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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)

INSIDE INFORMATION

PROPOSED CAPITALISATION OF REDEEMABLE SECURED LOAN STOCKS INVOLVING ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE

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

References are made to the announcements of the Company dated 29 March 2021, 25 May 2021, 16 June 2021, 20 January 2022 and 5 July 2022 (collectively, the “**Announcements**”) in relation to, among other matters, the Debt Restructuring and the issue of the redeemable secured loan stocks (the “**RSLs**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

As disclosed in the announcement of the Company dated 5 July 2022, following the approval by the creditors and the Court, the Debt Restructuring had been implemented, and in or around June 2022, BGMC Corporation Sdn Bhd (“**BGMC Corporation**”), an indirect wholly-owned subsidiary of the Company, issued the RSLs to MTrustee Berhad (the “**Trustee**”), whereby the Trustee holds the RSLs for and on behalf of all the scheme creditors (the “**RSLs Holders**”).

The RSLs Holders comprise 338 parties, and the aggregate redemption amount together with the interest accrued thereon will be approximately RM113,611,816.53 (equivalent to approximately HK\$210,392,252.83) as at 30 June 2025, of which RM63,839,725.06 (equivalent to approximately HK\$118,221,713.07) was owed to the Company, while RM49,772,091.47 (equivalent to approximately HK\$92,170,539.76) (the “**Proposed Capitalised Amount**”) was owed to the other RSLs Holders (the “**Relevant RSLs**”). Pursuant to the terms and conditions of the RSLs, BGMC Corporation is required to redeem the RSLs in full by 30 June 2025 (the “**Maturity Date**”).

In view of the approaching Maturity Date and the current financial position of the Group, the board (the “**Board**”) of directors (the “**Director(s)**”) of the Company has resolved to redeem the Relevant RSLs by way of capitalisation (the “**Proposed RSLs Capitalisation**”) involving the issue of new shares (the “**Capitalisation Shares**”) of the Company under specific mandate (the “**Specific Mandate**”).

The Board wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that BGMC Corporation has, on 30 May 2025, despatched a notice of meeting to the RSLs Holders for the purposes of convening a RSLs Holders’ meeting (the “**RSLs Holders’ Meeting**”) on Thursday, 26 June 2025, at which proposals in relation to the extension of the Maturity Date to 30 September 2025 (the “**Extension of Maturity Date**”) and the Proposed RSLs Capitalisation will be put forward for the RSLs Holders’ consideration.

Subject to obtaining the approval of the RSLs Holders in relation to the Extension of Maturity Date and the Proposed RSLs Capitalisation at the RSLs Holders’ Meeting, the Company, BGMC Corporation and the Trustee will enter into a formal capitalisation agreement (the “**Capitalisation Agreement**”) in relation to the Proposed RSLs Capitalisation, the key terms of which are summarised as follows:

Number of Capitalisation Shares

The Company will issue up to 43,000,000 Capitalisation Shares, the consideration for which will be settled by way of capitalisation of the entire Proposed Capitalised Amount.

As at the date of this announcement, the Company has 39,590,000 shares (the “**Share(s)**”) in issue. Assuming that there will be no change in the number of issued Shares between the date of this announcement and the completion of the Proposed RSLs Capitalisation, the maximum number of 43,000,000 Capitalisation Shares represents (i) approximately 108.61% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 52.06% of the issued share capital of the Company as enlarged by the allotment and issue of the Capitalisation Shares.

Issue price

The Capitalisation Shares are proposed to be issued at (i) an issue price of HK\$2.15 per Capitalisation Share; or (ii) a price equivalent to the average closing prices of the Shares as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately preceding the date of the Capitalisation Agreement, whichever is higher.

Conditions precedent

Completion of the Proposed RSLs Capitalisation shall be subject to and conditional upon, among others, the following approvals having been obtained:

- (i) the RSLs Holders present and voting, either in person or by proxy, at the RSLs Holders' Meeting, approving the Extension of Maturity Date and the Proposed RSLs Capitalisation, by the majority of at least 75% of the total value of RSLs Holders;
- (ii) the Board and the Shareholders' approval in relation to the Proposed RSLs Capitalisation (including the grant of the Specific Mandate for the allotment and issue of the Capitalisation Shares); and
- (iii) all necessary approvals from the Bank Negara Malaysia, the Stock Exchange and any other regulatory authorities.

Specific Mandate

The Capitalisation Shares will be allotted and issued pursuant to the Specific Mandate proposed to be sought from the Shareholders at an extraordinary general meeting of the Company.

The Company will keep the Shareholders and potential investors of the Company informed of the results of the RSLs Holders' Meeting and any material developments in connection with the Proposed RSLs Capitalisation by way of further announcement(s) as and when appropriate and in accordance with the requirements of the Listing Rules.

As no binding agreement in relation to the Proposed RSLs Capitalisation has been entered into as at the date of this announcement and the Proposed RSLs Capitalisation is subject to, among others, approval of the RSLs Holders, the Proposed RSLs Capitalisation may or may not materialise. Shareholders and potential investors of the Company are advised to exercise caution in dealing in the Shares.

By order of the Board
BGMC International Limited
Datuk Kamalul Arifin Bin Othman
Chairman and Independent Non-Executive Director

Malaysia, 30 May 2025

As at the date of this announcement, the Board comprises Dato' Teh Kok Lee (Chief Executive Officer) as executive Director; and Datuk Kamalul Arifin Bin Othman (Chairman), Kua Choh Leang and Koong Hui Jiun as independent non-executive Directors.