

**Issuer:** British and Malayan Trustees Limited  
**Security:** British and Malayan Trustees Limited

**Meeting details:**

Date: 28 Oct 2016

Time: 14:30H

Venue: 1 Coleman Street, #08-01 The Adelphi, Singapore 179803

**Company Description**

British and Malayan Trustees Limited provides various professional trustee and advisory services to families, companies, financial institutions, charities, and high net worth individuals in Singapore. The company provides corporate, and family trustee and advisory services in estate planning, execution/administration of wills, and rent collection and property management, as well as custodial services for institutional investors and exempt funds. It also offers professional services to corporations in matters relating to debentures; unit trust funds; REITs; collective investment schemes; custodial services for clubs, associations, and religious organisations; defined contribution plans/master trusts; and other fiduciary services, including administration and registrar services to funds, as well as escrow agents/process agent services. In addition, the company is involved in the investment activities in fixed deposit placements, and holding of long-term equities, as well as in investment properties for rental. British and Malayan Trustees Limited was incorporated in 1924 and is based in Singapore. As of September 23, 2016, British and Malayan Trustees Limited operates as a subsidiary of The Nyalas Rubber Estates Limited.

(Source: [http://www.sgx.com/wps/portal/sgxweb/home/company\\_disclosure/stockfacts?code=B08](http://www.sgx.com/wps/portal/sgxweb/home/company_disclosure/stockfacts?code=B08))

Q1. As a trustee with a long and illustrious history, the group provides a core and critical service to the finance industry. The group serves families, companies, financial institutions, charities and high net worth individuals from all over the world.

	2013 S\$	2014 S\$	2015 S\$	2016 S\$
Total revenue (comprising of trustee fees, commission income, fee revenue and other service fees)	3,977,544	3,282,454	3,173,313	2,509,800
Employee benefits expense	1,976,107	1,920,500	2,793,809	2,832,135

Revenue has dropped from \$4.0 million in 2013 to \$2.5 million in 2016, a drop of more than a third. **Can management explain why revenue has been shrinking over the years even as the importance of Singapore as a financial hub is enhanced and there have been more products (like funds, investment trusts) and more high net worth individuals and family offices?**

Given that there is good visibility into the demand for the group’s services, **would management like to comment on why the group’s employee benefit is even higher than total revenue from the core business? Please elaborate on the measures taken to increase revenue and to mitigate the steep increases in employee benefit expense.**

**What guidance and targets has the board given to management? Could the board share some targets such as revenue, number of clients, market share? Please elaborate on any measures or action plans.**

In the strategic review of the Chairman’s Statement (page 10 of the annual report), it was disclosed that:

*The Company will be adopting a three pronged approach for the return to profitability and growth: a) cost containment, rationalising and improving profitability of existing accounts, b) investments in IT systems toward a more efficient and scalable platform and increased marketing efforts, and c) the undertaking of a corporate restructuring of the Company from its present singular Trust focus into a holding company structure which will enable multiple disciplines and revenue streams. The restructuring is currently work-in-progress and will require regulatory and shareholders’ approval, including but not limited to the approvals and/or consent of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) and the Monetary Authority of Singapore.*

**Please help shareholders understand when the first two measures (cost containment and investment in IT) were initiated, how much is needed in terms of capital investment, how long these would take and what are the targeted cost savings and/or profitability growth?**

Q2. Also in the Chairman statement, it was disclosed that “For the year ended 30 June 2016, the Company incurred an operating loss before tax of \$1,780,000... .. FY2015 would have incurred an operating loss before tax of \$1,331,000”.

**Would the remuneration committee and the board comment on why the two key management personnel identified in the Corporate Governance Report (page 20) were given bonuses ranging from 9-14% of their basic salaries?**

Q3. The public float of the company is approximately 8.77% as at 26 September 2016. The public float has been at the same level since the company started disclosing the public float in the Annual Report for the financial year ended 30 June 2013.

Rule 723 of the Listing Manual of the SGX-ST states that:

*An issuer must ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public*

**Can the company confirm if it is in compliance with Rule 723 of the Listing Manual of SGX-ST? If not, has the company received a waiver from the exchange on Rule 723?**