

BRC Asia Limited

Incorporated in the Republic of Singapore
Company Registration No. 193800054G
(the "**Company**")

MANDATORY CONDITIONAL CASH OFFER BY ABN AMRO BANK N.V. (SINGAPORE BRANCH), FOR AND ON BEHALF OF ESTEEL ENTERPRISE PTE. LTD.

LOSS OF FREE FLOAT

1. INTRODUCTION

The board of directors (the "**Board**") of the Company refers to:

- (a) the offer document dated 22 September 2017 (the "**Offer Document**") issued by ABN AMRO Bank N.V., Singapore Branch ("**ABN AMRO**"), for and on behalf of Esteel Enterprise Pte. Ltd. (the "**Offeror**"), containing the terms and conditions of the mandatory conditional cash offer by the Offeror to acquire all the issued ordinary shares in the capital of the Company (the "**Shares**"), other than those already owned by the Offeror and parties acting in concert with it (the "**Offer**");
- (b) the offeree circular dated 6 October 2017 issued by the Company in relation to the Offer (the "**Offeree Circular**");
- (c) the announcement dated 3 October 2017 made by ABN AMRO, for and on behalf of the Offeror, stating that the Offer would not be open for acceptance beyond 5.30 p.m. on 30 October 2017; and
- (d) the announcement dated 26 October 2017 made by ABN AMRO, for and on behalf of the Offeror, in relation to the level of acceptances of the Offer (the "**Acceptance Level Announcement**").

All capitalised terms used and not defined herein shall have the same meanings given to them in the Offer Document, unless otherwise expressly stated or the context otherwise requires.

2. SGX-ST PUBLIC FLOAT REQUIREMENT

As announced in the Acceptance Level Announcement, as at 5.30 p.m. on 26 October 2017, the Offeror has received valid acceptances in respect of 87,068,004 Shares, representing approximately 46.73% of the total number of issued Shares and approximately 44.35% of the maximum potential issued Shares. Accordingly, as at the date of the Acceptance Level Announcement, the total number of (a) Shares owned, controlled, acquired or agreed to be acquired by the Concert Group; and (b) valid acceptances of the Offer, amount to an

aggregate of 168,620,155 Shares, representing approximately 90.49% of the entire issued Shares and approximately 85.88% of the maximum potential issued Shares¹.

Rule 723 of the Listing Manual requires at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed at all times to be held by the public (the "**Public Float Requirement**"), where "**public**" means persons other than:

- (a) directors, chief executive officer, substantial shareholders, or controlling shareholders of the issuer or its subsidiary companies; and
- (b) associates of the persons in paragraph (a).

The Company wishes to inform the Shareholders that based on the Acceptance Level Announcement and taking into account the records and information available to the Company as at 26 October 2017, the percentage of Shares held by the public as at 5.30 p.m. on 26 October 2017 is approximately 9.51% and is therefore less than the requisite 10% under the Public Float Requirement.

3. **SUSPENSION OF TRADING AND DELISTING**

The Board wishes to highlight the following to the Shareholders:

- (a) pursuant to Rule 1303(1) of the Listing Manual, in a take-over situation, where the percentage of an issuer's total number of issued shares (excluding treasury shares) held in public hands falls below 10%, the SGX-ST will suspend trading of the listed securities of the issuer only at the close of the take-over offer. In such an event, Shareholders who have not accepted the Offer will not be able to trade their Shares until trading suspension of the Shares by the SGX-ST is lifted; and
- (b) pursuant to rule 724 of the Listing Manual, where the percentage of an issuer's total number of issued shares (excluding treasury shares) held in public hands falls below 10%, the SGX-ST may suspend trading. The SGX-ST may allow the issuer a period of 3 months, or such longer period as the SGX-ST may agree, to raise the percentage of securities in public hands to at least 10%. The Company may be removed from the Official List of the SGX-ST if it fails to restore the percentage of securities in public hands to at least 10% after the relevant period.

As the Company has ceased to comply with the Public Float with effect from 5.30 p.m. on 26 October 2017, Shareholders should note that the SGX-ST may suspend trading of the Shares on the close of the Offer. The Company will make further announcements where necessary to update the Shareholders in due course.

Shareholders should note that the Offer remains open for acceptances until 5.30 p.m. on 30 October 2017 (the "**Final Closing Date**"). The Offeror has given notice that the Offer will not be open for acceptances beyond 5.30 p.m. on the Final Closing Date. Shareholders who wish

¹ Maximum potential issued Shares means the total number of Shares which would be in issue if all the Options and Convertible Bonds were exercised and converted into Shares at the date of this Announcement, excluding treasury Shares.

to accept the Offer should follow the procedures for the acceptance of the Offer as set out in the Offer Document and the accompanying relevant forms of acceptance.

It is stated in the Offer Document that the Offeror intends to preserve the listing status of the Company on the SGX-ST Main Board, but maintains the flexibility to assess its options in the event the public float falls below 10%. The Company will make further announcements on the Company's listing status as and when appropriate.

In the meantime, Shareholders are advised to exercise caution when dealing in their Shares. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

4. RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate and that no material facts have been omitted from this announcement which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

By Order of the Board of
BRC ASIA LIMITED

SEAH KIIN PENG
Executive Director
26 October 2017