

BRC ASIA LIMITED

Incorporated in the Republic of Singapore
(Company Registration Number: 193800054G)

PROPOSED ACQUISITION OF 4,584,164 ORDINARY SHARES REPRESENTING 19.9% OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF ANGKASA DAEHAN STEEL PTE. LTD.

- Acquisition.** The board of directors (the "**Board**" or the "**Directors**") of BRC Asia Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 23 April 2024 entered into a conditional sale and purchase agreement ("**SPA**") with Daehan Steel Co., Ltd ("**Daehan**", and together with the Company, the "**Purchasers**") and LTC Corporation Pte. Ltd. ("**LTC**"), pursuant to which the Company will acquire 4,584,164 ordinary shares in the capital of Angkasa Daehan Steel Pte. Ltd. ("**Target**") (the "**Sale Shares**") held by LTC (the "**Acquisition**"). Daehan will acquire the remaining 6,933,836 ordinary shares in the capital of the Target held by LTC.

At completion (subject to fulfilment and/or waivers of conditions set out in the SPA), the Company will hold 19.9% of the issued and paid-up share capital of the Target and Daehan will hold 80.1% of the issued and paid-up share capital of the Target.

- Information on the Target.** The Target is principally engaged in the business of the construction, trade, dealing and/or fabrication of steel reinforcement and/or all related activities, whether on-site or off-site. The net tangible asset ("**NTA**") value of the Target was S\$80.732 million as at 31 December 2023. The Company did not commission a valuation in respect of the Target and the Sale Shares.
- Consideration payable by BRC.** The initial consideration payable by the Company for the Sale Shares is S\$16,065,613.10, which is subject to adjustments in accordance with the terms of the SPA (the "**Consideration**"). The Consideration was arrived at after arm's length negotiations between the Company, Daehan and LTC and on a willing-buyer and willing-seller basis, taking into account, *inter alia*, the NTA of the Target, its financial position and performance and the rationale for the Acquisition.
- Non-Discloseable Transaction.** None of the relative figures under Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited relating to the Acquisition exceeds 5%, and accordingly, the Acquisition is a non-discloseable transaction under Chapter 10 of the Listing Manual.
- Rationale for the Acquisition.** The Acquisition presents a strategic opportunity for the Group, with the exit of LTC, to take a financial interest in the Target, which operates in a sector that the Group is familiar with and that has growth potential. The acquired interest is non-controlling with no board representation.
- No material impact.** The Acquisition is not expected to have any material impact on either the net tangible assets per share or the earnings per share of the Company for the current financial year ending 30 September 2024.

7. **Interests of Directors and Controlling Shareholders.** None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition, other than by reason only of their directorships and/or shareholdings in the Company.
8. **Document for inspection.** A copy of the SPA will be available for inspection during normal business hours at the registered office of the Company at 350 Jalan Boon Lay, Jurong Industrial Estate, Singapore 619530, for a period of three (3) months commencing from the date of this Announcement.

BY ORDER OF THE BOARD

Seah Kiin Peng
Executive Director and Chief Executive Officer
23 April 2024