for the year	1,835	-	1,835	-
Dividend paid (Note 14)	(709)	-	(709)	-
<b>Closing balance at 31 December 2024</b>	<b>32,723</b>	<b>149,642</b>	<b>(135,569)</b>	<b>18,650</b>
<b>Previous year:</b>				
Opening balance at 1 January 2023	29,475	149,642	(138,817)	18,650
<b>Changes in equity:</b>				
Total comprehensive income for the year	2,831	-	2,831	-
Dividend paid (Note 14)	(709)	-	(709)	-
<b>Closing balance at 31 December 2023</b>	<b>31,597</b>	<b>149,642</b>	<b>(136,695)</b>	<b>18,650</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended 31 December 2024

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	GROUP	
	2024 \$'000	2023 \$'000
<b><u>Cash flows from operating activities</u></b>		
Profit before tax	3,210	5,567
Adjustments for:		
Depreciation and amortisation	1,122	1,062
Interest expense	120	97
Interest income	(614)	(479)
Retirement benefit plan expense	–	(127)
Net effect of exchange rate changes in consolidating foreign operations	(88)	1,495
Operating cash flows before changes in working capital	3,750	7,615
Inventories	(988)	1,576
Trade and other receivables	628	(2,450)
Prepayments	(103)	(213)
Trade and other payables	1,767	1,127
Provision for warranty	103	(64)
Retirement benefit contribution received / (paid)	322	(208)
Net cash flows from operations	5,479	7,383
Income taxes paid	(1,515)	(1,234)
Net cash flows from operating activities	3,964	6,149
<b><u>Cash flows (used in) / from investing activities</u></b>		
Acquisition of property, plant and equipment	(679)	(146)
Acquisition of intangible assets	–	(12)
Interest received	614	479
Net cash flows (used in) / from investing activities	(65)	321
<b><u>Cash flows from / (used in) financing activities</u></b>		
Capital contribution by non-controlling interest	2,450	–
Repayment of obligations under leases	(1,123)	(781)
Interest paid	(120)	(97)
Dividends paid	(709)	(709)
Net cash flows from / (used) in financing activities	498	(1,587)
Net increase in cash and cash equivalents	4,397	4,883
Cash and cash equivalents, statement of cash flows, beginning balance	17,938	13,312
Effects of exchange rate changes on cash and cash equivalents	159	(257)
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 21)</b>	<b>22,494</b>	<b>17,938</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 1. GENERAL INFORMATION

The company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars - thousands (\$'000) and they cover the company (referred to as "**parent**") and the subsidiaries.

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 activities of the company are those of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 16 to the financial statements.

The company is listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The registered office is: 19 Keppel Road, #08-01 Jit Poh Building, Singapore 089058. The company is situated in Singapore.

### 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 Accounting Standards Committee under ACRA ("**ASC**"). They comply with the provisions of the Companies Act 1967 and with the IFRS Accounting Standards ("**IFRSs**") issued by the International Accounting Standards Board ("**IASB**").

### Basis of preparation of the financial statements

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 presentation and principles of consolidation

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. They are de-consolidated from the date that control ceases.

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 equity investments 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 1967, the company's separate statement of profit or loss and other comprehensive income is not presented.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION

### 2A. Material accounting policy information

#### Foreign currency transactions

The functional currency 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.

#### Translation of financial statements of other entities

Each entity in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

#### 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.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information (cont'd)

#### Fair value measurement (cont'd)

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. The recurring measurements are made at each reporting year end date.

#### Revenue and income recognition

General - 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 right of return exists, and modifications), net of any related 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.

Distribution of goods - The group's distribution business is involved in selling electric motors to wholesalers and retailers. Revenue from the sales of these products is recognised at point in time when the products are delivered to customers. For overseas sales, performance obligations are satisfied when the control of products is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered). There is limited judgement needed to identify when the point of control passes to customers. There is no element of significant financing component in the group's revenue transactions as customers are required to pay within a credit term of 30 to 120 days (2023: 30 to 120 days).

#### 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.

Certain subsidiaries overseas have arrangements for defined benefit plans. Under the defined benefit plan contributions are set at a level that is expected to be sufficient to pay the benefits falling due in the same period; and future benefits earned during the current period will be paid out of future contributions and the employees' benefits are determined by the length of their service. Such a plan creates actuarial risk for the entity: if the ultimate cost of benefits already earned at the end of the reporting period is more than expected, the entity will have either to increase its contributions or to persuade employees to accept a reduction in benefits.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information (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. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

#### Subsidiaries

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.

In the reporting entity's separate financial statements, 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.

#### Non-controlling interest

Non-controlling interests reflect the portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the group. Losses applicable to the non-controlling interest in a subsidiary are allocated to the non-controlling interest even if these losses cause the non-controlling interest to have a debit balance. Remeasurements of non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information (cont'd)

#### 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 method 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 (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

#### Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property plant and equipment.

#### Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded (or included in property, plant and equipment). Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

#### Leases of lessor

For a lessor each of lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

#### Inventories

Inventories are measured at the lower of cost (first in first out method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

#### Carrying amounts and assessment of impairment loss allowance on non-financial assets

The carrying amount of 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.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2A. Material accounting policy information (cont'd)

#### Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised 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.

Classification of financial assets and financial liabilities and subsequent measurement:

The financial reporting standard on financial instruments requires the certain classification of financial assets and financial liabilities. At the end of the reporting year, the reporting entity had the following classes:

- 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 in this class.
- Financial liabilities are classified as at 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 comprises cash on hand and demand deposits.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

#### Other specific material accounting policy information and other explanatory information

These are disclosed at the relevant notes to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 2B. Judgements and sources of estimation uncertainties

Disclosures on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below or in the corresponding Notes to these financial statements. 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.

#### Assessing expected credit loss allowance on trade receivables

The assessment of the expected credit losses ("ECL") requires a degree of estimation and judgement. In measuring the expected credit losses, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of future economic conditions. 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.

#### Assessing loss allowance on inventories

The assessment of the allowance for impairment loss on inventories requires a degree of estimation and judgement. The level of the loss allowance is assessed by taking into account the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in the note on inventories.

#### Assessment the impairment on investment in subsidiaries

Where an investee is in net equity deficit and or has suffered losses a test is made whether the investment in the investee has suffered any impairment loss. This measurement requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the asset or liability affected. The carrying amount of the subsidiaries at the end of the reporting year affected by the assumption is \$3,018,000 (2023: \$3,018,000).

#### Estimating income tax amounts

The group recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised. A deferred tax asset is recognised for unused tax losses if it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. As a result, due to their inherent nature assessments of likelihood are judgemental and not susceptible to precise determination. The income tax amounts are disclosed in the note on income tax.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 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.

The ultimate controlling party is Chen Jiancheng.

### 3A. Members of a group:

NAME	RELATIONSHIP	COUNTRY OF INCORPORATION
Wolong Holding Group Co., Ltd.	Ultimate holding company	People's Republic of China
ATB Austria Antriebstechnik AG	Immediate holding company	Austria

Related companies in these financial statements include the members of the above group of companies. Associates also include those that are associates of members of the above group.

### 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.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

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

Material related party transactions:

	2024 \$'000	2023 \$'000
<u>Immediate holding company</u>		
Recharge of expenses	(68)	(59)
<u>Related parties</u>		
Sale of motors	34	482
Administrative fee income	27	80
Commission income	-	34
License income	266	356
Management fee income	338	249
Purchase of inventories	(30,331)	(33,848)
Recharge of expenses	(60)	-

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

### 3C. Key management compensation:

	GROUP		COMPANY	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Salaries and other short-term employee benefits	744	1,000	621	474
Post-employment benefits	109	84	20	17
	853	1,084	641	491

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

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The above amounts do not include compensation if any of certain key management personnel and directors of the company who received compensation from related corporations in their capacity as directors and or executives of those related corporations.

### 3D. Other receivables from and other payables to related parties:

The trade transactions and the related receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from and other payables to related parties are as follows:

GROUP	RELATED PARTIES	
	2024	2023
	\$'000	\$'000
<u>Other receivables/(other payables):</u>		
At beginning of the year - net debit	449	748
Amounts paid in and settlement of liabilities on behalf of the group	(145)	(299)
At end of the year - net debit	304	449
<u>Presented in the statements of financial position as follows:</u>		
Other receivables (Note 20)	740	604
Other payables (Note 26)	(436)	(155)
At end of the year - net debit	304	449

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONT'D)

### 3D. Other receivables from and other payables to related parties (cont'd):

COMPANY	SUBSIDIARIES	
	2024 \$'000	2023 \$'000
<u>Other receivables/(other payables):</u>		
At beginning of the year - net debit	9,418	7,550
Amounts paid in and settlement of liabilities on behalf of the company	(2,475)	(650)
Amounts paid out and settlement of liabilities on behalf of subsidiaries	2,550	-
Dividends receivable	1,685	2,518
At end of the year - net debit	11,178	9,418
<u>Presented in the statements of financial position as follows:</u>		
Other receivables, non-current (Note 18)	2,550	-
Other receivables, current (Note 20)	8,733	9,517
Other payables (Note 26)	(105)	(99)
At end of the year - net debit	11,178	9,418
COMPANY	RELATED PARTIES	
	2024 \$'000	2023 \$'000
<u>Other receivables/(other payables):</u>		
At beginning of the year - net debit	284	15
Amounts paid out and settlement of liabilities on behalf of related parties	193	269
At end of the year - net debit	477	284
<u>Presented in the statements of financial position as follows:</u>		
Other receivables (Note 20)	479	289
Other payables (Note 26)	(2)	(5)
At end of the year - net debit	477	284
GROUP AND COMPANY	IMMEDIATE PARENT COMPANY	
	2024 \$'000	2023 \$'000
<u>Other payables:</u>		
At beginning of the year	-	(19)
Amounts paid out and settlement of liabilities on behalf of the immediate holding company	-	19
Amounts paid in and settlement of liabilities on behalf of the company	(12)	-
At end of the year (Note 26)	(12)	-

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

The group 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 to allocate resources and in assessing performance. Generally, financial information on segments is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. 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.

Management has determined the operating segments based on the reports reviewed by the group's CEO, being the chief operating decision-maker.

The group's primary business is in the distribution of electric motors. Management manages and monitors the business from a geographical segment perspective.

The following are the three main geographical segments for the group:

- Asia Pacific
- United Kingdom and Continental Europe
- North America

Sales are based on the region in which the entity is located. Total assets and capital expenditure are shown by the geographical area where the assets are located. The sales for Singapore totalled \$5,030,000 (2023: \$3,813,000).

Information regarding the results of each reportable segment is included below. Performance is measured based on the geographical segment's profit before income tax, as included in the internal management reports that are reviewed by the group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

	<b>UNITED KINGDOM AND CONTINENTAL EUROPE</b>	<b>NORTH AMERICA</b>	<b>ASIA PACIFIC</b>	<b>CORPORATE</b>	<b>TOTAL</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Group</u>					
<u>2024</u>					
Total segment sales	29,374	23,805	11,414	–	64,593
Elimination of intersegment sales	(365)	(2,588)	–	–	(2,953)
Sales to external parties	29,009	21,217	11,414	–	61,640
Segment results	2,237	2,062	328	(1,166)	3,461
Interest income	423	87	25	79	614
Interest expense	(70)	(27)	(5)	(18)	(120)
Depreciation and amortisation	(703)	(252)	(80)	(87)	(1,122)
Reversal of impairment on trade receivables	20	–	1	–	21
Impairment on trade receivables	(8)	(5)	–	–	(13)
Impairment on inventories	(206)	(85)	–	–	(291)
Write back of inventories	654	6	–	–	660
Profit / (loss) before income tax	2,347	1,786	269	(1,192)	3,210
Segment assets	28,585	26,927	10,536	4,585	70,633
Included in the segment assets:					
Addition of property, plant and equipment	96	482	99	2	679
Segment liabilities	9,165	10,848	2,629	729	23,371

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

	UNITED KINGDOM AND CONTINENTAL EUROPE \$'000	NORTH AMERICA \$'000	ASIA PACIFIC \$'000	CORPORATE \$'000	TOTAL \$'000
<u>Group</u>					
<u>2023</u>					
Total segment sales	40,587	26,226	10,698	-	77,511
Elimination of intersegment sales	(2,214)	(3,487)	-	-	(5,701)
Sales to external parties	38,373	22,739	10,698	-	71,810
Segment results	3,760	3,827	574	(1,077)	7,084
Interest income	324	63	-	92	479
Interest expense	(46)	(34)	(7)	(10)	(97)
Depreciation and amortisation	(718)	(210)	(42)	(92)	(1,062)
Reversal of impairment on trade receivables	244	-	-	-	244
Impairment on trade receivables	(21)	-	(29)	-	(50)
Impairment on inventories	(330)	(603)	-	-	(933)
Inventories written off	-	(98)	-	-	(98)
Profit (loss) before income tax	3,213	2,945	496	(1,087)	5,567
Segment assets	31,926	22,105	8,361	3,816	66,208
Included in the segment assets:					
Addition of property, plant and equipment	144	2	-	-	146
Segment liabilities	12,202	7,031	3,183	776	23,192

## 5. REVENUE

Revenue from contracts with customers

	GROUP	
	2024 \$'000	2023 \$'000
Sale of electric motors	61,640	71,810

All the contracts are less than 12 months and revenue are recognised based on point in time. The customers are mainly wholesalers, retailers, end users and original equipment manufacturers.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 6. OTHER INCOME AND GAINS AND (OTHER LOSSES)

	<b>GROUP</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Administrative fee income (Note 3)	69	113
License income (Note 3)	266	356
Rental income	45	43
Management fee income (Note 3)	338	249
Reversal of impairment on trade receivables	21	244
Write back of inventories	660	–
Interest income from fixed deposits	614	479
Inventories written off	–	(98)
Impairment on trade receivables	(12)	(50)
Impairment on inventories	(291)	(933)
Foreign exchange translations (losses) / gains, net	(196)	24
Miscellaneous income	30	148
	<b>1,544</b>	<b>575</b>
Presented in profit or loss as:		
Other income and gains	2,043	1,656
Other losses	(499)	(1,081)
Net	<b>1,544</b>	<b>575</b>

## 7. DISTRIBUTION AND MARKETING COSTS

Major components include the following:

	<b>GROUP</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Employee benefits expenses (Note 11)	4,885	4,789
Sales commissions	568	734
Transportation and delivery charges	622	454
Travelling expenses	406	290

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 8. ADMINISTRATIVE EXPENSES

Major components include the following:

	GROUP	
	2024	2023
	\$'000	\$'000
Employee benefits expenses (Note 11)	3,408	3,236
Audit fees to the independent auditor of the company	140	135
Audit fees to the other independent auditors – non-network firms	257	235
Audit-related services (ARS) fees to the independent auditor of the company	7	7
Non-ARS fees to the independent auditors – non-network firms	–	–
Consultancy fees	388	549
Insurance expenses	339	352

## 9. FINANCE COSTS

	GROUP	
	2024	2023
	\$'000	\$'000
Interest on lease liabilities	120	97

## 10. OTHER EXPENSES

Major components include the following:

	GROUP	
	2024	2023
	\$'000	\$'000
Depreciation and amortisation	1,122	1,062

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 11. EMPLOYEE BENEFITS EXPENSES

	GROUP	
	2024 \$'000	2023 \$'000
Short term employee benefits expense	6,633	6,900
Contributions to defined contribution plans	1,225	1,252
Defined benefits obligation costs	322	(127)
Termination benefits	113	-
Total employee benefits expense	8,293	8,025
Employee benefit expenses are charged as follows:		
Distribution and marketing costs (Note 7)	4,885	4,789
Administrative expenses (Note 8)	3,408	3,236
	8,293	8,025

## 12. INCOME TAX

### 12A. Components of tax expense recognised in profit or loss include:

	GROUP	
	2024 \$'000	2023 \$'000
Current tax expense		
Singapore	43	46
Foreign	1,044	1,173
	1,087	1,219
Deferred tax (income) / expense	(77)	178
	1,010	1,397

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17.0% (2023: 17.0%) to profit before income tax as a result of the following differences:

	GROUP	
	2024 \$'000	2023 \$'000
Profit before tax	3,210	5,567
Tax calculated at applicable tax rate of 17%	546	946
Effects of different tax rates in other countries	241	360
Tax effect of income not subject to tax	(112)	(16)
Tax effect of expenses not deductible for tax purposes	184	145
Unrecognised deferred tax assets / (reversal)	151	(38)
	1,010	1,397

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

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 12. INCOME TAX

### 12B. Deferred tax expense (income) recognised in profit or loss includes:

	GROUP	
	2024	2023
	\$'000	\$'000
Excess of net book value of plant and equipment over tax values	(33)	257
Tax loss carryforwards	6	(38)
Provisions	78	-
Retirement benefits liabilities	1	-
Deferred tax associated with right-of-use assets	(126)	612
Deferred tax associated with lease liabilities	148	(653)
Unrecognised deferred tax reversal	(151)	-
Total deferred tax expense recognised in profit or loss	(77)	178

### 12C. Deferred tax balance in the statements of financial position:

	GROUP	
	2024	2023
	\$'000	\$'000
Excess of net book value of plant and equipment over tax values	(245)	(278)
Tax loss carryforwards	134	140
Provisions	12	90
Retirement benefits liabilities	-	1
Unrecognised deferred tax reversal / (assets)	58	(93)
Deferred tax associated with right-of-use assets	(486)	(612)
Deferred tax associated with lease liabilities	505	653
Deferred tax liabilities	(22)	(99)

It is impracticable to estimate the amount expected to be settled or used within one year.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 13. EARNINGS PER SHARE

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

	2024 \$'000	2023 \$'000
<b>Numerators:</b>		
Profit, net of tax attributable to owners of the parent	2,327	4,170
<b>Denominators: Weighted average number of equity shares</b>		
Basic and diluted ('000)	35,459	35,459

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

The basic amount 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.

## 14. DIVIDENDS ON EQUITY SHARES

	DIVIDEND PER SHARE		GROUP AND COMPANY	
	2024 SINGAPORE CENTS	2023 SINGAPORE CENTS	2024 \$'000	2023 \$'000
Final tax exempt (1-tier) dividends	2	2	709	709

The directors have proposed that a final dividend of 2.00 (2023: 2.00) Singapore cents per share with a total of \$709,000 (2023: \$709,000) to be paid to shareholders after the annual general meeting to be held subsequent to year-end. There are no income tax consequences on the group and company. 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 new qualifying shares issued up to the date the dividend becomes payable.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 15. PROPERTY, PLANT AND EQUIPMENT

GROUP	RIGHT-OF-USE	FREEHOLD	BUILDING	RENOVATION	PLANT,	TOTAL
	ASSETS	LAND	ON FREEHOLD		MACHINERY	
	\$'000	\$'000	LAND	\$'000	EQUIPMENT	\$'000
			\$'000		\$'000	
<u>Cost</u>						
At 1 January 2023	5,248	935	1,284	186	8,201	15,854
Additions	1,554	-	-	-	146	1,700
Disposals	(367)	-	-	-	-	(367)
Exchange differences	368	-	14	-	259	641
At 31 December 2023	6,803	935	1,298	186	8,606	17,828
Additions	99	-	246	-	433	778
Exchange differences	31	-	(125)	-	96	2
At 31 December 2024	6,933	935	1,419	186	9,135	18,608
<u>Accumulated depreciation</u>						
At 1 January 2023	2,445	-	797	186	7,714	11,142
Depreciation for the year	848	-	47	-	143	1,038
Disposals	(367)	-	-	-	-	(367)
Exchange differences	280	-	6	-	251	537
At 31 December 2023	3,206	-	850	186	8,108	12,350
Depreciation for the year	861	-	50	-	202	1,113
Exchange differences	6	-	(52)	-	99	53
At 31 December 2024	4,073	-	848	186	8,409	13,516
<u>Net book value</u>						
At 1 January 2023	2,803	935	487	-	487	4,712
At 31 December 2023	3,597	935	448	-	498	5,478
At 31 December 2024	2,860	935	571	-	726	5,092

The useful lives of the assets are as follows:

Freehold land	-	Not depreciated
Building on freehold land	-	50 years
Renovation	-	Lower of useful life or lease term (not more than 50 years)
Plant, machinery and office equipment	-	4 to 12 years



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

<b>COMPANY</b>	<b>LEASED OPERATING FACILITIES \$'000</b>	<b>PLANT, MACHINERY AND OFFICE EQUIPMENT \$'000</b>	<b>TOTAL \$'000</b>
<u>Cost</u>			
At 1 January 2023	367	220	587
Additions	416	-	416
Disposals	(367)	-	(367)
At 31 December 2023	416	220	636
Additions	-	2	2
At 31 December 2024	416	222	638
<u>Accumulated depreciation</u>			
At 1 January 2023	320	214	534
Depreciation for the year	81	3	84
Disposals	(367)	-	(367)
At 31 December 2023	34	217	251
Depreciation for the year	84	1	85
At 31 December 2024	118	218	336
<u>Net book value</u>			
At 1 January 2023	47	6	53
At 31 December 2023	382	3	385
At 31 December 2024	298	4	302

The depreciation expense is charged to other expenses.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

### Right-of-use assets

Right-of-use assets of the group are as follows:

GROUP	LEASED OPERATING FACILITIES \$'000	PLANT, MACHINERY AND OFFICE EQUIPMENT \$'000	TOTAL \$'000
<u>Cost</u>			
At 1 January 2023	4,521	727	5,248
Additions	1,027	527	1,554
Disposals	(367)	-	(367)
Exchange differences	301	67	368
At 31 December 2023	5,482	1,321	6,803
Additions	-	99	99
Exchange differences	16	15	31
At 31 December 2024	5,498	1,435	6,933
<u>Accumulated depreciation</u>			
At 1 January 2023	1,890	555	2,445
Depreciation for the year	625	223	848
Disposals	(367)	-	(367)
Exchange differences	217	63	280
At 31 December 2023	2,365	841	3,206
Depreciation for the year	660	201	861
Exchange differences	1	5	6
At 31 December 2024	3,026	1,047	4,073
<u>Net book value</u>			
At 1 January 2023	2,631	172	2,803
At 31 December 2023	3,117	480	3,597
At 31 December 2024	2,472	388	2,860

The useful lives of the assets are as follows:

Leased operating facilities	-	3 to 10 years
Plant, machinery and office equipment	-	2 to 6 years

Right-of-use assets of the group and the company relate mainly to leased operating facilities. The group leases office space and warehouses for the purpose of back office operations and storing of electric motors for sale.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

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## 16. SUBSIDIARIES

	COMPANY	
	2024	2023
	\$'000	\$'000
Unquoted equity shares, at cost	67,284	67,284
Impairment losses	(48,147)	(48,147)
	19,137	19,137

	COMPANY	
	2024	2023
	\$'000	\$'000
Movements in allowance for impairment:		
Balance at beginning and at end of the year	48,147	48,147

The wholly owned subsidiaries are listed below:

NAME OF SUBSIDIARIES	PRINCIPAL ACTIVITIES	PRINCIPAL AND INCORPORATION PLACE OF BUSINESS	UNQUOTED EQUITY SHARES, AT COST	
			2024	2023
			\$'000	\$'000
<i>Held by the company</i>				
Brook Crompton UK Limited <sup>(1)</sup>	Distribution of electric motors	United Kingdom	9,748	9,748
Brook Crompton Limited <sup>(2)</sup>	Distribution of electric motors	Canada	7,084	7,084
Brook Crompton USA, Inc <sup>(2)</sup>	Distribution of electric motors	United States of America	6,372	6,372
Brook Crompton Asia Pacific Pte. Ltd. <sup>(3)</sup>	Distribution of electric motors	Singapore	44,080	44,080
Brook Crompton Services Technology Pte. Ltd. <sup>(4)</sup>	Dormant	Singapore	*	-
			67,284	67,284

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 16. SUBSIDIARIES (CONT'D)

NAME OF SUBSIDIARIES	PRINCIPAL ACTIVITIES	PRINCIPAL AND INCORPORATION PLACE OF BUSINESS	EFFECTIVE PERCENTAGE OF EQUITY HELD BY COMPANY	
			2024	2023
			%	%
<i>Held through Brook Crompton Services Technology Pte. Ltd.</i>				
Brook-TM Services Technology Pte. Ltd. <sup>(4)</sup>	Dormant	Singapore	51	51
<i>Held through Brook Crompton UK Limited</i>				
Brook Makina Ticaret Limited Sirketi <sup>(5)</sup>	Distribution of electric motors	Turkey	100	100
<i>Held through Brook Crompton Asia Pacific Pte. Ltd.</i>				
Brook Crompton Australia Pte Ltd. <sup>(6)</sup>	Distribution of electric motors	Australia	100	100

\* Amount is less than \$1,000.

- (1) Other independent auditors. Audited by Azets Audit Services Limited, firm of accountants other than member firms of RSM International of which RSM SG Assurance LLP in Singapore is a member.
- (2) Other independent auditors. Audited by MNP LLP, firm of accountants other than member firms of RSM International of which RSM SG Assurance LLP in Singapore is a member.
- (3) Audited by RSM SG Assurance LLP.
- (4) Incorporated in 2023 and remains dormant as at 31 December 2024. Brook-TM Services Technology Pte. Ltd. is a 51% owned subsidiary.
- (5) Acquired in 2023, The subsidiary is not material to the group.
- (6) Not audited as relieved from the requirement to prepare and lodge an audited financial report with the local authorities.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 17. INTANGIBLE ASSETS

	GOODWILL \$'000	COMPUTER SOFTWARE LICENSES \$'000
<b>Group</b>		
<u>Cost</u>		
At 1 January 2023	227	79
Additions	-	12
At 31 December 2023	227	91
Exchange differences	-	(2)
At 31 December 2024	227	89
<u>Accumulated amortisation</u>		
At 1 January 2023	-	36
Amortisation for the year	-	24
At 31 December 2023	-	60
Amortisation for the year	-	9
Exchange differences	-	(1)
At 31 December 2024	-	68
<u>Accumulated impairment loss</u>		
At 1 January 2023, 31 December 2023 and 31 December 2024	227	-
<u>Net book value</u>		
At 1 January 2023	-	43
At 31 December 2023	-	31
At 31 December 2024	-	21
<b>Company</b>		
<u>Cost</u>		
At 1 January 2023, 31 December 2023 and 31 December 2024		37
<u>Accumulated amortisation</u>		
At 1 January 2023		20
Amortisation for the year		7
At 31 December 2023		27
Amortisation for the year		3
At 31 December 2024		30
<u>Net book value</u>		
At 1 January 2023		6
At 31 December 2023		10
At 31 December 2024		7

The useful lives are as follows:

Computer software licences – 5 years

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

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## 18. OTHER RECEIVABLES, NON-CURRENT

	COMPANY	
	2024	2023
	\$'000	\$'000
Amounts due from subsidiaries	4,686	2,136
Loss allowance	(2,136)	(2,136)
	2,550	-

Loss allowance of \$2,136,000 has been identified to be credit impaired as there is no realistic prospect of a recovery of an amount due from a subsidiary.

## 19. INVENTORIES

	GROUP	
	2024	2023
	\$'000	\$'000
Goods for resale	25,281	24,747
Spare parts	689	480
	25,970	25,227
Inventories are stated after allowance. Movements in allowance:		
At beginning of the year	2,222	1,365
Charge to profit or loss included in other losses (Note 6)	291	933
Write back of inventories (Note 6)	(660)	-
Used	(79)	-
Exchange differences	(2)	(76)
At end of the year	1,772	2,222

In 2024, the cost of inventories recognised as an expense and included in cost of sales amounted to \$42,234,000 (2023: \$52,500,000).

The write back of allowance is for inventories with an estimated increase in net realisable.

There are no inventories pledged as security for liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 20. TRADE AND OTHER RECEIVABLES, CURRENT

	GROUP		COMPANY	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Trade receivables:</u>				
Third parties	13,342	15,081	-	-
Related parties	18	107	-	-
Less allowance for impairment	(133)	(146)	-	-
Net trade receivables – subtotal	13,227	15,042	-	-
<u>Other receivables:</u>				
Third parties	2,324	900	37	32
Subsidiaries	-	-	8,733	9,517
Related parties	740	604	479	289
GST recoverable	1	4	1	4
Net other receivables – subtotal	3,065	1,508	9,250	9,842
Total trade and other receivables	16,292	16,550	9,250	9,842

	GROUP	
	2024	2023
	\$'000	\$'000
Movements in above allowance on trade receivables:		
At beginning of the year	146	330
Allowance for impairment included in other losses	12	50
Reversal to profit or loss included in other gains	(21)	(244)
Exchange differences	(4)	10
At end of the year	133	146

The expected credit losses (“ECL”) on the trade receivables are based on the simplified approach to measure ECL which uses a lifetime ECL allowance approach for all such assets recognised from the initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL including the impact of the current economic conditions. The allowance model is based on the historical observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 20. TRADE AND OTHER RECEIVABLES, CURRENT (CONT'D)

The ageing of the assets is as follows:

	GROSS AMOUNT		LOSS ALLOWANCE	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables:				
Not past due	6,786	10,125	-	-
Past due 1 – 90 days	5,264	3,198	-	-
Past due 91 – 180 days	458	1,617	-	(88)
Past due more than 180 days	719	248	(133)	(58)
Total	13,227	15,188	(133)	(146)

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

	GROUP	
	2024	2023
	\$'000	\$'000
Top 1 customer	1,832	1,086
Top 2 customers	3,979	1,879
Top 3 customers	4,717	2,627

For other receivables from subsidiaries and related parties, the group and the company assessed the latest financial performance and position of the subsidiaries and related parties, adjusted for future outlook of the industry and jurisdiction in which they operate in, and concluded there has been no significant increase in credit risk since the initial recognition of the non-trade receivables. Accordingly, the group and the company measured the loss allowance using 12-month ECL and determined that the ECL is insignificant as at 31 December 2024.

## 21. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Not restricted in use	22,494	17,938	2,309	3,094
Cash and cash equivalents as per consolidated statement of cash flows	22,494	17,938	2,309	3,094

The interest earning balances are not material.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 21. CASH AND CASH EQUIVALENTS (CONT'D)

### 21A. Non-cash transactions:

	GROUP	
	2024	2023
	\$'000	\$'000
Acquisitions of certain assets under right-of-use assets under lease contracts	99	1,554

### 21B. Reconciliation of liabilities arising from financing activities:

GROUP	2023	CASH FLOWS	NON-CASH CHANGES	2024
	\$'000	\$'000	\$'000	\$'000
Lease liabilities	3,843	(1,243)	370 <sup>(a)</sup>	2,970
Total liabilities from financing activities	3,843	(1,243)	370	2,970

GROUP	2022	CASH FLOWS	NON-CASH CHANGES	2023
	\$'000	\$'000	\$'000	\$'000
Lease liabilities	2,882	(781)	1,742 <sup>(a)</sup>	3,843
Total liabilities from financing activities	2,882	(781)	1,742	3,843

a. Acquisitions, accretion of interest and foreign exchange movements.

## 22. SHARE CAPITAL

	GROUP AND COMPANY	
	NUMBER OF SHARES ISSUED	SHARE CAPITAL
	'000	\$'000
Ordinary shares of no par value:		
Balance at 1 January 2023, 31 December 2023 and 31 December 2024	35,459	149,642

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.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 22. SHARE CAPITAL (CONT'D)

### 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. Adjusted capital comprises all components of equity (that is, share capital and reserves).

There are no external borrowings. The debt-to-adjusted capital ratio does not provide a meaningful indicator of the risk of borrowings.

## 23. OTHER RESERVES

	GROUP		COMPANY	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Translation reserve	(3,134)	(3,439)	-	-
Capital reserve	18,650	18,650	18,650	18,650
	15,516	15,211	18,650	18,650

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Capital reserve are non-distributable and represent:

- (i) the deemed capital injection arising from the waiver by its former ultimate holding company of amounts paid on behalf of the company in 2008; and
- (ii) the difference between fair value of the interest-free loan from its intermediate holding company and the loan amount.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 24. RETIREMENT BENEFITS

	GROUP	
	2024	2023
	\$'000	\$'000
Present value of retirement benefit obligations	–	(2,796)
Fair value of plan assets	–	3,124
	–	328

The group operates a post-employment defined benefit plan for its employees in Canada. The provision is based on an actuarial calculation by an independent actuary using the “Projected Unit Credit Method”. There is no change in the method of actuarial calculation during the financial year.

The Brook Crompton Pension Plan for Canadian employees was established on 1 February 2002 as a successor plan to the BTR Pension Plan for Canadian employees and the Registered Pension Plan for the employees of Brook Hansen (Canada) Inc. No assets or liabilities were transferred from these prior plans; however this Plan is responsible for the increase in pre 1 February 2002 benefits stemming from the increase in final average earnings in respect of credited service from 1 January 1996 (or their date of entry in a prior plan with defined benefits if it is an executive personnel) to 1 February 2002. The Plan has been amended to comply with the Income Tax Act in Canada and evolving pension legislation and to clarify the maximum benefit provisions.

The plan assets are invested in a pooled balanced fund managed by external parties.

During the year, the termination of the Brook Crompton Pension Plan was approved.

## 25. LEASE LIABILITIES

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

	GROUP		COMPANY	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Lease liabilities, current	827	632	81	76
Lease liabilities, non-current	2,143	3,211	229	309
	2,970	3,843	310	385

A summary of the maturity analysis of lease liabilities is disclosed in Note 27E. Total cash outflows from leases are shown in the consolidated statement of cash flows. The related right-of-use assets are disclosed in Note 15.

Leases for right-of-use assets - the group has a few leases relating to the offices, warehouses, motor vehicles and office equipment. Other information about the leasing activities are summarised as follows – The leases prohibit the lessee from selling or pledging the underlying leased assets as security unless permitted by the owners. There are no variable payments linked to an index. The leases are for terms between 2 to 11 years. The leases do not provide options to purchase the underlying leased assets outright. Certain of the leases provide options to extend the leases for a further term. The weighted average incremental borrowing rate applied to lease liabilities recognised was ranged from 1.75% to 5.50% (2023: 1.75% to 5.50%) per annum.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 25. LEASE LIABILITIES (CONT'D)

The lease liability above does not include the short-term leases of less than 12 months 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 liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

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

## 26. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Trade payables:</u>				
Outside parties and accrued liabilities	5,005	7,460	400	383
Related parties	14,106	10,691	-	-
Trade payables – subtotal	19,111	18,151	400	383
<u>Other payables:</u>				
Immediate holding company (Note 3)	12	-	12	-
Related parties (Note 3)	436	155	2	5
Subsidiaries (Note 3)	-	-	105	99
Other payables – subtotal	448	155	119	104
Total trade and other payables	19,559	18,306	519	487

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION

### 27A. Categories of financial assets and financial liabilities

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

	GROUP		COMPANY	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Financial assets:</u>				
Financial assets at amortised cost	38,786	34,488	11,559	12,936
At end of the year	38,786	34,488	11,559	12,936
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	22,529	22,149	829	872
At end of the year	22,529	22,149	829	872

Further quantitative disclosures are included throughout these financial statements.

### 27B. 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, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices.

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

### 27C. Fair values of financial instruments

The analyses 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 both 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.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 27D. 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 ECL on financial assets, the general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the impairment allowance. Under this general approach the financial assets move through the three stages as their credit quality changes. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. However, the simplified approach (that is, to measure the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life) permitted by the financial reporting standards on financial instruments is applied for financial assets that do not have a significant financing component, such as trade receivables and contract assets.

For credit risk on trade receivables, contract assets and other financial assets 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 21 discloses the cash balances. There was no identified impairment loss.

### 27E. Liquidity risk – financial liabilities maturity analysis

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 within twelve months after at the end of the reporting year. The average credit period taken to settle current trade payables is about 60 days (2023: 60 days). 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.

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

GROUP	LESS THAN	1 – 5 YEARS	OVER 5 YEARS	TOTAL
	1 YEAR			
	\$'000	\$'000	\$'000	\$'000
Non-derivative financial liabilities:				
2024:				
Gross lease liabilities	1,013	2,410	–	3,423
Trade and other payables	19,559	–	–	19,559
At end of year	20,572	2,410	–	22,982

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 27E. Liquidity risk – financial liabilities maturity analysis (cont'd)

GROUP	LESS THAN	1 – 5 YEARS	OVER 5 YEARS	TOTAL
	1 YEAR			
	\$'000	\$'000	\$'000	\$'000
Non-derivative financial liabilities:				
<u>2023:</u>				
Gross lease liabilities	747	2,940	427	4,114
Trade and other payables	18,306	-	-	18,306
At end of year	19,053	2,940	427	22,420

COMPANY	LESS THAN	1 – 5 YEARS	OVER 5 YEARS	TOTAL
	1 YEAR			
	\$'000	\$'000	\$'000	\$'000
Non-derivative financial liabilities:				
<u>2024:</u>				
Gross lease liabilities	95	245	-	340
Trade and other payables	519	-	-	519
At end of year	614	245	-	859

COMPANY	LESS THAN	1 – 5 YEARS	OVER 5 YEARS	TOTAL
	1 YEAR			
	\$'000	\$'000	\$'000	\$'000
Non-derivative financial liabilities:				
<u>2023:</u>				
Gross lease liabilities	94	340	-	434
Trade and other payables	487	-	-	487
At end of year	581	340	-	921

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 27F. Foreign currency risks

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>EURO</b>	<b>US DOLLAR</b>	<b>GBP</b>	<b>TOTAL</b>
<b>2024</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Financial assets:</u>				
Cash and cash equivalents	180	2,769	1,429	4,378
Trade and other receivables	1,327	4,178	–	5,505
Total financial assets	1,507	6,947	1,429	9,883
<u>Financial liabilities:</u>				
Trade and other payables	1,927	8,220	101	10,248
Total financial liabilities	1,927	8,220	101	10,248
Net financial assets (liabilities) at end of the year	(420)	(1,273)	1,328	(365)
<hr/>				
<b>GROUP</b>	<b>EURO</b>	<b>US DOLLAR</b>	<b>GBP</b>	<b>TOTAL</b>
<b>2023</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Financial assets:</u>				
Cash and cash equivalents	588	1,412	1,964	3,964
Trade and other receivables	4,980	1,036	1	6,017
Total financial assets	5,568	2,448	1,965	9,981
<u>Financial liabilities:</u>				
Trade and other payables	3,383	4,950	101	8,434
Total financial liabilities	3,383	4,950	101	8,434
Net financial assets (liabilities) at end of the year	2,185	(2,502)	1,864	1,547



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 27F. Foreign currency risks (cont'd)

COMPANY 2024	EURO \$'000	US DOLLAR \$'000	GBP \$'000	TOTAL \$'000
<u>Financial assets:</u>				
Cash and cash equivalents	4	1,532	15	1,551
Trade and other receivables	193	1,297	1,720	3,210
Total financial assets	197	2,829	1,735	4,761
<u>Financial liabilities:</u>				
Trade and other payables	-	12	-	12
Total financial liabilities	-	12	-	12
Net financial assets at end of the year	197	2,817	1,735	4,749

COMPANY 2023	EURO \$'000	US DOLLAR \$'000	GBP \$'000	TOTAL \$'000
<u>Financial assets:</u>				
Cash and cash equivalents	162	63	1,913	2,138
Trade and other receivables	149	1,072	2,549	3,770
Total financial assets	311	1,135	4,462	5,908
<u>Financial liabilities:</u>				
Trade and other payables	4	-	8	12
Total financial liabilities	4	-	8	12
Net financial assets at end of the year	307	1,135	4,454	5,596

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

Sensitivity analysis:

GROUP	2024 \$'000	2023 \$'000
A hypothetical 10% strengthening in the exchange rate of the functional currency \$ against all non-functional currencies with all other variables held constant would have a favourable / (adverse) effect on pre-tax profit of the following amounts:		
Against Euro	42	(219)
Against US Dollar	127	250
Against the GBP	(133)	(186)

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2024

## 27. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONT'D)

### 27F. Foreign currency risks (cont'd)

COMPANY	2024 \$'000	2023 \$'000
A hypothetical 10% strengthening in the exchange rate of the functional currency \$ against all non-functional currencies with all other variables held constant would have a favourable / (adverse) effect on pre-tax profit of the following amounts:		
Against Euro	(20)	(31)
Against US Dollar	(282)	(114)
Against the GBP	(174)	(445)

The above table shows sensitivity to the hypothetical percentage variations in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each non-functional currency to which the entity has significant exposure at end of the reporting year.

## 28. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the current reporting year the ASC issued certain new or revised financial reporting standards. None had material impact on the reporting entity.

## 29. NEW OR AMENDED STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

The ASC issued certain new or revised financial reporting standards for the future reporting years. The transfer to the applicable new or revised standards from the effective dates is not expected to result in material modification of the measurement methods or the presentation in the financial statements for the following reporting 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. Those applicable to the reporting entity for future reporting years are listed below:

SFRS (I) NO.	TITLE	EFFECTIVE DATE FOR PERIODS BEGINNING ON OR AFTER
SFRS(I) 18	Presentation and disclosures in financial statements	1 January 2027
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

Directors:	Registered Office:
Ms. Thi Thuy Trang Phan	19 Keppel Road
Mr. Pang Xinyuan	#08-01 Jit Poh Building
Mr. Chao Mun Leong	Singapore 089058

11 April 2025

To: The Shareholders of Brook Crompton Holdings Ltd.

Dear Sir/Madam

## THE PROPOSED RENEWAL OF THE GENERAL MANDATE FOR TRANSACTIONS WITH INTERESTED PERSONS OF THE COMPANY (THE "GENERAL MANDATE")

### 1. INTRODUCTION

We refer to (a) the Notice of the Annual General Meeting of Brook Crompton Holdings Ltd. (the "**Company**") dated 11 April 2025 (the "**Notice of AGM**") accompanying the Annual Report of the Company for the financial year ended 31 December 2024 (the "**2024 Annual Report**") in relation to the convening of the annual general meeting of the Company which is scheduled to be held on 28 April 2025 ("**2025 AGM**"), and (b) Ordinary Resolution 7 to seek the approval of shareholders of the Company ("**Shareholders**") for the proposed renewal of the General Mandate under the heading "Special Business" set out in the Notice of AGM. The purpose of this Letter to Shareholders is to provide Shareholders with information relating to, and the reasons for, the proposed renewal of the General Mandate.

### 2. THE PROPOSED RENEWAL OF THE GENERAL MANDATE

#### 2.1 The Existing General Mandate

At the Extraordinary General Meeting held on 19 July 2023 (the "**2023 EGM**"), Shareholders approved the General Mandate to enable the Company, its subsidiaries and associated companies to enter into any transactions falling within the categories of ATB/Wolong Interested Person Transactions described in the Company's circular to Shareholders dated 4 July 2023.

The General Mandate is subject to annual renewal and was renewed at the annual general of the Company held on 29 April 2023 ("**2024 AGM**").

#### 2.2 Proposed Renewal of the General Mandate

The General Mandate was expressed to continue to be in force until the conclusion of the next Annual General Meeting of the Company, being the forthcoming 2025 AGM, or the date by which the next annual general meeting of the Company is required to be held, whichever is earlier. Accordingly, the directors of the Company (the "**Directors**") propose that the General Mandate be renewed at the forthcoming 2025 AGM.

There is no change to the terms of the General Mandate which is proposed to be renewed at the 2025 AGM, in particular, there are no changes to the categories of interested persons and the interested person transactions that are subject to the General Mandate, and there are no changes to the review procedures for the interested person transactions subject to the General Mandate.

## 2. THE PROPOSED RENEWAL OF THE GENERAL MANDATE (CONTINUED)

### 2.3 Details of the General Mandate

Details of the General Mandate, including the rationale for and the benefits to the Company, the review procedures for determining transaction prices with interested persons and other general information in relation to Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”), are set out in the Appendix to this letter.

### 2.4 Confirmation of Audit Committee

Pursuant to Rule 920(1)(c) of the Listing Manual, the Audit Committee of the Company confirms that:

- (a) the methods or procedures for determining the transaction prices under the General Mandate have not changed subsequent to the 2023 EGM; and
- (b) the methods or procedures referred to paragraph 2.4(a) above are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

## 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

### 3.1 The interests of the Directors and Substantial Shareholders in the Shares as at the Latest Practicable Date are set out below:

	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	% <sup>(1)</sup>	NO. OF SHARES	% <sup>(1)</sup>
<b>Directors</b>				
Thi Thuy Trang Phan	-	-	-	-
Pang Xinyuan	-	-	21,702,037 <sup>(11)</sup>	61.20
Chao Mun Leong	-	-	-	-
<b>Substantial Shareholders (other than Directors)</b>				
ATB Austria Antriebstechnik AG	-	-	21,702,037 <sup>(2)</sup>	61.20
Wolong Investments Gmbh	-	-	21,702,037 <sup>(3)</sup>	61.20
Wolong Holding Group Gmbh	-	-	21,702,037 <sup>(4)</sup>	61.20
Hongkong Wolong Holding Group Co Ltd	-	-	21,702,037 <sup>(5)</sup>	61.20
Wolong Electric Group Co Ltd	-	-	21,702,037 <sup>(6)</sup>	61.20
Zhejiang Wolong Shunyu Investment Co. Ltd	-	-	21,702,037 <sup>(7)</sup>	61.20
Wolong Holding Group Co Ltd	-	-	21,702,037 <sup>(8)</sup>	61.20
Chen Jiancheng	-	-	21,702,037 <sup>(9)</sup>	61.20
Chen Yanni	-	-	21,702,037 <sup>(10)</sup>	61.20

### 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS (CONTINUED)

- (1) The percentage shareholding interest is based on the issued share capital of 35,458,818 shares as at the Latest Practicable Date.
- (2) ATB Austria Antriebstechnik AG ("**ATB**") is deemed to be interested in the 21,702,037 ordinary shares held under the name of nominee – CGS International Securities Singapore Pte. Ltd.
- (3) Wolong Investments GmbH ("**Wolong Investments**") holds 100% shares in ATB and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Companies Act 1967 ("**the Act**").
- (4) Wolong Holding Group GmbH ("**Wolong Holding**") is the sole shareholder of Wolong Investments and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (5) Hongkong Wolong Holding Group Co Ltd ("**Hongkong Wolong**") is the sole shareholder of Wolong Holding and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (6) Wolong Electric Group Co Ltd ("**Wolong Electric**") is the sole shareholder of HongKong Wolong and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (7) Zhejiang Wolong Shunyu Investment Co. Ltd ("**Zhejiang Wolong Shunyu**") holds 32.32% shares in Wolong Electric and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (8) Wolong Holding Group Co Ltd ("**WHGCL**") is the sole shareholder of Zhejiang Wolong Shunyu and holds 4.72% shares in Wolong Electric, and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (9) Chen Jiancheng holds 48.93% equity interest in WHGCL and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (10) Chen Yanni holds 38.73% equity interest in WHGCL and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (11) Pang Xinyuan is spouse of Chen Yanni and son-in-law of Chen Jiancheng, and is therefore deemed to be interested in the shares held by ATB by virtue of Section 164(15) of the Act.

#### 3.2 Abstention from voting

ATB, the Controlling Shareholder of the Company, and Wolong, which is deemed to be interested in the Shares held by ATB by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore, are "interested persons" for the purposes of Chapter 9 of the Listing Manual. Accordingly, ATB, Wolong and their respective associates will abstain from voting in respect of the Ordinary Resolution 7 relating to the proposed renewal of the General Mandate at the forthcoming 2025 AGM.

Further, each of the persons mentioned in this paragraph 3.2 undertakes to decline to accept appointment to act as proxies for other Shareholders of the Company at the 2025 AGM for Ordinary Resolution 7 unless the Shareholder concerned shall have been given specific instructions as to the manner in which his/her votes are to be cast.

## 4. DIRECTORS' RECOMMENDATION

The Directors who are considered independent for the purposes of the proposed renewal of the General Mandate (the "**Independent Directors**") are Ms Thi Thuy Trang Phan, and Mr Chao Mun Leong. The Independent Directors having considered, inter alia, the terms, the rationale and the benefits of the General Mandate, are of the view that the General Mandate is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution 7 relating to the proposed renewal of the General Mandate set out in the Notice of AGM.

## 5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors jointly and severally accept responsibility for the accuracy of the information contained in this letter and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts and opinions expressed in this letter are fair and accurate and that there are no material facts the omission of which would make any statement in this letter misleading.

## 6. ADVICE TO SHAREHOLDERS

Shareholders who are in any doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisor immediately.

## 7. SGX-ST

The SGX-ST takes no responsibility for contents of this Letter to Shareholders, including the accuracy, completeness or correctness of any information, statements or opinions made in this Letter to Shareholders.

Yours faithfully

**BROOK CROMPTON HOLDINGS LTD.**  
**Chao Mun Leong**

Singapore

## 1. CHAPTER 9 OF THE LISTING MANUAL

1.1 Chapter 9 of the Listing Manual ("**Chapter 9**") governs transactions which a listed company or any of its subsidiaries or associated companies proposes to enter into with a party who is an interested person of the listed company. The purpose is to guard against the risk that interested persons could influence the listed company, its subsidiaries or associated companies to enter into transactions with interested persons that may adversely affect the interests of the listed company or its minority shareholders.

1.2 For the purposes of Chapter 9:

- (a) an "approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles in Chapter 9;
- (b) an "associate" in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means his immediate family (i.e., spouse, child, adopted child, stepchild, sibling and parent), the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more. An "associate" in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more;
- (c) an "associated company" means a company in which at least 20% but not more than 50% of its shares are held by the listed company or group;
- (d) a "controlling shareholder" is a person who holds directly or indirectly 15% or more of all voting shares in a listed company (subject to the SGX-ST determining that such a person is not a controlling shareholder) or in fact exercises control over the company;
- (e) an "entity at risk" means a listed company, a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange, or an associated company of the listed group that is not listed on the SGX-ST or an approved exchange, provided that the listed group or the listed group and its interested person(s) has control over the associated company;
- (f) an "interested person" means a director, chief executive officer or controlling shareholder of a listed company, or an associate of such director, chief executive officer or controlling shareholder;
- (g) an "interested person transaction" means a transaction between an entity at risk and an interested person; and
- (h) a "transaction" includes (i) the provision or receipt of financial assistance; (ii) the acquisition, disposal or leasing of assets; (iii) the provision or receipt of products and services; (iv) the issuance or subscription of securities; (v) the granting of or being granted options; and (vi) the establishment of joint ventures or joint investments, whether or not entered into in the ordinary course of business and whether or not entered into directly or indirectly.

- 1.3 Save for transactions which are not considered to put the listed company at risk and which are therefore excluded from the ambit of Chapter 9, an immediate announcement and/or shareholders' approval would be required in respect of transactions with interested persons if the value of the transaction is equal to or exceeds certain financial thresholds. In particular, an immediate announcement is required where:
- (a) the value of a proposed transaction is equal to or exceeds 3% of the listed group's latest audited consolidated net tangible assets ("NTA"); or
  - (b) the aggregate value of all transactions entered into with the same interested person during the same financial year is equal to or more than 3% of the listed group's latest audited consolidated NTA. An announcement will have to be made immediately of the latest transaction and all future transactions entered into with that same interested person during the financial year, and shareholders' approval (in addition to an immediate announcement) is required where:
  - (c) the value of a proposed transaction is equal to or exceeds 5% of the listed group's latest audited consolidated NTA; or
  - (d) the aggregate value of all transactions entered into with the same interested person during the same financial year, is equal to or more than 5% of the listed group's latest audited consolidated NTA. The aggregate will exclude any transaction that has been approved by shareholders previously or is the subject of aggregation with another transaction that has been previously approved by shareholders.

For the purposes of aggregation, interested person transactions below S\$100,000 each are to be excluded.

- 1.4 Part VIII of Chapter 9 allows a listed company to seek a General Mandate from its shareholders for recurrent transactions with interested persons of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings or businesses. A General Mandate granted by shareholders is subject to annual renewal.

## 2. RATIONALE FOR THE GENERAL MANDATE

- 2.1 The Directors believe that the General Mandate is in the interests of the Group for the following reasons:-

- (a) the ATB/Wolong Interested Persons are in a similar business as the Group and as such, the Group has been leveraging on the products and services and the range of such products and services provided by the ATB/Wolong Interested Persons. The General Mandate will allow the Group to continue to take advantage of such opportunities, thereby increasing its revenue.
- (b) Timely delivery is an essential element in the Group's business. If the Company were required to seek Shareholders' approval on each occasion it deals with the ATB/Wolong Interested Persons, it would make it unviable for the ATB/Wolong Interested Persons to transact with the Group.

The General Mandate would facilitate such transactions with the ATB/Wolong Interested Persons being carried out in a timely manner.

- (c) If the Company is constantly required to seek Shareholders' approval for transactions with the ATB/Wolong Interested Persons, the Company would have to expand administrative time and resources as well as incur additional expenses associated therewith. The proposed General Mandate would allow such resources and time to be channelled towards the Company's other objectives.



(d) In the Group's ordinary course of business, transactions with the ATB/Wolong Interested Persons constitute a significant portion of the Group's business activities and operations and occur on a regular basis. Accordingly, the ATB/Wolong Interested Persons Transactions are necessary to the day-to-day operations of the Group and the non-adoption of the IPT General Mandate is expected to cause significant disruption to the Group's day-to-day operations and will not be in the best interest of our Shareholders.

2.2 The General Mandate and the renewal thereof on an annual basis are intended to facilitate the ATB/Wolong Interested Person Transactions in the ordinary course of business of the Group which the Directors envisage likely to be transacted with some frequency from time to time with the ATB/Wolong Interested Persons, provided that they are carried out at arm's length and on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

### 3. CLASSES OF ATB/WOLONG INTERESTED PERSONS

The proposed General Mandate will apply to the transactions set out in paragraph 4.2 below proposed to be carried out with the following classes of persons: (a) ATB; (b) Wolong Group Holding Co. Ltd ("**Wolong**"), who is holding company of ATB; and (c) any associate (as defined in the Listing Manual) of ATB or Wolong.

### 4. SCOPE OF THE GENERAL MANDATE

4.1 Chapter 9 of the Listing Manual governs transactions by a listed company as well as transactions by its subsidiaries and associated companies that are considered to be at risk with the listed company's interested persons. When this Chapter applies to a transaction and the value of that transaction alone or in aggregation with all other transactions conducted with the same interested person during the financial year exceeds certain materiality thresholds, the listed company is required to seek its shareholders' approval for that transaction.

The materiality thresholds are:-

- (a) 5% of the listed group's latest audited consolidated NTA; or
- (b) 5% of the listed group's latest audited consolidated NTA, when aggregated with all other transactions entered into with the same interested person (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.

However, Chapter 9 of the Listing Manual permits a listed company to seek a mandate from its shareholders for recurrent transactions with interested persons of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials that may be carried out with the listed company's interested persons.

As mentioned, in light of the fact that the Group and the ATB/Wolong Interested Persons are in similar businesses, it is envisaged that in the ordinary course of their businesses, certain transactions (as more particularly set out in paragraph 4.2 below) between the Group Companies and the ATB/Wolong Interested Persons may occur from time to time. Such ATB/Wolong Interested Person Transactions would be transactions in the ordinary course of business in the Group.

Accordingly, the General Mandate is being proposed to enable the group of companies (Group Companies) to, in the ordinary course of business, enter into the categories of ATB/Wolong Interested Person Transactions set out in paragraph 4.2 below with the ATB/Wolong Interested Persons, provided such transactions are entered into on an arm's length basis and on normal commercial terms, and are not prejudicial to the interest of the Company and its minority Shareholders.

The General Mandate does not cover any transaction between a Group Company and any ATB/Wolong Interested Person that is below S\$100,000 in value, as the threshold and aggregation requirements of Chapter 9 of the Listing Manual do not apply to such transactions.

#### **4.2 Types of Transactions under the Scope of the General Mandate**

The ATB/Wolong Interested Person Transactions to be covered by the General Mandate would include the following classes of transactions which are entered into during the Group's normal course of business. The General Mandate does not cover any purchase or sale of assets, undertakings or businesses from or to the ATB/Wolong Interested Persons.

##### **(a) Trading of electric motors, drives, energy storage products, monitoring devices and components**

As the Group Companies and the ATB/Wolong Group each specialise in the manufacture and trading of different categories of electric motors, occasions may arise from time to time where it is necessary for the Group Companies to sell or purchase electric motors, drives, energy storage products, monitoring devices and components from the ATB/Wolong Group. Currently, the Group Companies are in the business of trading high voltage and low voltage industrial electric motors as well as the drives and monitoring devices which are required for specific electric motor/drive applications with respect to the electric motors whereas the ATB/Wolong Group specialises in the production of electric motors. In addition, as energy storage products are utilised in many renewable energy markets which involves the supply of electric motor technology, the Group Companies are also involved in the business of trading such energy storage products to enable the Group to tap deeper into the renewable energy markets as part of the Group's growth strategy.

The sale and purchase prices for such electric motors, drives, energy storage products, monitoring devices and components to be sold or bought from the ATB/Wolong Group are determined by the sales or purchasing departments of the relevant Group Companies on the same bases as if the relevant Group Company were dealing with an unrelated third party.

The Group will benefit from having access to a wide range of electric motors, drives, energy storage products, monitoring devices and components at competitive quotes from the ATB/Wolong Group, in addition to obtaining quotes from or transacting with unrelated third parties.

##### **(b) Storage and warehousing of electric motors and components**

Transactions falling within this category are the provision of storage services for electric motors and components to the ATB/Wolong Group by the Group Companies at an agreed storage fee. Such fees are negotiated for the contractual period and are based on the prevailing rental rates for similar storage and warehouse space available on the market.

It is expected that the sharing of storage and warehousing facilities with the ATB/Wolong Group would enable the Group Companies to save on rental costs.

**(c) Receipt of financial assistance**

This category covers transactions between companies within the Group and the ATB/Wolong Interested Persons, which include (i) the borrowing of money from the ATB/Wolong Interested Persons and (ii) the provision of guarantees, indemnities or security by the ATB/Wolong Interested Persons in favour of the Group's creditors in respect of borrowings which are incurred by the Group. The Group may seek financial assistance from the ATB/Wolong Interested Persons in cases where there are insufficient funds for the Group's operations or for any other commercial reasons.

The cost of borrowing will be based on the prevailing rates of interest had the relevant company within the Group borrowed from the market. Commission rates (if any) which are charged by the ATB/Wolong Interested Persons for the provision of such guarantees or indemnities will be benchmarked against commission rates quoted by reputable financial institutions.

As any interest payable by the Group Companies to the ATB/Wolong Interested Persons would be no less favourable than what is offered in the market, the provision of financial assistance by the ATB/Wolong Interested Persons would also allow the Group Companies ready access to funds in an expedient manner to meet the Group Companies' liquidity and working capital needs.

**(d) Management support services**

The Group may, from time to time, receive or provide management and support services from/to the ATB/Wolong Interested Persons in the areas of general office administration services and support, financial and treasury advice, business development, investment risk review, governmental relations, strategic development, management information and information technology systems, internal audit and human resources management and development ("**management support services**"). By having access to and providing such management support services, the Group will derive operational and financial leverage in its dealings with third parties as well as benefits from the global network of the ATB/Wolong Interested Persons.

**5. REVIEW PROCEDURES FOR THE ATB/WOLONG INTERESTED PERSON TRANSACTIONS**

To ensure that the ATB/Wolong Interested Person Transactions are conducted on an arm's length basis, on normal commercial terms consistent with the Group's usual business practices and on terms which are generally no more favourable than those extended to unrelated third parties, as a general practice, the relevant company within the Group will only enter into an ATB/Wolong Interested Person Transaction if the terms offered by/extended to an ATB/Wolong Interested Person are no less/more favourable than terms offered by/extended to unrelated third parties. To this end, the Group will adopt the procedures set out below.

**5.1 All ATB/Wolong Interested Person Transactions (except storage and warehousing and financial assistance)**

The Company will monitor the ATB/Wolong Interested Person Transactions which are covered by the General Mandate by implementing the following review and approval procedures:

- (a) Quotations will be obtained from the relevant ATB/Wolong Interested Person and at least two other similar unrelated third-party providers to determine if the price and terms offered by such ATB/Wolong Interested Person are fair and reasonable. In determining if the price and terms offered by the relevant ATB/Wolong Interested Person are fair and reasonable, factors such as (but not limited to) quality, specification compliance, track record, experience and expertise, preferential rates, rebates or discounts accorded for bulk purchases may also be taken into account.

- (b) Where it is not possible to obtain quotations from unrelated third parties and in order to determine whether the terms of the transaction with the relevant ATB/Wolong Interested Person are fair and reasonable, the designated approving party will assess whether the pricing and terms of the transaction is in accordance with the Group's pre-approved price lists. These price lists will be reviewed and approved every six months by the Group Product Manager to ensure they are in accordance with the prevailing industry norms. The transactions will be approved based on the threshold limits as set out in Threshold Limits. The Group will always ensure that the Group's usual profit margin in respect of the subsequent sale of its products or services will not materially decrease with the purchase of components from ATB/Wolong Interested Person.
- (c) For sales to ATB/Wolong Interested Persons, the Group will apply a reasonable percentage mark-up (pre-approved by the Regional Sales Manager on a quarterly basis) from cost to ensure that the pricing for such products or services to a ATB/Wolong Interested Person is in accordance with industry norms and usual business practices, the strategic direction of the Group and pricing policies of the relevant company in the Group and the Group obtains positive gross margin on the transactions. In determining the percentage mark-up for such products, the Regional Sales Manager will take into account factors such as, but not limited to, specifications, quantity, volume, customer requirements, duration of contract, cost of funds to the Group and credit worthiness.

## 5.2 Storage and warehousing

In relation to storage and warehousing services for electric motors and components, the agreed storage fees should be no less favourable than prevailing rental rates. The Company will obtain at least one quotation\* from an unrelated third party to determine if the price and terms are fair and reasonable. In the event that market rental rates are not readily available, the rental fees will be determined based on third party valuations.

\* Note: Compared to the type of transactions, the Company notes that it is often difficult to obtain quotes from unrelated third parties for storage and warehousing services that are comparable. Hence, the Company will endeavour to obtain at least one quote, and failing which, the Company will engage third party valuers to determine the appropriate rental fees.

## 5.3 Financial Assistance

In relation to receipt of financial assistance, the borrowing of funds from any ATB/Wolong Interested Persons should be at rates and on conditions no less favourable than those quoted by a reputable financial institution licensed by the Monetary Authority of Singapore or, in the case of borrowings made by the Group's foreign subsidiaries, at rates quoted by reputable financial institutions located in the relevant foreign jurisdictions.

In relation to the provision of guarantees, indemnities or security by the ATB/Wolong Interested Persons in favour of the Group's creditors, in respect of borrowings which are incurred by the Group, any commission rates (if any) which are chargeable by the ATB/Wolong Interested Persons for the provision of such guarantees or indemnities shall be at rates no less favourable than that quoted by reputable financial institutions.

All financial assistance transactions will be reviewed and approved by the Group Chief Executive Officer. Any financial assistance transaction which exceeds €1,500,000 each in value will be reviewed and approved unanimously by the Audit Committee.

#### 5.4 Management support services

In relation to the provision and/or obtaining of management support services in areas of general office administration services and support, financial and treasury advice, business development, investment risk review, governmental relations, strategic development, management information and information technology systems, internal audit and human resources management and development to or from the ATB/Wolong Interested Persons, all contracts entered into or transactions with ATB/ Wolong Interested Persons are to be carried out at the prevailing market prices determined by market conditions on terms which are no more favourable to the ATB/Wolong Interested Persons than the usual commercial terms extended to or obtained from unrelated third parties.

Where the prevailing market prices or rates for services obtained from the ATB/Wolong Interested Persons are not available due to the nature of the services to be obtained from an ATB/Wolong Interested Person, the Company will assess and ensure that the pricing for such services from the ATB/Wolong Interested Persons is not prejudicial to the interests of the Company and its minority Shareholders and/or is in accordance with industry norms and usual business practices.

In determining the transaction price or rate payable by the Group for such services, the Company will take into account factors such as, but not limited to, service requirements, duration of contract, credit worthiness, cost of funds to the Company and the benefit of such transactions to the Group.

#### 5.5 Approval Thresholds for all ATB/Wolong Interested Persons Transactions

Save for financial assistance transactions, the Company will be implementing the following approval thresholds for all its ATB/Wolong Interested Persons Transactions:

- (i) Transactions less than €200,000 each in value will be reviewed and approved by the designated management levels in accordance with the Group's procedures on the delegation of authority.
- (ii) Transactions exceeding €200,000 but less than €500,000 each in value will be reviewed and approved by the General Manager and the Finance Manager of the relevant company within the Group.
- (iii) Transactions exceeding €500,000 but less than €1,500,000 each in value will be reviewed and approved by the Group Chief Executive Officer.
- (iv) Transactions exceeding €1,500,000 each in value will be reviewed and approved unanimously by the Audit Committee.

The aforementioned approvals shall be obtained before the transactions are entered into or carried out.

#### 5.6 General Administrative Procedures for the ATB/Wolong Interested Person Transactions

The Company will also implement the following administrative procedures in respect of transactions proposed to be entered into with the ATB/Wolong Interested Persons:-

- (a) A register will be maintained by each company within the Group to record all ATB/Wolong Interested Person Transactions which are entered into pursuant to the General Mandate. The annual internal audit plan shall incorporate a review of all ATB/Wolong Interested Person Transactions entered into pursuant to the General Mandate on the compliance of all the ATB/Wolong Interested Persons Transactions with the established guidelines and procedures and the results of these reviews will be reported to the Audit Committee.

- (b) The person authorised to approve those transactions must not have a direct or indirect interest in the transactions. In instances where the authorised person has a direct or indirect interest in any ATB/Wolong Interested Person Transaction, he/she shall not take part in the approval process for such ATB/Wolong Interested Person Transactions. Such ATB/Wolong Interested Person Transactions shall be subject to the approval of such other non-interested persons who are authorised to approve transactions within that threshold limit or the next higher approving authority who has no direct or indirect interest in such transactions.
- (c) On a quarterly basis, the Audit Committee will review all ATB/Wolong Interested Person Transactions.

The General Manager and the Finance Manager of the relevant company within the Group shall submit a declaration form to the Head Office of the Group at the end of each financial quarter, stating that all ATB/Wolong Interested Persons Transactions have been fairly and reasonably executed and are consistent with the guidelines and review procedures for ATB/Wolong Interested Person Transactions. Persons authorised to approve the relevant ATB/Wolong Interested Person Transactions shall also make a declaration when approving the relevant ATB/Wolong Interested Person Transactions, confirming that he/she does not have a direct or indirect interest in the relevant ATB/Wolong Interested Person Transactions.

- (d) On the basis of these periodic reviews by the Internal Auditor of the Company and in the event the Audit Committee is of the view that the guidelines and procedures as stated above are not sufficient to ensure that the ATB/Wolong Interested Person Transactions will be on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Company will seek a fresh general mandate from Shareholders for the ATB/Wolong Interested Persons Transactions based on new guidelines and procedures so that the ATB/Wolong Interested Persons Transactions will be carried out on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.
- (e) The Audit Committee has the overall responsibility for determining the review procedures with the authority to delegate to individuals within the Company as they deem appropriate.

For the purpose of the approval process, if any member of the Audit Committee has an interest in a transaction to be reviewed by the Audit Committee, he will abstain from any decision making by the Audit Committee in respect of the transaction. Accordingly, where any member of the Audit Committee has an interest in the transaction to be reviewed by the Audit Committee, the approval of that transaction will be undertaken by the remaining member(s) of the Audit Committee.

## 6. DISCLOSURE IN ANNUAL REPORT

Disclosure has been made in the section on Interested Person Transactions in this Annual Report of the aggregate value of transactions in excess of S\$100,000 conducted with Interested Persons (as described in paragraph 3 of the appendix to this letter) pursuant to the existing General Mandate approved at the 2023 EGM and disclosure shall be made in the Annual Reports for subsequent financial years that the General Mandate continues in force in accordance with the requirements of Chapter 9.

# SHAREHOLDING STATISTICS

As at 20 March 2025

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Number of shares issued	:	35,458,818
Class of shares	:	Ordinary shares fully paid
Voting rights	:	One vote per share

## DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 20 MARCH 2025

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	800	20.26	48,529	0.14
100 - 1000	2,282	57.79	843,256	2.38
1,001 - 10,000	736	18.64	2,421,415	6.83
10,001 - 1,000,000	128	3.24	5,635,019	15.89
1,000,001 AND ABOVE	3	0.07	26,510,599	74.76
<b>TOTAL</b>	<b>3,949</b>	<b>100.00</b>	<b>35,458,818</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

(as shown in the Depository Register)

NO.	SHAREHOLDER'S NAME	NUMBER OF SHARES HELD	%
1	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	23,439,893	66.10
2	DBS NOMINEES PTE LTD	1,562,306	4.41
3	ABN AMRO CLEARING BANK N.V.	1,508,400	4.25
4	PHILLIP SECURITIES PTE LTD	337,929	0.95
5	CITIBANK NOMINEES SINGAPORE PTE LTD	280,451	0.79
6	UNITED OVERSEAS BANK NOMINEES PTE LTD	262,682	0.74
7	TAN LEE HUANG	215,000	0.61
8	CHIN MIN KWONG	204,000	0.58
9	OCBC SECURITIES PRIVATE LTD	192,876	0.54
10	SEAH CHYE ANN (XIE CAI'AN)	182,500	0.51
11	TEH CHIN HUAT	178,400	0.50
12	IYER ANJALI SUBRAMANIAN	176,175	0.50
13	GO MEI LIN	140,750	0.40
14	HO SIOK HWA EILEEN	125,750	0.35
15	LOW BOON YONG	120,200	0.34
16	OCBC NOMINEES SINGAPORE PTE LTD	116,293	0.33
17	CHEW POH KWAN MARGARET	108,500	0.31
18	CHONG SOHHAR HAROLD	100,000	0.28
19	CHAN SEK KEONG	100,000	0.28
20	LIM AND TAN SECURITIES PTE LTD	96,050	0.27
		<b>29,448,155</b>	<b>83.04</b>

# SHAREHOLDING STATISTICS

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As at 20 March 2025

## REGISTER OF SUBSTANTIAL SHAREHOLDERS

as at 20 March 2025

NAME	DIRECT INTERESTS		DEEMED INTERESTS	
	NO. OF SHARES	%	NO. OF SHARES	%
ATB Austria Antriebstechnik AG	-	-	21,702,037 <sup>(1)</sup>	61.20
Wolong Investments Gmbh	-	-	21,702,037 <sup>(2)</sup>	61.20
Wolong Holding Group Gmbh	-	-	21,702,037 <sup>(3)</sup>	61.20
Hongkong Wolong Holding Group Co Ltd	-	-	21,702,037 <sup>(4)</sup>	61.20
Wolong Electric Group Co Ltd	-	-	21,702,037 <sup>(5)</sup>	61.20
Zhejiang Wolong Shunyu Investment Co. Ltd	-	-	21,702,037 <sup>(6)</sup>	61.20
Wolong Holding Group Co Ltd	-	-	21,702,037 <sup>(7)</sup>	61.20
Chen Jiancheng	-	-	21,702,037 <sup>(8)</sup>	61.20
Chen Yanni	-	-	21,702,037 <sup>(9)</sup>	61.20
Pang Xinyuan	-	-	21,702,037 <sup>(10)</sup>	61.20

### Note :

- (1) ATB Austria Antriebstechnik AG's ("ATB") interest in the 21,702,037 shares was held under the name of nominees - CGS International Securities Singapore Pte Ltd.
- (2) Wolong Investments Gmbh ("Wolong Investments") holds 100% shares in ATB and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Companies Act 1967 ("the Act").
- (3) Wolong Holding Group Gmbh ("Wolong Holding") is the sole shareholder of Wolong Investments and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (4) Hongkong Wolong Holding Group Co Ltd ("Hongkong Wolong") is the sole shareholder of Wolong Holding and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (5) Wolong Electric Group Co Ltd ("Wolong Electric") is the sole shareholder of Hongkong Wolong and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (6) Zhejiang Wolong Shunyu Investment Co. Ltd ("Zhejiang Wolong Shunyu") holds 32.32% shares in Wolong Electric and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (7) Wolong Holding Group Co Ltd ("WHGCL") is the sole shareholder of Zhejiang Wolong Shunyu and holds 4.72% shares in Wolong Electric, and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (8) Chen Jiancheng holds 48.93% equity interest in WHGCL and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (9) Chen Yanni holds 38.73% equity interest in WHGCL and is therefore deemed to be interested in the shares held by ATB by virtue of Section 7(4) of the Act.
- (10) Pang Xinyuan is the spouse of Chen Yanni and the son-in-law of Chen Jiancheng and is therefore deemed to be interested in the shares held by ATB by virtue of Section 164(15) of the Act.

### Percentage of Shareholding in the Hands of the Public

Based on the information available to the Company as of 20 March 2025, 38.80% of the issued capital of the Company was held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST. The Company does not have treasury shares and subsidiary holdings.



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“**AGM**” or the “**Meeting**”) of the Company will be convened and held at Momentus Hotel Alexandra, Vanda Room, Level 7, 323 Alexandra Road, Singapore 159972, on Monday, 28 April 2025 at 9.30 a.m. for the purposes of transacting the following business:-

## AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2024 (“**FY2024**”), together with the Independent Auditor’s Report thereon. **(Resolution 1)**
2. To declare and approve the payment of a final tax-exempt (one-tier) dividend of 2.0 Singapore cents per ordinary share in respect of FY2024. **(Resolution 2)**
3. To note the retirement of Mr. Chao Mun Leong, who is retiring by rotation pursuant to Regulation 104 of the Constitution of the Company, and has decided not offer himself for re-election as a Director of the Company.  
[See Explanatory Note (i)]
4. To re-elect Ms. Thi Thuy Trang Phan, who is retiring pursuant to Regulation 108 of the Constitution of the Company and who, being eligible, has offered herself for re-election, as Director of the Company.  
[See Explanatory Note (ii)] **(Resolution 3)**
5. To approve the payment of Directors’ fees of up to S\$100,000 for the financial year ending 31 December 2025 (FY2024: S\$100,000). **(Resolution 4)**
6. To re-appoint Messrs RSM SG Assurance LLP as the Independent Auditors of the Company to hold office until the next AGM and to authorise the Directors to fix their remuneration. **(Resolution 5)**
7. To transact any other ordinary business which may properly be transacted at an AGM.

## AS SPECIAL BUSINESS

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

8. **AUTHORITY TO ALLOT AND ISSUE SHARES IN THE CAPITAL OF THE COMPANY** **(Resolution 6)**

“That pursuant to Rule 806 of the Listing Manual (the “**Listing Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), authority be and is hereby given to the Directors to:-

- (a) (i) allot and issue shares in the capital of the Company (the “**Shares**”) whether by way of rights, bonus or otherwise; and / or

# NOTICE OF ANNUAL GENERAL MEETING

- (ii) make or grant offers, agreements or options (collectively, the “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution is in force,

provided that:-

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50%) of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to existing shareholders of the Company (the “**Shareholders**”) (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution), shall not exceed twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued pursuant to the Instruments) that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:-
  - (i) new Shares arising from the conversion or exercise of the Instruments or any convertible securities which are outstanding or subsisting at the time this Resolution is passed;
  - (ii) (where applicable) new Shares arising from the exercise of share options or vesting of share awards, provided that such share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Listing Rules; and
  - (iii) any subsequent bonus issue, consolidation or subdivision of shares;

adjustments in accordance with sub-paragraph (2)(i) or sub-paragraph (2)(ii) above are only to be made in respect of new Shares arising from the Instruments, convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

# NOTICE OF ANNUAL GENERAL MEETING

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions the Listing Rules (including supplemental measures hereto) for the time being in force (unless such compliance has been waived by the SGX-ST), and the Constitution of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until (i) 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 the earlier, or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments.”

[See Explanatory Note (iii)]

## 9. APPROVAL OF THE RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS (Resolution 7)

“That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual (“**Chapter 9**”) of the Singapore Exchange Securities Trading Limited, for the Company, its subsidiaries and associated companies that are considered to be “entities at risk” under Chapter 9, or any of them, to enter into any of the transactions falling within the types of Interested Person Transactions described in the Appendix to the Company’s letter to shareholders dated 11 April 2025 (the “**Letter**”), with any party who is of the Classes of Interested Persons described in the Appendix to the Letter, provided that such transactions are carried out in the ordinary course of business and on normal commercial terms and in accordance with the guidelines and review procedures for Interested Person Transactions as set out in the Appendix to the Letter (the “**General Mandate**”);
- (b) such General Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- (c) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the General Mandate and/or this resolution”.

[See Explanatory Note (iv)]

# NOTICE OF ANNUAL GENERAL MEETING

## BY ORDER OF THE BOARD

Chua Kern  
Company Secretary

Singapore,  
11 April 2025

### Explanatory Notes:

- (i) Following the retirement of Mr. Chao Mun Leong (“**Mr. Chao**”), the Board of Directors (the “**Board**”) and the relevant Board Committees of the Company will review the respective composition of the Board to ensure compliance with the Code of Corporate Governance 2018 (the “**Code**”), including but not limited to complying with (i) the minimum requirement of Principle 2 (Guideline 2.2) of the Code which provides that independent directors should make up a majority of the Board where the Chairman is not Independent; (ii) Principle 4 (Guideline 4.2) and Principle 6 (Guideline 6.2) of the Code which provides that the Nominating Committee and Remuneration Committee should each comprise at least three directors, the majority of whom are independent; (iii) Rule 210(5)(c) of the Listing Rules that independent directors to comprise at least one-third of the Board; and (iv) Rule 704(8) of the Listing Rules to fill the vacancy in the Audit Committee to meet the requirement of a minimum number of not less than three Audit Committee members within two months, but in any case not later than three months.
- (ii) Ms. Thi Thuy Trang Phan (“**Ms. Trang**”) will, upon re-election as a Director of the Company, remain as the Lead Independent Director, the Chairman of the Nominating Committee and Remuneration Committee, and a member of Audit Committee. There are no relationships (including family relationship) between Ms. Trang and the other Directors, the Company, its related corporations, its officers or its substantial shareholders, which may affect her independence. The Board considers Ms. Trang to be independent for the purpose of Rule 704(8) of the Listing Rules. Detailed information on Ms. Trang can be found under the sections entitled “**Board of Directors**”, “**Corporate Governance Report**” and “**Disclosure of Information on Director Seeking Re-election**” in the Company’s Annual Report 2024.
- (iii) **Ordinary Resolution 6** proposed in item 8 above, if passed, will empower the Directors from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earlier, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any), of which up to twenty per cent. (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) may be issued other than on a *pro-rata* basis to existing Shareholders.

For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time this Resolution is passed after adjusting for new Shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards which are outstanding or subsisting at the time when this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

- (iv) **Ordinary Resolution 7** proposed in item 9 above, if passed, will renew, effective up to the conclusion of the next Annual General Meeting of the Company (unless earlier revoked or varied by the Company in a general meeting), the General Mandate to enable the Company, its subsidiaries, and associated companies that are considered to be “entities at risk” to enter, in the ordinary course of business, into the types of mandated transactions with specific classes of the Company’s interested persons. The General Mandate was last approved by independent shareholders at the AGM of the Company held on 29 April 2024 and will be expiring at the forthcoming AGM. Particulars of the General Mandate and the Audit Committee’s confirmation (pursuant to Rule 920(1) of the Listing Manual of the SGX-ST) in respect of the proposed renewal of the General Mandate are contained in the Company’s letter to shareholders dated 11 April 2025.

### Books Closure Date and Payment Date for Final Dividend

Subject to the shareholders’ approval at the forthcoming AGM, the Register of Members and the Transfer Books of the Company will be closed on 13 May 2025 (the “**Record Date**”) for the purpose of determining the entitlements of the Company’s shareholders (“**Shareholders**”) to a final tax-exempt one-tier dividend of 2.0 Singapore cents per ordinary share in the capital of the Company (“**Shares**”) in respect of FY2024 (the “**Dividend**”).

Duly completed and stamped registrable transfers in respect of the Shares received by the Company’s Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, Republic Plaza, Tower 1, #26-01 Singapore 048619 up to 5.00 p.m. on Record Date will be registered to determine members’ entitlements to the Dividend. Subject, as aforesaid, persons whose securities accounts with The Central Depository (Pte) Limited are credited with Shares in the capital of the Company as of 5.00 p.m. on the Record Date will be entitled to the Dividend.

If approved by the Shareholders at the AGM, the dividend will be paid on 30 May 2025.

# NOTICE OF ANNUAL GENERAL MEETING

## Notes:

The AGM will be held in a wholly physical format at Momentus Hotel Alexandra, Vanda Room, Level 7, 323 Alexandra Road, Singapore 159972 on Monday, 28 April 2025 at 9.30 a.m. for considering and, if thought fit, passing the resolutions set out in the Notice of AGM. There will be no option for members to participate virtually.

This Notice of AGM and the accompanying Proxy Form together with the Letter to Shareholders in relation to the proposed renewal of the general mandate for transactions with interested persons of the Company for FY2024 will be sent to members by electronic means via publication on SGXNET at <https://www.sgx.com/securities/company-announcements> and the Company's corporate website at <https://brookcromptonholdings.com/notice-of-meeting/>.

The Annual Report 2024 has been published on the SGXNet and may be accessed at the Company's corporate website at <https://brookcromptonholdings.com/annual-reports/>. Printed copies of the Annual Report 2024 will not be sent to members.

Members should take note of the following arrangements for the AGM:-

### (a) Physical Participation in the AGM

Members of the Company, including Central Provident Fund Investment Scheme Investors ("CPF Investors") and Supplementary Retirement Scheme investors ("SRS Investors"), may participate in the AGM by:-

- (i) attending the AGM in person;
- (ii) submitting questions in relation to any agenda item in this Notice of AGM in advance of, or at the AGM; and/or
- (iii) voting at the AGM by (1) themselves personally; or (2) through duly appointed proxy(ies).

CPF Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **9.30 a.m. on Wednesday, 16 April 2025**, being at least seven (7) working days before the AGM. Please refer to Proxy Voting under item (c) below for details.

Members, including CPF Investors and SRS Investors, or, where applicable, their appointed proxy(ies) who are attending the AGM in person should bring along their NRIC/passport to enable the Company to verify their identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell. Members are strongly encouraged to exercise social responsibility to rest at home if they are feeling unwell and consider appointing a proxy(ies) to attend the Meeting. We encourage members to mask up when attending the AGM.

### (b) Submission of Questions

Members, including CPF Investors and SRS Investors, may raise questions at the AGM or submit substantial and relevant questions related to the resolutions to be tabled at the AGM in advance of the AGM via the following means by **9.30 a.m. on Friday, 18 April 2025**, in the following manner:-

- (i) by email, to [mgt@brookcromptonholdings.com](mailto:mgt@brookcromptonholdings.com); or
- (ii) by post, to the registered address of the Company at 19 Keppel Road, #08-01 Jit Poh Building, Singapore 089058, attention to Brook Crompton AGM.

For verification purpose, when submitting any questions by post or via email, members MUST provide the Company with their particulars (comprising full name (for individuals)/company name (for corporates), email address, contact number, NRIC/passport number/company registration number, shareholding type and number of shares held), failing which the Company shall be entitled to regard the submission as invalid.

Members are strongly encouraged to submit their questions by email in advance of the AGM. The Company will publish its responses to the substantial and relevant questions submitted by members prior to the abovementioned deadline by **9.30 a.m. on Wednesday, 23 April 2025**, which is at least forty-eight (48) hours before the proxy form deadline.

For questions received after 18 April 2025, the Company will endeavour to address all substantial and relevant questions submitted by members prior to or during the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed. For questions addressed during the AGM, the Company will publish the responses to such questions together with the minutes of the AGM on SGXNet and the Company's corporate website within one (1) month after the date of the AGM.

# NOTICE OF ANNUAL GENERAL MEETING

(c) **Proxy Voting**

Members will be able to vote at the AGM in person, or by appointing proxy(ies) to vote on their behalf. A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory. A proxy need not be a member of the Company.

Duly completed Proxy Forms must be submitted in the following manner:-

- (i) by email, sending a scanned PDF copy via email to the Company at [mgt@brookcromptonholdings.com](mailto:mgt@brookcromptonholdings.com); or
- (ii) by post, to the registered address of the Company at 19 Keppel Road, #08-01 Jit Poh Building, Singapore 089058, attention to Brook Crompton AGM,

in either case, by **9.30 a.m.** on **Friday, 25 April 2025** (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument appointing proxy(ies) can either use the printed copy of the Proxy Form which is sent to him/her/it by post or download a copy of the Proxy Form from the SGXNet and subsequently, to complete and sign the Proxy Form before submitting it by (i) post to the address provided above, or (ii) scanning and sending it to the email address provided above.

If a member wishes to appoint the Chairman of the AGM as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as proxy. If no specific instruction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the Chairman of the AGM will vote or abstain from voting at his/her discretion as he/she may on any other matter arising at the AGM.

Where a member appoints proxy(ies), he/she/it may give specific instructions as to voting, or abstentions from voting, in respect of the resolutions in the Proxy Form, failing which the proxy(ies) will vote or abstain from voting at his/her/its discretion, as he/she/it may on any other matter arising at the AGM.

Completion and submission of the instrument appointing a proxy(ies) by a member will not prevent him/her/it from attending, speaking and voting at the AGM if he/she/it so wishes. The appointment of a proxy(ies) for the AGM shall be deemed to be revoked if the member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies), to the AGM.

Please refer to the detailed instructions set out in the Proxy Form.

Persons who hold Shares through relevant intermediaries, other than CPF Investors and SRS Investors, and who wish to participate in the AGM should contact the relevant intermediary through which they hold such Shares as soon as possible. Persons who hold Shares through relevant intermediaries, other than CPF Investors and SRS Investors, may (i) vote at the AGM if they are appointed as proxies by their respective relevant intermediaries; or (ii) specify their voting instructions to/arrange for their votes to be submitted with their respective relevant intermediaries, and should contact their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made.

In addition, CPF Investors and SRS Investors may (i) vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks and SRS Operators, and should contact their respective CPF Agent Banks and SRS Operators if they have any queries regarding their appointment as proxies; or (ii) specify their voting instructions to/arrange for their votes to be submitted with their respective SRS Operators, and should approach their respective CPF Agent Banks and SRS Operators by **9.30 a.m.** on **Wednesday, 16 April 2025**, being at least seven (7) working days before the date of the AGM, to ensure their votes are submitted.

A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act:-

# NOTICE OF ANNUAL GENERAL MEETING

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

## Personal Data Privacy

"Personal data" in this notice of AGM has the same meaning as "personal data" in the Personal Data Protection Act 2012 of Singapore, which includes his/her name, address and NRIC/Passport number.

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) 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), 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) of the personal data of such proxy(ies) and/or representative(s) for the Purposes;
- (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; and
- (iv) agrees and consents to such photographic, sound and/or video recordings of the AGM as may be made by the Company (or its respective agents or service providers) for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of the member (such as his/her/its name, his/her/its presence at the AGM and any questions he/she/it may raise or motions he/she/it may propose and/or second) may be recorded by the Company (or its respective agents or service providers) for such purpose.

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**BROOK CROMPTON HOLDINGS LTD.**

Company Registration No. 194700172G  
(Incorporated in the Republic of Singapore)

**PROXY FORM -  
ANNUAL GENERAL MEETING**

(Please see notes overleaf before completing this form)

**IMPORTANT:**

1. The Annual General Meeting (“AGM” or the “Meeting”) will be held in a wholly physical format at Momentus Hotel Alexandra, Vanda Room, Level 7, 323 Alexandra Road, Singapore 159972 on Monday, 28 April 2025 at 9.30 a.m. There will be no option for members to participate virtually. The Notice of AGM dated 11 April 2025 and this accompanying Proxy Form will be sent to members by electronic means via publication on SGXNET at <https://www.sgx.com/securities/company-announcements> and the Company’s corporate website at <https://brookcromptonholdings.com/notice-of-meeting/>. Printed copies of the AGM Notice and this accompanying Proxy Form will not be despatched to members.
2. Relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) may appoint more than two (2) proxies to attend, speak and vote at the AGM.
3. Please read the notes to this Proxy Form, which contain instructions on the appointment of proxy(ies).

**PERSONAL DATA PRIVACY**

By submitting this proxy form, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 11 April 2025.

I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport Number/Company Registration No.\*)  
of \_\_\_\_\_ (Address)

being a Member / Members\* of BROOK CROMPTON HOLDINGS LTD. (the “Company”, and together with its subsidiaries, the “Group”), hereby appoint:-

NAME	NRIC/PASSPORT NO.	EMAIL ADDRESS	PROPORTION OF SHAREHOLDINGS	
			NO. OF SHARES	%
ADDRESS				

\*and / or

NAME	NRIC/PASSPORT NO.	EMAIL ADDRESS	PROPORTION OF SHAREHOLDINGS	
			NO. OF SHARES	%
ADDRESS				

or failing him / her / them\*, the Chairman of the AGM as my / our\* proxy / proxies\* to attend and vote on my / our\* behalf, at the AGM of the Company, to be held at Momentus Hotel Alexandra, Vanda Room, Level 7, 323 Alexandra Road, Singapore 159972 on Monday, 28 April 2025 at 9.30 a.m. and at any adjournment thereof.

I / We\* direct my / our\* proxy / proxies\* to vote for or against, or abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy / proxies\* will vote or abstain from voting at his / her / their\* discretion.

The Resolutions proposed at the AGM as indicated hereunder will be put to vote at the AGM by way of poll.

**If you wish to exercise all your votes “For” or “Against”, or “Abstain” the relevant resolutions, please mark an “X” in the appropriate box provided. Alternatively, please indicate the number of votes “For” or “Against”, or “Abstain” for each Resolution in the boxes provided as appropriate. If you mark an “X” in the abstain box for a particular Resolution, you are directing your proxy, not to vote on that Resolution. In any other case, the proxy(ies) may vote or abstain as the proxy(ies) deems fit on any of the relevant resolutions if no voting instruction is specified, and on any other matter arising at the AGM.**

NO.	RESOLUTIONS RELATING TO:	BY WAY OF POLL		
		FOR*	AGAINST*	ABSTAIN
<b>AS ORDINARY BUSINESS</b>				
1.	Adoption of the Directors’ Statement and the Audited Financial Statements of the Company and of the Group for the financial year ended 31 December 2024 (“FY2024”), together with the Independent Auditor’s Report thereon			
2.	Declaration and approval of the payment of a final tax exempt (one-tier) dividend of 2.0 Singapore cents per ordinary share in respect of FY2024			
3.	Re-election of Ms. Thi Thuy Trang Phan, who is retiring pursuant to Regulation 108 of the Constitution of the Company, as a director of the Company			
4.	Approval of the payment of Directors’ fees of up to S\$100,000 for the financial year ended 31 December 2025 (FY2024: S\$100,000)			
5.	Re-appointment of Messrs RSM SG Assurance LLP as the Independent Auditors of the Company to hold office until the next AGM and to authorise the Directors to fix their remuneration			
<b>AS SPECIAL BUSINESS</b>				
6.	Authority to allot and issue shares in the capital of the Company			
7.	Approval of the renewal of the General Mandate for interested person transactions			

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2025

<b>Total Number of Shares Held</b>	
------------------------------------	--

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

**IMPORTANT: PLEASE READ NOTES OVERLEAF.**

\* Delete if not applicable



## NOTES:

1. Please insert the total number of ordinary shares in the capital of the Company ("**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 2001 of Singapore, you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and 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, this instrument appointing a proxy shall be deemed to relate to all the Shares held by you.
2. The Proxy Form appointing the Chairman of the Meeting (or any person other than the Chairman of the Meeting) as proxy to vote on the Member's behalf at the AGM, duly executed, must be submitted through any of the following means to the Company in the following manner:-
  - (a) by email, sending a scanned PDF copy via email to the Company at [mgt@brookcromptonholdings.com](mailto:mgt@brookcromptonholdings.com); or; or
  - (b) by post, to the registered address of the Company at 19 Keppel Road, #08-01 Jit Poh Building, Singapore 089058, attention to Brook Crompton AGM,in either case, by **9.30 a.m. on Friday, 25 April 2025** (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid. A member who wishes to submit an instrument appointing proxy(ies) can either use the printed copy of the Proxy Form which is sent to him/her/it by post or download a copy of the Proxy Form from the Singapore Exchange Network ("**SGXNet**"), and subsequently complete and sign the Proxy Form before submitting it by post to the address provided above, or scanning and sending it to the email address provided above.
3. Completion and submission of the instrument appointing a proxy(ies) by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of a proxy(ies) for the AGM shall be deemed to be revoked if the member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies), to the AGM.
4. This proxy form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing.
  - (a) Where this proxy form is executed by a corporation, it must be executed either under its common seal (or otherwise in accordance with its constitution) or under the hand of an officer or attorney duly authorised.
  - (b) Where this proxy form is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.
5. If any proxy other than the Chairman of the AGM is preferred, please strike out the words "the Chairman of the AGM" and insert the name and address of the proxy desired in the space provided. Any alteration made to this Proxy Form must be initialled by the person signing the Proxy Form. A member of the Company entitled to attend and vote at the AGM of the Company is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
6. A member who is a relevant intermediary entitled to attend and vote at the AGM of the Company is entitled to appoint more than two (2) proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form. "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.
7. A corporation which is a member of the Company may authorise, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore, the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it was an individual.
8. CPF Investors and SRS Investors may attend and vote at the AGM if they are appointed as proxies by their CPF Agent Banks and SRS Operators and should contact their CPF Agent Banks and SRS Operators if they have any queries regarding their appointment as proxies. For CPF Investors and SRS Investors who wish to appoint the Chairman of the Meeting as their proxy, they should approach their CPF Agent Banks and SRS Operators to submit their votes no later than **9.30 a.m. on Wednesday, 16 April 2025** (being not less than seven (7) working days before the AGM).
9. The Company shall be entitled to reject this Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this Proxy Form (including any related attachment). In addition, in the case of members whose Shares are entered against their name in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.
10. For purposes of the appointment of a proxy(ies) and/or representative(s), the member's and the proxy(ies)' or representative(s)' full name and full NRIC/passport number shall be required for verification purposes, and the proxy(ies)' or representative(s)' NRIC/passport shall need to be produced for sighting upon registration at the AGM. This is to ensure that only duly appointed proxy(ies)/ representative(s) attend, speak and vote at the AGM. The Company reserves the right to refuse admittance to the AGM if the proxy(ies)' or representative(s)' identity cannot be verified accurately.

## Personal Data Privacy

By submitting this proxy form, the member accepts and agrees to the personal data privacy terms as set out in the Notice of Annual General Meeting dated 11 April 2025.



POSITIONED FOR GROWTH  
**POWERING A  
SUSTAINABLE FUTURE**

ANNUAL REPORT 2024

**BROOK  
CROMPTON**  
*a WOLONG company*

**BROOK CROMPTON HOLDINGS LTD.**  
**CO. REG. NO: 194700172G**

19 Keppel Road #08-01,  
Jit Poh Building,  
Singapore 089058