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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)

**DISCLOSURE PURSUANT TO RULE 13.19 OF THE LISTING RULES
AND
INSIDE INFORMATION**

This announcement is made by BGMC International Limited (the “**Company**”) pursuant to Rule 13.19 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 (Cap. 571 of the Laws of Hong Kong).

Pursuant to a loan agreement (the “**Loan Agreement**”) entered into between KAS Engineering Sdn Bhd (“**KAS Engineering**”), which is an indirect wholly-owned subsidiary of the Company, as borrower and Bank Pembangunan Malaysia Berhad as lender (the “**Lender**”) in connection with the grant of loan facilities (collectively, the “**Loan**”) in an aggregate amount of Ringgit Malaysia 269,370,000 by the Lender to KAS Engineering, KAS Engineering is required to comply with, among others, the covenant that restricts KAS Engineering from lending any money or extending any advances and/or financings to, among others, its related companies, except it is in the course of ordinary business (the “**Loan Covenant**”). If KAS Engineering fails to perform or comply with such covenant, the Lender may declare the outstanding principal amount, accrued interest and all other sums payable under the Loan immediately due and payable.

On or around 23 December 2019, the Company became aware that KAS Engineering has technically breached the Loan Covenant in the Loan Agreement as KAS Engineering has extended advances to its immediate holding company, BGMC Corporation Sdn Bhd, total amounting to RM11,500,000 during the year. As at the date of this announcement, the Lender has not made any demand for immediate repayment of the loan under the Loan Agreement.

The management of the Company has commenced discussion with the Lender for a waiver of the technical breach of the Loan Covenant from the Lender.

Further announcement regarding the Loan and the status of the waiver will be made as and when appropriate.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

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

Hong Kong, 24 December 2019

As at the date of this announcement, the board of directors comprises of 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 director; and Tan Sri Dato' Seri Kong Cho Ha, Chan May May and Ng Yuk Yeung as independent non-executive directors.