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BGMC International Limited

璋利國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1693)

ANNOUNCEMENT ON LITIGATION

This announcement is made by BGMC International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company has on 28 March 2019 received a writ of summons together with an indorsement of claim (the “**Indorsement**”) dated 19 March 2019 issued in the High Court of Shah Alam, Malaysia by 47 plaintiffs (the “**Plaintiffs**”) against Kingsley Hills Sdn. Bhd. as the first defendant (the “**First Defendant**”) and BGMC Corporation Sdn. Bhd., a wholly-owned subsidiary of the Company, as the second defendant (the “**Second Defendant**”) (collectively, as the “**Defendants**”).

The Plaintiffs purchased various parcels of lands situated in Mukim Damansara, Daerah Petaling, Negeri Selangor, Malaysia (collectively, the “**Lands**”) from the First Defendant which is the registered and beneficial owner of the Lands. The Second Defendant is the contractor appointed by the Plaintiffs to build houses on the Lands.

Pursuant to the Indorsement, the Plaintiffs claim against (i) the First Defendant for breach of the sale and purchase agreements entered into between them and the First Defendant, and (ii) the Second Defendant for breach of the construction agreements entered into between them and the Second Defendant and seek the following reliefs against the Defendants :

1. a declaration that the Defendants have breached the Housing Development (Control and Licensing) Act 1966 of Malaysia;
2. damages for breach of contract;
3. liquidated ascertained damages of RM25,251,526.22;
4. interest at the rate of 5% per annum from the date of judgment until full realisation thereof;
5. cost; and
6. such further or other relief as the court may deem fit and proper.

The Company is currently seeking legal advice on the above legal suit (including the above reliefs claimed by the Plaintiffs) and will categorically defend its position in the interests of the Company and its shareholders as a whole. As the trial has not yet commenced, the effects of the case on the Company cannot be assessed at this moment. The Company will make further announcement(s) to inform its shareholders and potential investors of further assessment and development of the case as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

For and on behalf of
BGMC International Limited
Tan Sri Dato' Sri Goh Ming Choon
Chairman and Executive Director

Hong Kong, 28 March 2019

As at the date of this announcement, the Board comprises Tan Sri Dato' Sri Goh Ming Choon (Chairman), Dato' Mohd Arifin bin Mohd Arif (Vice-chairman), Dato' Teh Kok Lee (Chief Executive Officer) and Ir. Azham Malik bin Mohd Hashim as executive Directors; and Tan Sri Dato' Seri Kong Cho Ha, Chan May May and Ng Yuk Yeung as independent non-executive Directors.