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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)**

## **DISCLOSEABLE TRANSACTION**

### **SUBSCRIPTION OF 50% OF REDEEMABLE CONVERTIBLE PREFERENCE SHARES IN THE LAND COMPANIES**

The Board is pleased to announce that on 25 July 2019 (after trading hours), BGMC Holdings, an indirect wholly-owned subsidiary of the Company, entered into the Subscription Agreements with the Land Companies, respectively, in relation to the subscription of 50% of the RCPS of each of the Land Companies at a total consideration of USD5,363,196.00 (equivalent to approximately HK\$41.7 million).

The Land Companies are the purchasers of three pieces of land in Malaysia, including the Kuala Muda Land upon which the Kuala Muda Project will be undertaken and the Machang Land I upon which the Machang Project will be undertaken.

Given that the transactions contemplated under the Subscription Agreements all relate to the subscription of the Land Companies and the Company (or through its subsidiary(ies)) intend to be involved in a joint venture with various other parties, including the Other Subscribers, in relation to the development of the Projects, the Subscription Agreements are to be aggregated in accordance with Rule 14.22 of the Listing Rules. As the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Subscription Agreements and the transactions contemplated thereunder, in aggregate, exceed 5% but are less than 25%, the Subscriptions constitute a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## INTRODUCTION

The Board is pleased to announce that on 25 July 2019 (after trading hours), BGMC Holdings, an indirect wholly-owned subsidiary of the Company, entered into the Subscription Agreements with the Land Companies, respectively, in relation to the subscription of 50% of the RCPS of each of the Land Companies at a total consideration of USD5,363,196.00 (equivalent to approximately HK\$41.7 million).

The Land Companies are the purchasers of three pieces of land in Malaysia, including the Kuala Muda Land upon which the Kuala Muda Project will be undertaken and the Machang Land I upon which the Machang Project will be undertaken.

## THE SUBSCRIPTIONS

The principal terms of the Subscription Agreements are set out below:

### (1) The Kuala Muda Subscription Agreement

**Date** 25 July 2019

**Parties** (1) Kuala Muda Estate, as issuer  
(2) BGMC Holdings, as subscriber

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, Kuala Muda Estate and its respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

**Assets to be acquired** 2,518,160 RCPS, representing 50% of the RCPS to be issued by Kuala Muda Estate.

The RCPS shall yield a fixed cumulative dividend of 20% per annum from the date when the RCPS has been subscribed and RCPS holders shall be entitled to receive dividend in priority to holders of ordinary shares. In the event of winding-up or return of capital of Kuala Muda Estate, RCPS holders have the right to receive, in priority to holders of ordinary shares, the cash payment in full of the subscription price of the RCPS after the payment and discharge of all debts and liabilities of Kuala Muda Estate and the costs of winding-up or such capital reduction exercise.

Further, RCPS holders shall have no voting rights save for matters relating to, among others, the variation of the rights attached to RCPS, a change in dividend policy, the creation of equity share capital except for RCPS which is not in all aspects uniform with ordinary shares and the winding-up of Kuala Muda Estate.

Without the prior written consent of BGMC Holdings, Kuala Muda shall not, among others, sell, pledge, charge, mortgage, transfer, dispose of or otherwise subject to any security interests or encumbrances to any of its properties or assets, including the Kuala Muda Land.

BGMC Holdings is entitled to, at its option, convert all or any part of the RCPS into ordinary shares of Kuala Muda Estate on the basis of every one RCPS to be converted into 4 ordinary shares of Kuala Muda Estate at any time after (i) the date of allotment and issue of the RCPS; and (ii) Kuala Muda Estate having been registered as the owner in the document of title of the Kuala Muda Land. Such number of ordinary shares that are to be issued upon conversion shall be credited as fully paid and rank pari passu in all respects with the ordinary shares then issued in Kuala Muda Estate.

The RCPS is redeemable by Kuala Muda Estate for cash based on USD1.00 per RCPS at any time after the date of allotment and issue of the RCPS.

### **Consideration**

USD2,518,160.00 (equivalent to approximately HK\$19.6 million), which is to be paid in cash in full by BGMC Holdings no later than ten business days from the date of the Kuala Muda Subscription Agreement. The consideration will be fully funded by a loan to be advanced by DPI Solar to the Company (the “**DPI Loan**”).

The consideration was arrived at after arm’s length negotiations between Kuala Muda Estate and BGMC Holdings with reference to, among other things, the price of the Kuala Muda Land when it was acquired by Kuala Muda Estate in April 2018, being RM22,330,598.00 (equivalent to approximately HK\$41.8 million).

As at 14 November 2018, Kuala Muda Land was valued by an independent valuer with a market value of approximately RM22.3 million (equivalent to approximately HK\$41.7 million).

**Completion**

BGMC Holdings shall, no later than 7 business days from the receipt of a written notification to be issued by Kuala Muda Estate, subscribe to the RCPS and pay the consideration in accordance with the Kuala Muda Subscription Agreement.

The above consideration payable by BGMC Holdings to Kuala Muda Estate, together with the consideration payable to Kuala Muda Estate by the Other Subscribers for the subscription of the RCPS of Kuala Muda Estate at the same time, will be used for the sole purpose of paying the balance purchase price under the Kuala Muda SPA (as defined below).

Upon completion, BGMC Holdings will hold 50% of the RCPS of Kuala Muda Estate. If the RCPS are fully converted, BGMC Holdings will hold approximately 50% of the enlarged issued share capital of Kuala Muda Estate, and Kuala Muda Estate will then be accounted for as investment in associate of the Company.

**(2) The Machang Land I Subscription Agreement**

**Date** 25 July 2019

**Parties**

- (1) Machang Estate, as issuer
- (2) BGMC Holdings, as subscriber

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, Machang Estate and its respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

**Assets to be acquired**

1,803,874 RCPS, representing 50% of the RCPS to be issued by Machang Estate.

The RCPS shall yield a fixed cumulative dividend of 20% per annum from the date when the RCPS has been subscribed and RCPS holders shall be entitled to receive dividend in priority to holders of ordinary shares. In the event of winding-up or return of capital of Machang Estate, RCPS holders have the right to receive, in priority to holders of ordinary shares, the cash repayment in full of the subscription price of the RCPS after the payment and discharge of all debts and liabilities of Machang Estate and the costs of winding-up or such capital reduction exercise.

Further, RCPS holders shall have no voting rights save for matters relating to, among others, the variation of the rights attached to RCPS, a change in dividend policy, the creation of equity share capital except for RCPS which is not in all aspects uniform with ordinary shares and the winding-up of Machang Estate.

Without the prior written consent of BGMC Holdings, Machang Estate shall not, among others, sell, pledge, charge, mortgage, transfer, dispose of or otherwise subject to any security interests or encumbrances to any of its properties or assets, including the Machang Land I.

BGMC Holdings is entitled to, at its option, convert all or any part of the RCPS into ordinary shares of Machang Estate on the basis of every 1 RCPS to be converted into 4 ordinary shares of Machang Estate at any time after (i) the date of allotment and issue of the RCPS; (ii) Machang Estate having been registered as the owner in the document of title of the Machang Land. Such number of ordinary shares that are to be issued upon conversion shall be credited as fully paid and rank pari passu in all respects with the ordinary shares then issued in Machang Estate.

The RCPS is redeemable by Machang Estate for cash based on USD1.00 per RCPS at any time after the date of allotment and issue of the RCPS.

**Consideration**

USD1,803,874.00 (equivalent to approximately HK\$14.0 million), which is to be paid in cash in full by BGMC Holdings no later than ten business days from the date of the Machang Land I Subscription Agreement. The consideration will be fully funded by the DPI Loan.

The consideration was arrived at after arm's length negotiations between Machang Estate and BGMC Holdings with reference to, among other things, the price of the Machang Land I when it was purchased by Machang Estate in April 2018, being RM15,251,768.00 (equivalent to approximately HK\$28.5 million).

As at 10 December 2018, Machang Land I was valued by an independent valuer with a market value of approximately RM15.3 million (equivalent to approximately HK\$28.6 million).

**Completion**

BGMC Holdings shall, no later than 7 business days from the receipt of a written notification to be issued by Machang Estate, subscribe to the RCPS and pay the consideration in accordance with the Machang Land I Subscription Agreement.

The above consideration payable by BGMC Holdings to Machang Estate, together with the consideration payable to Machang Estate by the Other Subscribers for the subscription of the RCPS of Machang Estate at the same time, will be used for the sole purpose of paying the balance purchase price under the Machang Land SPA (as defined below).

Upon completion, BGMC Holdings will hold 50% of the RCPS of Machang Estate. If the RCPS are fully converted, BGMC Holdings will hold approximately 50% of the enlarged issued share capital of Machang Estate, and Machang Estate will then be accounted for as investment in associate of the Company.

### (3) The Machang Land II Subscription Agreement

**Date** 25 July 2019

**Parties**

- (1) Machang Estate (II), as issuer
- (2) BGMC Holdings, as subscriber

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, Machang Estate (II) and its respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

**Assets to be acquired** 1,041,162 RCPS, representing 50% of the RCPS to be issued by Machang Estate (II).

The RCPS shall yield a fixed cumulative dividend of 20% per annum from the date when the RCPS has been subscribed and RCPS holders shall be entitled to receive dividend in priority to holders of ordinary shares. In the event of winding-up or return of capital of Machang Estate (II), RCPS holders have the right to receive, in priority to holders of ordinary shares, the cash repayment in full of the subscription price of the RCPS after the payment and discharge of all debts and liabilities of Machang Estate (II) and the costs of winding-up or such capital reduction exercise.

Further, RCPS holders shall have no voting rights save for matters relating to, among others, the variation of the rights attached to RCPS, a change in dividend policy, the creation of equity share capital except for RCPS which is not in all aspects uniform with ordinary shares and the winding-up of Machang Estate (II).

Without the prior written consent of BGMC Holdings, Machang Estate (II) shall not, among others, sell, pledge, charge, mortgage, transfer, dispose of or otherwise subject to any security interests or encumbrances to any of its properties or assets, including the Machang Land II.

BGMC Holdings is entitled to, at its option, convert all or any part of the RCPS into ordinary shares of Machang Estate (II) on the basis of every one RCPS to be converted into 4 ordinary shares of Machang Estate (II) at any time after (i) the date of allotment and issue of the RCPS; and (ii) Machang Estate (II) having been registered as the owner in the document of title of the Machang Land II. Such number of ordinary shares that are to be issued upon conversion shall be credited as fully paid and rank pari passu in all respects with the ordinary shares then issued in Machang Estate (II).

The RCPS is redeemable by Machang Estate (II) for cash based on USD1.00 per RCPS at any time after the date of allotment and issue of the RCPS.

### **Consideration**

USD1,041,162.00 (equivalent to approximately HK\$8.1 million), which is to be paid in cash in full by BGMC Holdings no later than ten business days from the date of the Machang Land II Subscription Agreement. The consideration will be fully funded by the DPI Loan.

The consideration was arrived at after arm's length negotiations between Machang Estate (II) and BGMC Holdings with reference to, among other things, the price of the Machang Land II when it was purchased by Machang Estate in April 2018, being RM9,220,232.00 (equivalent to approximately HK\$17.2 million).

As at 10 December 2018, Machang Land II was valued by an independent valuer with a market value of approximately RM9.2 million (equivalent to approximately HK\$17.2 million).

### **Completion**

BGMC Holdings shall, no later than 7 business days from the receipt of a written notification to be issued by Machang Estate (II), subscribe to the RCPS and pay the consideration in accordance with the Machang Land II Subscription Agreement.

The above consideration payable by BGMC Holdings to Machang Estate (II), together with the consideration payable to Machang Estate (II) by the Other Subscribers for the subscription of the RCPS of Machang Estate (II) at the same time, will be used for the sole purpose of paying the balance purchase price under the Machang Land SPA.

Upon completion, BGMC Holdings will hold 50% of the RCPS of Machang Estate (II). If the RCPS are fully converted, BGMC Holdings will hold approximately 50% of the enlarged issued share capital of Machang Estate (II), and Machang Estate (II) will then be accounted for as investment in associate of the Company.

## INFORMATION ON THE PARTIES

### Kuala Muda Estate

Kuala Muda Estate is a company incorporated in Malaysia with limited liability. It is principally engaged in investment holding and is wholly-owned by BRAS Ventures Bhd, a party independent of the Company and its connected persons, which holds 100 ordinary shares of RM1.00 each.

Pursuant to the sale and purchase agreement entered into between Kuala Muda Estate and Hong Khidmat Sawit Sdn. Bhd. dated 23 April 2018, Kuala Muda Estate (as purchaser) will acquire the Kuala Muda Land from Hong Khidmat Sawit Sdn. Bhd. at a consideration of RM22,330,598.00 (equivalent to approximately HK\$41.8 million) (the “**Kuala Muda SPA**”). All the conditions precedent to the completion of the Kuala Muda SPA have been fulfilled.

Kuala Muda Land has been leased to BGMC BRAS Power Sdn. Bhd., a project company owned as to 95% by the Company, for a period of 23 years at a total lease rental of RM29,899,968.00 (equivalent to approximately HK\$55.9 million) which will be paid on a monthly basis over a period of 15 years in the manners set out below, subject to the completion of the condition precedents of the lease agreement entered into between Kuala Muda Estate and BGMC BRAS Power Sdn. Bhd. dated 29 March 2019:

<b>Monthly instalment No.</b>	<b>Due date</b>	<b>Monthly lease rental amount</b>
1	On or before the 7 <sup>th</sup> day of the subsequent month after the commencement of the lease period	RM175,000.00
2 – 84	On or before the 7 <sup>th</sup> day of the subsequent month	RM175,000.00
85 – 180	On or before the 7 <sup>th</sup> day of the subsequent month	RM158,333.00

Given that Kuala Muda Estate was only incorporated on 1 March 2018, the audited financial information of Kuala Muda Estate for the seven months financial period ended 30 September 2018 is set out below:

**For the seven months  
financial period ended  
30 September 2018  
(audited)**

Net loss before taxation	RM13,777.00
Net loss after taxation	RM13,777.00

As at 30 September 2018, the audited net liabilities of Kuala Muda Estate was RM13,677.00 (equivalent to approximately HK\$25,575.99).

### **Machang Estate**

Machang Estate is a company incorporated in Malaysia with limited liability. It is principally engaged in investment holding and is direct wholly-owned by Idiqa Holding Sdn. Bhd., a party independent of the Company and its connected persons, which holds 100 ordinary shares of RM1.00 each.

Pursuant to the sale and purchase agreement entered into between Machang Estate and each of the 29 independent individual land owners on 24 April 2018, Machang Estate will acquire the Machang Land I and the Machang Land II from these 29 independent individual land owners at an aggregate consideration of RM24,472,000.00 (equivalent to approximately HK\$45.8 million) (the “**Machang Land SPA**”). All the conditions precedent to the completion of the Machang Land SPA have been fulfilled.

Machang Land I has been leased to Idiwan Solar Sdn. Bhd., a project company owned as to 95% by Idiqa Holdings Sdn. Bhd., for a period of 23 years at a total lease rental of RM33,211,680.00 (equivalent to approximately HK\$62.1 million) which will be paid on a monthly basis over a period of 15 years in the manners set out below, subject to the completion of condition precedents of a lease agreement entered into between Machang Estate and Idiwan Solar Sdn. Bhd. dated 29 March 2019:

<b>Monthly instalment No.</b>	<b>Due date</b>	<b>Monthly lease rental amount</b>
1	On or before the 7 <sup>th</sup> day of the subsequent month after the commencement of the lease period	RM192,000.00
2 – 84	On or before the 7 <sup>th</sup> day of the subsequent month	RM192,000.00
85 – 180	On or before the 7 <sup>th</sup> day of the subsequent month	RM177,955.00

Given that Machang Estate was only incorporated on 28 February 2018, the unaudited financial information of Machang Estate for the 16 months financial period ended 30 June 2019 is set out below:

**For the 16 months ended  
30 June 2019  
(Unaudited)**

Net loss before taxation	RM313,210.00
Net loss after taxation	RM313,210.00

As at 30 June 2019, the unaudited net liabilities value of Machang Estate was RM313,110.00 (equivalent to approximately HK\$585,515.70).

### **Machang Estate (II)**

Machang Estate (II) is a company incorporated in Malaysia with limited liability. It is principally engaged in investment holding and is direct wholly-owned by Idiqa Holding Sdn. Bhd., a party independent of the Company and its connected persons, which holds 100 ordinary shares of RM1.00 each. Both Machang Estate and Machang Estate (II) are direct wholly-owned subsidiaries of Idiqa Holding Sdn Bhd.

Pursuant to the Machang Land SPA, Machang Estate will acquire the Machang Land II from the 29 independent individual land owners. Machang Estate has nominated Machang Estate (II) to be the registered owner of the Machang Land II upon the completion of the Machang Land SPA.

Given that Machang Estate (II) was only incorporated on 3 April 2018, the unaudited financial information of Machang Estate (II) for the 14 months financial period ended 30 June 2019 is set out below:

**For the 14 months ended  
30 June 2019  
(Unaudited)**

Net loss before taxation	RM7,144.00
Net loss after taxation	RM7,144.00

As at 30 June 2019, the unaudited net liabilities of Machang Estate (II) was RM7,044.00 (equivalent to approximately HK\$13,172.28).

### **DPI Solar**

DPI Solar is a company incorporated in Singapore with limited liability. It is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, DPI Solar and its respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

### **AD Solar**

AD Solar is a company incorporated in Singapore with limited liability. It is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, AD Solar and its respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

### **The Subscriber**

The Subscriber is an indirect wholly-owned subsidiary of the Company and is principally engaged in investment holding.

The Group is a full-fledged, integrated solutions provider in the construction services sector and concession and maintenance sector. Construction services sector principally engaged in the provision of a wide range of construction services in Malaysia, such as building and structural construction works, mechanical and electrical installation works, earthwork and infrastructure construction works as well as energy infrastructure works. As for the concession and maintenance sector, the Group undertake long-term concession projects and provide related asset management services.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS**

The Subscription Agreements are entered into by the Group for the purpose of acquiring interests in the Land Companies that will own the Land. In particular, the Machang Land I and the Kuala Muda Land have been leased to certain project companies to develop the Projects which involve the development of solar photovoltaic energy production plants in Malaysia. As for Machang Land II, it will be reserved for the development of the next phase of large-scale solar photovoltaic energy production plants, the tender of which is expected to take place in the third quarter of 2019. By the entering of the Machang Land II Subscription Agreement, the Company seeks to demonstrate its readiness to develop this next phase of solar photovoltaic energy production plants. Considering the potential development in the solar industry in Malaysia and the Company's intention to participate in the Projects indirectly through a joint venture with various other parties, including the Other Subscribers, the Group considers the Subscriptions as a valuable investment opportunity and an organic platform to seize upon the potential business opportunities to participate in the development and operation of other solar concession projects in Malaysia and in the ASEAN region in the long run.

Accordingly, the Board considers that it is in the interests of the Group to enter into the Subscription Agreements. The Directors consider that each of the Subscription Agreements is on normal commercial terms, its terms are fair and reasonable and the Subscriptions are in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Given that the transactions contemplated under the Subscription Agreements all relate to the subscription of the Land Companies and the Company (or through its subsidiary(ies)) intend to be involved in a joint venture with various other parties, including the Other Subscribers, in relation to the development of the Projects, the Subscription Agreements are to be aggregated in accordance with Rule 14.22 of the Listing Rules. As the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Subscription Agreements and the transactions contemplated thereunder, in aggregate, exceed 5% but are less than 25%, the Subscriptions constitute a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The DPI Loan does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

The following expressions in this announcement have the meanings set out below unless the context requires otherwise:

“AD Solar”	AD Solar Pte. Ltd., a company incorporated in Singapore with limited liability which has also agreed to subscribe for RCPS in the Land Companies on the same date when the Subscription Agreements were entered into
“ASEAN”	The Association of Southeast Asian Nations
“BGMC Holdings” or “Subscriber”	BGMC Holdings Berhad (formerly known as BGMC Holdings Sdn. Bhd. and BGMC Builder Sdn. Bhd.), an indirect wholly-owned subsidiary of the Company
“Board”	the board of directors of the Company
“Company”	BGMC International Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Stock Exchange (stock code: 1693)
“connected person”	has the meaning given to it under the Listing Rules
“Director(s)”	the director(s) of the Company

“DPI Loan”	has the meaning given to it under the section headed “The Subscriptions – The Kuala Muda Subscription Agreement” in this announcement
“DPI Solar”	DPI Solar 1 Pte. Ltd., a company incorporated in Singapore with limited liability which has also agreed to subscribe for RCPS in the Land Companies on the same date when the Subscription Agreements were entered into
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Kuala Muda Estate”	Kuala Muda Estate Sdn. Bhd., a company incorporated in Malaysia with limited liability
“Kuala Muda Land”	a piece of land held under Geran 33590, Lot 3222, located at Mukim of Sungai Petani, Tempat Chengai Lama, District of Kuala Muda, State of Kedah, Malaysia with an area of 86.5 hectares
“Kuala Muda Project”	the development of a 30MWa.c. solar photovoltaic energy producing power plant on the Kuala Muda Land, details of which are set out in the Company’s announcement dated 24 April 2018
“Kuala Muda SPA”	has the meaning given to it under the section headed “Information of the Parties – Kuala Muda Estate” in this announcement
“Kuala Muda Subscription Agreement”	the subscription agreement dated 25 July 2019 and entered into between Kuala Muda Estate and BGMC Holdings in relation to the subscription of 50% of the RCPS of Kuala Muda Estate by BGMC Holdings
“Land”	collectively, the Kuala Muda Land, the Machang Land I and the Machang Land II
“Land Companies”	collectively, Kuala Muda Estate, Machang Estate and Machang Estate (II)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Machang Estate”	Machang Estate Sdn. Bhd., a company incorporated in Malaysia with limited liability

“Machang Estate (II)”	Machang Estate (II) Sdn. Bhd., a company incorporated in Malaysia with limited liability
“Machang Land I”	a piece of land held under Geran 25516, Lot 4 located in Mukim of Kuala Kerak, District of Jajahan Machang, State of Kelantan, Malaysia with an area of 110.3 hectares
“Machang Land SPA”	has the meaning given to it under the section headed “Information on the Parties – Machang Estate” in this announcement
“Machang Land I Subscription Agreement”	the subscription agreement dated 25 July 2019 and entered into between Machang Estate and BGMC Holdings in relation to the subscription of 50% of the issued RCPS of Machang Estate by BGMC Holdings
“Machang Land II”	a piece of land held under Geran 25515, Lot 3, located in Mukim of Kuala Kerak, District of Jajahan Machang, State of Kelantan, Malaysia with an area of 66.6 hectares
“Machang Land II Subscription Agreement”	the subscription agreement dated 25 July 2019 and entered into between Machang Estate (II) and BGMC Holdings in relation to the subscription of 50% of the RCPS of Machang Estate (II) by BGMC Holdings
“Machang Project”	the development of a 30MW a.c. solar photovoltaic energy producing power plant on the Machang Land I
“Other Subscribers”	collectively, DPI Solar and AD Solar
“Projects”	collectively, the Kuala Muda Project and the Machang Project
“RCPS”	redeemable convertible preference share(s)
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriptions”	the transactions contemplated under the Subscription Agreements
“Subscription Agreements”	collectively, the Kuala Muda Subscription Agreement, the Machang Land I Subscription Agreement and the Machang Land II Subscription Agreement

“USD” or “US\$” the lawful currency of the United States of America

“%” per cent

*For illustration purposes only, amounts denominated in USD in this announcement have been translated into HK\$ at the rate of USD1 = HK\$7.7800, and amounts denominated in RM in this announcement have been translated into HK\$ at the rate of RM1 = HK\$1.8700. Such translation should not be construed as a representation that the amounts quoted could have been or could be or will be converted at the stated rate or at any other rates or at all.*

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

Hong Kong, 25 July 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.*