

BRC ASIA LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 193800054G)

PROPOSED PLACEMENT OF UP TO 10,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF BRC ASIA LIMITED AT THE ISSUE PRICE OF S\$1.42 FOR EACH NEW ORDINARY SHARE – RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST AND COMPLETION OF THE PLACEMENT

1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of BRC Asia Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement dated 18 January 2021 in relation to the placement of up to 10,000,000 new ordinary shares in the capital of the Company (the "**Placement Shares**") at an issue price of S\$1.42 for each Placement Share (the "**Placement**") pursuant to the placement agreement dated 18 January 2021 entered into between the Company and CGS-CIMB Securities (Singapore) Pte. Ltd. as the placement agent (the "**Placement Announcement**").

Unless otherwise defined, capitalised terms used in this announcement shall have the meanings ascribed to them in the Placement Announcement.

2. RECEIPT OF APPROVAL IN-PRINCIPLE

Further to the Placement Announcement, the Board wishes to announce that the SGX-ST has, on 26 January 2021 granted its approval in-principle ("**AIP**") for the listing of and quotation for up to 10,000,000 Placement Shares on the Main Board of the SGX-ST, subject to the following conditions:

- (a) a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual of the SGX-ST in relation to the use of the proceeds from the Placement and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
- (b) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual of the SGX-ST;
- (c) a written undertaking from the Placement Agent that it will comply with Rule 803 of the Listing Manual of the SGX-ST;
- (d) a written confirmation from the Company that it will not issue the Placement Shares to persons prohibited under Rule 812(1) of the Listing Manual of the SGX-ST;
- (e) a written confirmation from the Placement Agent that Placement Shares will not be placed out to persons prohibited under Rule 812(1) of the Listing Manual of the SGX-ST; and
- (f) the Placement being completed and allotted before 28 January 2021. If the allotment occurs on or after 28 January 2021, the issuance of the Placement Shares will be issued out of the new share issue mandate and subject to shareholders approval of a new share issue mandate at the upcoming annual general meeting of the Company on 28 January 2021.

The undertakings and confirmations requested in paragraphs 2(a) to 2(e) above have been submitted to the SGX-ST.

Pursuant to the AIP, the Placement Shares are required to be placed out within seven (7) market days from the date of the AIP.

The SGX-ST's AIP above is not to be taken as an indication of the merits of the Placement, the Placement Shares, the Placement Agreement, the Company and/or its subsidiaries.

3. DIRECTORS' CONFIRMATION

After taking into account the Group's existing banking facilities, operating cashflows and its internal cash resources:

- (a) the Directors are of the opinion that the working capital available to the Group is sufficient to meet its present requirements; and
- (b) the Directors confirm that the Group has sufficient resources to meet its present capital commitments.

4. COMPLETION

The Board is pleased to announce that the Placement has been completed today, 26 January 2021, pursuant to which 10,000,000 Placement Shares were allotted and issued by the Company to the end-placées procured by the Placement Agent in accordance with the terms and conditions of the Placement Agreement.

5. THE PLACEMENT SHARES

Following the allotment and issue of 10,000,000 Placement Shares, the total number of issued shares of the Company has increased from 233,335,089 shares (excluding 1,626,600 treasury shares) to 243,335,089 shares (excluding 1,626,600 treasury shares).

The Placement Shares were allotted and issued free from all pre-emption rights, charges, liens and other encumbrances and with all rights and benefits attaching thereto and shall rank *pari passu* in all respects with the Shares existing as at the date of issue of the Placement Shares save for dividends, rights, allotments or other distributions, the record date of which falls on or before the date of allotment and issue of the Placement Shares.

The Placement Shares are expected to be listed and quoted on the Main Board of the SGX-ST from 9.00 a.m. on 28 January 2021.

BY ORDER OF THE BOARD

Seah Kiin Peng
Executive Director and Chief Executive Officer
26 January 2021

Important Notice

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore: The Placement Shares are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 and "Excluded Investment Products" (as defined in MAS Notice SFA 04- N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).