

CIRCULAR DATED 6 JANUARY 2021

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, financial, tax or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of BRC Asia Limited, you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the contents of this Circular, including the correctness of any of the statements made, opinions expressed, or reports contained in this Circular.



BRC ASIA LIMITED

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

CIRCULAR TO SHAREHOLDERS

in relation to

THE PROPOSED INTERESTED PERSON TRANSACTIONS MANDATE

Independent Financial Adviser



CEL Impetus Corporate Finance Pte Ltd

CEL IMPETUS CORPORATE FINANCE PTE. LTD.

(Company Registration No.: 201631484Z)
(Incorporated in the Republic of Singapore)

Last date and time for lodgment of Proxy Form	:	25 January 2021 at 11 a.m.
Date and time of Extraordinary General Meeting	:	28 January 2021 at 11 a.m. (or immediately after the conclusion of the Annual General Meeting of the Company to be held at 10 a.m. on the same day, by electronic means)
Place of Extraordinary General Meeting	:	The Extraordinary General Meeting of the Company will be held by way of electronic means

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

"AGM"	: Annual general meeting of the Company
"associate"	: Has the meaning ascribed to it in the Listing Manual and as reproduced in Section 2.1 of this Circular
"Audit Committee"	: The audit committee of the Company for the time being
"AVIL"	: Advance Venture Investments Limited
"Board" or "Directors"	: The directors of the Company for the time being
"BPT"	: Bright Point Trading Pte. Ltd.
"CDP"	: The Central Depository (Pte) Limited
"Circular"	: This circular to Shareholders
"Companies Act"	: The Companies Act, Chapter 50 of Singapore
"Company"	: BRC Asia Limited
"Controlling Shareholder"	: A person who: (a) holds directly or indirectly 15.0% or more of the total number of voting rights in the company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over a company
"CPF"	: The Central Provident Fund
"CPF Agent Banks"	: Agent banks included under the CPFIS
"CPFIS Investors"	: Investors who have purchased Shares using their CPF contributions pursuant to the Central Provident Fund Investment Scheme
"EGM"	: The extraordinary general meeting of the Company, notice of which is given in this Circular
"EGM Webcast Registration and Q&A Link"	: https://agm.conveneagm.com/brcasia/
"entity at risk"	: Has the meaning ascribed to it in the Listing Manual and as reproduced in Section 2.1 of this Circular
"EsteeL"	: EsteeL Enterprise Pte. Ltd.
"Financial Limit"	: Equal to or exceeding S\$100,000 but below 5.0% of the Group's latest announced audited consolidated NTA at the time of entry into of the Mandated Transaction in question
"FY"	: Financial year ended or ending 30 September
"FY2019"	: The financial year ended 30 September 2019
"Group"	: The Company and its subsidiaries
"IFA"	: CEL Impetus Corporate Finance Pte. Ltd.
"IFA Letter"	: The letter dated 6 January 2021 from the IFA to the Directors in relation to the Proposed IPT Mandate
"interested person"	: Has the meaning ascribed to it in the Listing Manual and as reproduced in Section 2.1 of this Circular

DEFINITIONS

"Latest Practicable Date"	: 15 December 2020, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	: The Listing Manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date
"Mandated Interested Persons" or each a "Mandated Interested Person"	: BPT and SEHE, each being associates of Mr. You
"Mandated Transactions" or each a "Mandated Transaction"	: The interested person transactions to which the Proposed IPT Mandate will apply, and the benefits to be derived therefrom, relate to general transactions by the Company for the provision to, or the obtaining from, Mandated Interested Persons of products in the normal course of business of the Company, or which are necessary, complementary or incidental for the day-to-day operations of the Company
"Mr. You"	: Mr. You Zhenhua, a Controlling Shareholder of the Company
"NTA"	: Net tangible assets
"Ordinary Resolutions"	: The ordinary resolutions as set out in the Notice of EGM and the term " Ordinary Resolution " shall be construed accordingly
"Proposed IPT Mandate"	: The proposed grant of an interested person transaction mandate pursuant to Rule 920 of the Listing Manual for recurrent interested person transactions to be entered into by the Company with the Mandated Interested Persons in the ordinary course of business and as set out in Section 2 of this Circular
"Register of Members"	: The Register of Members of the Company
"Registration Cut-Off Date"	: 11 a.m. on 25 January 2021 (being 72 hours before the time fixed for the EGM)
"Review Procedures"	: The procedures for the review and approval of Mandated Transactions under the Proposed IPT Mandate
"Securities Accounts"	: Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
"SEHE"	: Shanghai Emetal Hong Energy Co., Ltd. (上海东明红一能源有限公司)
"SFA"	: The Securities and Futures Act, Chapter 289 of Singapore
"SGX-ST"	: Singapore Exchange Securities Trading Limited
"Share Registrar"	: Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), the share registrar of the Company
"Shareholders"	: Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term " Shareholders " shall, in relation to such Shares, and where the context admits, mean the persons named as Depositors in the Depository Register maintained by the CDP and whose Securities Accounts maintained by the CDP are credited with those Shares
"Shares"	: Ordinary shares in the capital of the Company
"SRS Account"	: An account opened by an SRS Investor with an SRS Operator
"SRS Investors"	: Investors who have purchased Shares through their SRS Account pursuant to the Supplementary Retirement Scheme
"SRS Operators"	: An approved financial institution with which an SRS Account is opened and maintained

DEFINITIONS

" Substantial Shareholder "	: A person who has an interest directly or indirectly in 5% or more of the total number of voting Shares of the Company
" S\$ " or " \$ " and " cents "	: Singapore dollars and cents, respectively
" % " or " per cent. "	: Percentage or per centum

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them in Section 81SF of the SFA.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons, where applicable, shall include corporations.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual, or any relevant laws of the Republic of Singapore or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual or any relevant laws of the Republic of Singapore or any modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in figures included in this Circular between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day and date in this Circular is a reference to Singapore time and date, respectively, unless otherwise stated.

For the purposes of this Circular, Rajah & Tann Singapore LLP has been appointed as the legal adviser to the Company in relation to Singapore law.

LETTER TO SHAREHOLDERS

BRC ASIA LIMITED

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

Board of Directors:

Mr. Teo Ser Luck (*Chairman and Independent Director*)
Mr. Seah Kiin Peng (*Executive Director and Chief Executive Officer*)
Mr. Xu Jiguo (*Executive Director and Chief Procurement Officer*)
Mr. Zhang Xingwang (*Executive Director and Chief Operating Officer*)
Mr. Darrell Lim Chee Lek (*Executive Director*)
Mr. Joel Leong Kum Hoe (*Independent Director*)
Mr. He Jun (*Independent Director*)
Ms. Chang Pui Yook (*Independent Director*)

Registered Office:

350 Jalan Boon Lay
Jurong Town
Singapore 619530

6 January 2021

To: Shareholders

Dear Sir/Madam,

PROPOSED IPT MANDATE

1. INTRODUCTION

The Directors are convening the EGM to be held on 28 January 2021 to seek the approval of the Shareholders for the adoption of the Proposed IPT Mandate.

The purpose of this Circular is to provide Shareholders with information relating to the adoption of the Proposed IPT Mandate to seek Shareholders' approval for the same at the EGM. The Notice of the EGM is set out on page N-1 of this Circular.

The SGX-ST assumes no responsibility for the correctness of any statements made or reports contained or opinions expressed in this Circular.

2. THE PROPOSED IPT MANDATE

2.1 Chapter 9 of the Listing Manual

Chapter 9 of the Listing Manual governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be entities at risk, with the listed company's interested persons. The purpose is to guard against the risk that interested persons could influence the listed company, its subsidiaries or associated companies to enter into transactions with interested persons that may adversely affect the interests of the listed company or its shareholders.

LETTER TO SHAREHOLDERS

Under Chapter 9 of the Listing Manual, where a listed company or any of its subsidiaries or any of its associated companies which are controlled by the listed group and its interested person(s) (other than a subsidiary or associated company that is listed on the SGX-ST or an approved stock exchange) proposes to enter into transactions with the listed company's interested persons, the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval if the value of the transaction is equal to or exceeds certain financial thresholds. In particular:

- (a) where the value of any such transaction is equal to or exceeds 3.0% of the latest audited consolidated NTA of the listed company and its subsidiaries and is less than 5.0% of the latest audited consolidated NTA of the listed company and its subsidiaries, an immediate announcement is required;
- (b) where the value of any such transaction is equal to or exceeds 5.0% of the latest audited consolidated NTA of the listed company and its subsidiaries, an immediate announcement and shareholders' approval is required;
- (c) if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3.0% or more of the latest audited consolidated NTA of the listed company and its subsidiaries, the listed company must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year; and
- (d) if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 5.0% or more of the latest audited consolidated NTA of the listed company and its subsidiaries, an immediate announcement must be made and shareholders' approval must be obtained in respect of the latest and all future transactions entered into with that interested person during that financial year.

The rules referred to above do not apply to any transaction below S\$100,000.

Based on the Group's audited consolidated financial statements for FY2019, 3.0% and 5.0% of the latest audited consolidated NTA of the Group as at 30 September 2019 is S\$7.89 million and S\$13.15 million, respectively.

Chapter 9 of the Listing Manual permits a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company's interested persons.

Under the Listing Manual:

- (i) an "**entity at risk**" means:
 - (a) the listed company;
 - (b) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (c) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company;
- (ii) an "**interested person**" means a director, chief executive officer or controlling shareholder of the listed company or an associate of any such director, chief executive officer or controlling shareholder;

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- (iii) an **"associate"**:
- (a) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
 - (1) his immediate family (that is, the person's spouse, child, adopted-child, step-child, sibling and parent);
 - (2) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (3) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more; and
 - (b) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more;
- (iv) an **"approved exchange"** means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual;
- (v) an **"interested person transaction"** means a transaction between an entity at risk and an interested person; and
- (vi) a **"transaction"** includes:
- (a) the provision or receipt of financial assistance;
 - (b) the acquisition, disposal or leasing of assets;
 - (c) the provision or receipt of services;
 - (d) the issuance or subscription of securities;
 - (e) the granting of or being granted options; and
 - (f) the establishment of joint ventures or joint investments,
- whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities).

2.2 Background

The Group is principally engaged in the business of design, manufacture and supply of steel reinforcement for construction, and is the leading steel reinforcing solutions provider in Singapore. The Group evaluates the types of prefabricated steel reinforcement required by project, as well as design, manufacture, pack and tag the prefabricated steel reinforcing components for easy and efficient handling and on-site assembly. The Group also has subsidiaries in Malaysia and employs more than 1,000 employees.

LETTER TO SHAREHOLDERS

Mr. You, has a deemed shareholding interest in 167,795,536 Shares, representing an interest of approximately 71.9% in the Company (excluding treasury shares), and is accordingly a Controlling Shareholder of the Company. Mr. You's shareholding interest in the Company is held through his wholly-owned special purpose vehicle AVIL which in turn holds 80.1% of the shares in Esteel. Esteel in turn holds 167,795,536 Shares, representing approximately 71.9% of share capital of the Company (excluding treasury shares).

The Company proposes to enter into a master supply agreement ("**Master Supply Agreement**") with BPT and SEHE, each an associate of Mr. You, pursuant to which the Company intends to, from time to time, enter into transactions with BPT and/or SEHE in connection with the mutual supply of raw materials, commodities and intermediate goods, comprising steel, steel products, steel-related products and steel by-products ("**Goods**") on such terms and conditions as may be mutually agreed between the Company and BPT and/or SEHE (or their respective appointed agent(s), if any), as the case may be, as guided by the terms of the Master Supply Agreement (each a "**Buy-Sell Transaction**"), in the ordinary course of business. Such Buy-Sell Transactions are deemed as interested person transactions pursuant to the definitions of Chapter 9 of the Listing Manual.

The key terms of the Master Supply Agreement are as follows:

(i) *Purchase and Sale of Goods*

Each Buy-Sell Transaction shall be effected by way of the purchasing party ("**Purchasing Party**") issuing to the supplying party ("**Supplying Party**"), a purchase order setting out: (a) a description of the Goods to be purchased; (b) the purchase price for each of the Goods; (c) the quantity of the Goods to be purchased; and (d) other agreed terms of the Buy-Sell Transaction ("**Purchase Order**").

Upon the Purchasing Party's issuance of a Purchase Order, the Supplying Party shall supply the Goods in accordance with the terms of the Purchase Order and the Master Supply Agreement, by the date specified in the Purchase Order (if any and which must be mutually agreed between the parties) ("**Due Date**"). The Supplying Party is required to satisfy that the Goods delivered to the Purchasing Party conform to the specifications set out in the Purchase Order (including without limitation, quality, functionality, performance, testing or other criteria/requirements).

Title to and risk in the Goods shall only pass from the Supplying Party to the Purchasing Party upon acceptance of the Goods by the Purchasing Party.

(ii) *Price Determination and Payment*

The price of the Goods for each Buy-Sell Transaction (each a "**Purchase Price**") shall be determined between the Parties taking into consideration the following factors:

- (a) quotations for the relevant Good(s) obtained from the Shanghai Futures Exchange at the time of entry into the relevant Buy-Sell Transaction, to the extent such rate quotations of transactions of a similar duration and expected delivery date are reasonably representative of the market transactions after taking into account the nature, quantum and frequency of selling transactions involved and, where applicable, the futures market situation; and
- (b) quality, track record, specification compliance, delivery time, experience and expertise of the relevant Supplying Party for such Buy-Sell Transaction.

The Purchase Price for each Buy-Sell Transaction shall be exclusive of (i) shipping charges, (ii) insurance costs, and (iii) all taxes with respect to, or measured by, the manufacture, sale, shipment, use or Purchase Price of the Goods (including interest and penalties thereon).

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Where an agent has been appointed by SEHE and/or BPT (as the case may be) for the purposes of effecting delivery and/or collecting payment in respect of a particular Buy-Sell Transaction, payments made by the Company to such agent in accordance with the terms of the Master Supply Agreement and Purchase Order shall constitute the full and final settlement of the Company's obligations to make payment for such amounts under the relevant Buy-Sell Transaction. For the avoidance of doubt, regardless of whether an agent has been appointed by SEHE and/or BPT in respect of a Buy-Sell Transaction, the contracting party in such Buy-Sell Transaction shall at all times be SEHE and/or BPT (as the case may be), and no contractual relationship shall be established between the Company and the appointed agent.

The Company will only enter into such Buy-Sell Transaction when the terms under the Buy-Sell Transaction are not less favourable after taking into consideration the factors under (ii) above.

(iii) *Failure or Delay in Delivery*

Time is of the essence in effecting the delivery of the Goods where a Due Date is included in the Purchase Order.

If the Supplying Party fails to meet a Due Date or fails to supply the Purchasing Party with the Goods as stipulated in the Purchase Order, the Purchasing Party may at its option terminate the particular Purchase Order and procure the supply of the relevant Goods ordered under the terminated Purchase Order from an alternative supplier ("**Alternative Order**"), and the Supplying Party shall indemnify the Purchaser Party for all costs (including but not limited to legal costs), expenses and other liabilities in any case of any nature whatsoever reasonably incurred by the Purchasing Party in connection with the Alternative Order, in addition to the price difference between the original Purchase Order and the Alternative Order which shall be as follows:

- (a) where the price of the Goods under an Alternative Order is higher than the original Purchase Price under a Purchase Order, then the Supplying Party shall, to the extent such higher price is reasonably incurred by the Purchasing Party, pay an amount equal to the absolute value of such difference to the Purchasing Party. Where the Company is the Supplying Party, the Company will take reference to the then prevailing quotations available on the Shanghai Futures Exchange, or failing which from at least two (2) other unrelated third party suppliers for similar quantities and/or quality of products, in determining whether such additional amount incurred by the Mandated Interested Person (as the Purchasing Party) is reasonably incurred and is arm's length and on normal commercial terms, being consistent with the Company's usual business practices and on terms which, taken as a whole, are not more favourable than those extended to unrelated third parties, and in any event on terms, which taken as a whole, are not prejudicial to the interests of the Company and the minority Shareholders; and
- (b) where the price of the Goods under an Alternative Order is lower than the original Purchase Price under a Purchase Order, then the Purchasing Party shall not be required to pay such difference in price to the Supplying Party.

In the ordinary course of business, there will be times that the Company and its suppliers would not be able to fulfil their respective contractual obligations due to intervening circumstances such as logistical issues, delays at port and intervening natural phenomena (such as the ongoing global Covid-19 pandemic). The foregoing measures have been consistently adopted by the Company with its third party customers and suppliers in such delay and/or default circumstances.

2.3 Rationale for the Proposed IPT Mandate

The Group envisages that such interested person transactions will occur with some degree of frequency and could arise at any time and from time to time, as they are recurring transactions and are part of the day-to-day operations of the Group.

In lieu of seeking the specific approval of Shareholders for such contracts which are in the Group's ordinary course of business whenever the need arises, the Company is proposing the implementation of the Proposed IPT Mandate, pursuant to Chapter 9 of the Listing Manual, to enable the Company to enter in the ordinary course of business into certain types of transactions with specified "*interested persons*" of the Company, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such transactions.

The adoption of the Proposed IPT Mandate will:

- (a) facilitate the entry into Mandated Transactions (as defined in **Section 2.5** below) with the Mandated Interested Persons in the ordinary course of the Group's businesses;
- (b) give the Company the ability to select transactions, service providers, customers or business relationships on the basis of which provides the best commercial advantage to the Company regardless of relationship with its interested persons; and
- (c) eliminate the need to convene separate general meetings under Chapter 9 of the Listing Manual, to seek Shareholders' approval, thereby:
 - (i) substantially reducing administrative time and costs associated with the convening of such meetings;
 - (ii) avoiding delay in the execution of financing transactions which facilitate the Group's business;
 - (iii) enabling the Group to maintain its overall competitiveness and not be disadvantaged as compared to other parties that do not require Shareholders' approval to be obtained for entering into such transactions; and
 - (iv) allowing manpower resources and time to be channelled towards attaining corporate objectives rather than to the convening of repeated Shareholders' meetings.

2.4 Mandated Interested Persons

The Proposed IPT Mandate will apply to transactions in the categories described in **Section 2.5** of this Circular, between the Company and the following associates of Mr. You:

- (a) **BPT**

BPT is a private company limited by shares and was incorporated in Singapore on 5 October 2016. BPT is 100% held by Theme International Holdings Limited. Theme International is listed on the SEHK and is 71.29% owned by Wide Bridge Limited, with the balance owned by public shareholders. Wide Bridge Limited is in turn 100% beneficially owned by Mr. You. Accordingly, BPT is an "associate" of Mr. You and an "interested person" as set out in **Section 2.1** of this Circular.

The principal business activities of BPT comprise the wholesale of metals and metals ores and wholesale on a fee or contract basis.

(b) **SEHE**

SEHE is a private company limited by shares and was incorporated in the PRC on 7 March 2018. Mr. You Zhenwu, the brother of Mr. You, has a deemed shareholding interest of 70.0% in SEHE which is held through Emetal Industrial Group Co., Ltd. which is turn indirectly controlled by RGL Group Co., Ltd. in which Mr. You Zhenwu has an aggregate interest of 88.24% which is held directly and indirectly through Shanghai Huaxi Industrial Co., Ltd.. Accordingly, SEHE is an "associate" of Mr. You and an "interested person" as set out in **Section 2.1** of this Circular.

The principal business activities of SEHE comprise the import and export of steel, iron ore products and building materials.

2.5 Category of Mandated Transactions

The Mandated Transactions to which the Proposed IPT Mandate will apply, and the benefits to be derived therefrom, comprise the purchase and/or sale of raw materials and intermediate goods, comprising steel, steel products, steel-related products and steel by-products used by the Company for its business activities, to lock in prices for such products which are attractive and cost-efficient and ensure that such prices are complementary to the Company's risk appetite, internal practices and pricing policies.

The Company will benefit from having access to competitive quotes from the Mandated Interested Persons on payment and credit terms which are arm's length and (i) not more favourable than those offered to third party customers or (ii) not less favourable than those offered by third party suppliers (as the case may be), in addition to obtaining quotes from non-interested and unrelated third party persons. For the avoidance of doubt, accounts receivable from Buy-Sell Transactions where the Mandated Interested Person(s) is/are the Purchasing Party can be collected within the usual timeframe of transactions with third party customers of the Company.

2.6 Guidelines and Review Procedures under the Proposed IPT Mandate

- (a) **Review Procedures.** Quotation exercises are generally conducted for most of the Company's purchases except where the transaction value is below the threshold specified in the internal control procedures of the Group which are in line with the non-applicable threshold stipulated in Chapter 9 of the Listing Manual. The specific terms of supply and/or purchase in a Buy-Sell Transaction are usually contained in a Purchase Order.

To ensure that the Mandated Transactions with Mandated Interested Persons are undertaken at:

- (i) arm's length and on normal commercial terms, being consistent with the Company's usual business practices and on terms which, taken as a whole, are not more favourable than those extended to unrelated third parties (in the case of sale or provision of Goods by the Company) or not less favorable than those obtained from unrelated third parties (in the case of purchase or procurement of Goods by the Company); or
- (ii) in any event on terms, which taken as a whole, are not prejudicial to the interests of the Company and the minority Shareholders,

LETTER TO SHAREHOLDERS

the Company will adopt the following Review Procedures:

- (A) When purchasing Goods from a Mandated Interested Person, the Company will require that rate quotations for the relevant product be obtained from the Shanghai Futures Exchange, being the only active futures market for steel rebars, to the extent such rate quotations are reasonably representative of market transactions after taking into account the nature, quantum and frequency of Buy-Sell Transactions involved. The Company will only enter into such purchasing transactions with such Mandated Interested Person provided that the rate quoted is on terms competitive and not prejudicial to the interest of the Company as compared to those rate(s) obtained from the Shanghai Futures Exchange (and taking into account, where applicable, the futures market situation). In determining whether the price and terms offered by such Mandated Interested Person are competitive and not prejudicial to the interest of the Company, all pertinent factors, including but not limited to quality, track record, specification compliance, delivery time, experience and expertise, and where applicable, preferential rates, discounts or rebates accorded for bulk purchases, may be taken into consideration.

In the event that such competitive quotations cannot be obtained from the Shanghai Futures Exchange (for instance, if at or around the time the Company intends to enter into the Buy-Sell Transaction with the relevant Mandated Interested Person, there are no similar transactions of a Good being traded on the Shanghai Futures Exchange of a similar quantity within a comparable timeframe), the Company will require that quotations for the relevant product be obtained from at least two (2) other unrelated third party suppliers for similar quantities and/or quality of products (which may include products manufactured in other countries) for comparison. The pricing for products will not be higher than the most competitive price obtained through the unrelated third party quotations to ensure that the price and terms offered by the Mandated Interested Person are fair and reasonable and competitive to those offered by other unrelated third parties for the same or similar type of products. In determining the transaction price payable to such Mandated Interested Person for such products, all pertinent factors, including but not limited to quality, track record, specification compliance, delivery time, experience and expertise, and where applicable, preferential rates, discounts or rebates accorded for bulk purchases, may also be taken into consideration.

- (B) When selling Goods to a Mandated Interested Person, the Company will require that rate quotations for the relevant product be obtained from the Shanghai Futures Exchange to the extent such rate quotations are reasonably representative of market transactions after taking into account the nature, quantum and frequency of Buy-Sell Transactions involved. The Company will only enter into such selling transactions with such Mandated Interested Person provided that the rate quoted is on terms competitive and not prejudicial to the interest of the Company as compared to those rate(s) obtained from the futures exchange(s) (and taking into account, where applicable, the futures market situation). Considerations such as preferential rates, discounts and/or rebates accorded to corporate customers or for bulk purchases will be taken into account in the assessment.

In the event that contracted sale rates or prices are not available on the Shanghai Futures Exchange (for instance, at or around the time the Company intends to enter into the Buy-Sell Transaction with the relevant Mandated Interested Person, there are no similar transactions of a Good being traded on the Shanghai Futures Exchange of a similar quantity within a comparable timeframe), the Company will require that quotations for the relevant product be obtained from at least two (2) other unrelated third party suppliers for similar quantities and/or quality of products (which may include products manufactured in other countries) for comparison. The pricing for products will not be lower than the most competitive price obtained through the unrelated third party quotations to ensure that the price and terms offered by the Mandated Interested Person

LETTER TO SHAREHOLDERS

are fair and reasonable and competitive to those offered by other unrelated third parties for the same or similar type of products and generally in accordance (where applicable) with industry norms. The transaction prices will, where applicable, be in accordance with the Company's usual business practices and pricing policies, consistent with the usual margin of the Company for the same or substantially similar type(s) of transaction with unrelated third parties. In determining the transaction price payable by such Mandated Interested Person for such products, all pertinent factors, including but not limited to quantity, volume, duration of contract, strategic purposes of the transaction, and where applicable, preferential rates, discounts and/or rebates accorded for bulk purchases, will also be taken into account in the assessment.

- (b) **Threshold Limit.** In addition to the above Review Procedures, the following approval threshold shall be adopted in respect of the Mandated Transactions:
- (i) Each transaction equal to or exceeding the Financial Limit will be reviewed and approved by two (2) uninterested Directors, and reported to the Audit Committee on a quarterly basis.
 - (ii) Each Mandated Transaction with a value equal to or exceeding the Financial Limit in value will be reviewed and approved by the Audit Committee prior to the Company's entry into of such Mandated Transaction.
 - (iii) Any of the approving Directors, and the Audit Committee, may, as he/it deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers, including requesting for an independent financial adviser's opinion and/or the obtaining of valuations from independent professional valuers.
- (c) **Abstention from decision making and voting at a Board meeting.** If any of the Directors has an interest in the transaction or is a nominee for the time being of either or both of the Mandated Interested Persons, or if any associate of such Director is involved in the decision making process on the part of either or both of the Mandated Interested Persons, the review and approval process shall be undertaken by the remaining Directors who do not have an interest in the transaction or are not nominees for the time being of the relevant Mandated Interested Person(s), and who are not subject to such conflicts of interest, save that if all of the Directors have an interest in the transaction, or are nominees for the time being of either or both of the Mandated Interested Persons or are subject to such conflicts of interest, the review and approval process shall be undertaken by the Audit Committee or such other senior executive(s) of the Company designated by the Audit Committee from time to time for such purpose.

If a member of the Audit Committee has an interest in a transaction or is a nominee for the time being of either or both of the Mandated Interested Persons, or if any associate of a member of the Audit Committee is involved in the decision-making process on the part of either or both of the Mandated Interested Persons, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction.

- (d) **Register of Mandated Transactions.** The Company will maintain a register of Mandated Transactions (including transactions below S\$100,000) carried out with the Mandated Interested Persons (recording the basis, including quotations, enquiries and/or reports obtained to support such basis, on which they are entered into).

The Audit Committee will review the register of Mandated Transactions on a quarterly basis to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with. The Audit Committee shall also review the appropriateness and sufficiency of the guidelines and review procedures for Mandated Transactions at least annually.

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- (e) **Periodic Reviews.** The internal auditors shall periodically, at the request of the Audit Committee, carry out audit reviews on the adequacy and compliance of the internal control system and reporting procedures for Mandated Transactions and will report to the Audit Committee on their findings.

The internal auditors shall periodically, at the request of the Audit Committee, carry out audit reviews to ascertain that the established guidelines and procedures for Mandated Transactions are appropriate and have been adequately complied with.

The Audit Committee shall review these internal audit reports on Mandated Transactions to ascertain that the internal control procedures for Mandated Transactions have been complied with.

If during any of the reviews by the Audit Committee, the Audit Committee is of the view that the established guidelines and review procedures for Mandated Transactions have become inappropriate or insufficient for whatever reason, such as in the event of changes to the nature of, or manner in which, the business activities of the Company or the Mandated Interested Persons are conducted, the Company will seek a fresh mandate from the Shareholders based on new guidelines and review procedures with a view to ensuring that Mandated Transactions will be carried out at arm's length, on normal commercial terms and will not be prejudicial to the interests of the Company and the minority Shareholders. In such a situation, prior to obtaining the new Shareholders' mandate, all transactions with the Mandated Interested Persons will be reviewed and approved by the Audit Committee.

- 2.7 Excluded Transactions.** The Proposed IPT Mandate will not cover any transaction with an interested person that is below S\$100,000 in value, as Chapter 9 of the Listing Manual provides that any such transaction is to be disregarded.

Transactions between the Company and Mandated Interested Persons which do not fall within the ambit of the Proposed IPT Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual, or other applicable provisions of the Listing Manual, if any.

- 2.8 Validity Period of the Proposed IPT Mandate.** The Proposed IPT Mandate is subject to Shareholders' approval at the EGM. If approved by Shareholders at the EGM, the Proposed IPT Mandate will take effect from the passing of the Ordinary Resolution relating thereto as set out in the Notice of EGM, and will (unless revoked or varied by the Company in general meeting) continue in force until the next AGM of the Company.

Approval from Shareholders will be sought for the Proposed IPT Mandate at the EGM and the renewal thereof at each subsequent AGM of the Company, subject to satisfactory review by the Audit Committee of its continued application to Mandated Transactions with the Mandated Interested Persons.

- 2.9 Disclosure.** The Company will announce the aggregate value of transactions conducted with each of the Mandated Interested Persons pursuant to the Proposed IPT Mandate for the financial periods that it is required to report on pursuant to Rule 705 of the Listing Manual (which relates to quarterly reporting by listed companies) within the time required for the announcement of such report.

Disclosure will be made in the Company's annual report of the aggregate value of the transactions conducted with interested persons pursuant to the Proposed IPT Mandate during the relevant financial year, and in the annual reports for the subsequent financial years that the Proposed IPT Mandate continues in force, in accordance with the requirements and form set out in Chapter 9 of the Listing Manual.

- 2.10 Abstention from voting.** Esteel, being an interested person, will abstain and shall procure their respective associates to abstain from voting on the Ordinary Resolution relating to the Proposed IPT Mandate to be tabled at the EGM. Esteel and its associates will also not act as proxies in relation to the Ordinary Resolution unless specific voting instructions have been given by the Shareholder.

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3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

3.1 Interests of the Directors

None of the Directors of the Company and their associates has any interest, direct or indirect, in the issued share capital of the Company.

3.2 Shareholding Interests

The interests of the Substantial Shareholders in the Shares as at the Latest Practicable Date are:

	Direct		Deemed	
	Number of Shares	% of total issued Shares ⁽¹⁾	Number of Shares	% of total issued Shares ⁽¹⁾
Substantial Shareholders				
Esteel	167,795,536	71.91	-	-
AVIL ⁽²⁾	-	-	167,795,536	71.91
Mr. You ⁽³⁾	-	-	167,795,536	71.91

Notes:

- (1) Based on the total issued Shares comprising, 233,335,089 Shares (excluding shares held as treasury shares) as at the Latest Practicable Date.
- (2) AVIL has an 80.1% interest in Esteel. Accordingly, AVIL is deemed to have an interest in the Shares held by Esteel pursuant to Section 7 of the Companies Act.
- (3) Mr. You has a 100% interest in AVIL. Accordingly, Mr. You is deemed to have an interest in the Shares held by AVIL pursuant to Section 7 of the Companies Act.

4. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the proposed adoption of the Proposed IPT Mandate is in the best interests of the Company and its Shareholders. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution in respect of the proposed adoption of the Proposed IPT Mandate as set out in the Notice of EGM on page N-1 of this Circular.

The Directors, in rendering their recommendation, have not had regard to the specific investment objectives, financial situation, tax position and/or unique needs and constraints of any Shareholder. As different Shareholders would have different investment objectives, the Directors recommend that any individual Shareholder who may require specific advice in relation to the Proposed IPT Mandate should consult his stockbroker, bank manager, solicitor, accountant or other professional advisers.

5. OPINION OF THE IFA

CEL Impetus Corporate Finance Pte. Ltd. has been appointed as the independent financial adviser to the Directors in relation to the Proposed IPT Mandate. A copy of the IFA Letter is set out in **Appendix A** to this Circular.

Based on the analysis undertaken and subject to the qualifications and assumptions made herein, the IFA is of the opinion that the guidelines and review procedures for determining the transaction prices of the Mandated Transactions as set out in **Section 2.6** of this Circular are, if adhered to and applied consistently, sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the IFA Letter dated 6 January 2021, and all references thereto in the form and context in which they respectively appear in this Circular and to act in such capacity in relation to this Circular.

6. STATEMENT FROM THE AUDIT COMMITTEE

The Audit Committee, comprising Mr. Joel Leong Kum Hoe, Mr. He Jun and Ms. Chang Pui Yook, all of whom are considered independent for the purposes of considering the Proposed IPT Mandate, having reviewed, amongst others, the rationale for and the terms and benefits of the Proposed IPT Mandate as well as the opinion of the IFA as set out in Appendix A to this Circular, is of the view that the guidelines and review procedures for determining the transaction prices of the Mandated Transactions as set out in **Section 2.6** of this Circular are, if adhered to and applied consistently, sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

7. EXTRAORDINARY GENERAL MEETING

7.1 Registration to Attend the EGM remotely

Shareholders will be able to watch the proceedings of the EGM through through live audio-visual webcast or listen the proceedings of the EGM through live audio-only stream. In order to do so, Shareholders must pre-register by the Registration Cut-Off Date of **10 a.m. on 25 January 2021**, at <https://agm.conveneagm.com/brcasia/>. Shareholders will be required to provide their particulars for verification purposes.

PHYSICAL ATTENDANCE OF THE EGM WILL NOT BE PERMITTED.

7.2 Prior submission of questions

Shareholders who pre-register to watch the one-way live audio-visual webcast or listen to the live audio-only stream may also submit questions related to the Proposed IPT Mandate:

- (a) All questions must be submitted by **10 a.m. on 25 January 2021**:
 - (i) via the pre-registration website at <https://agm.conveneagm.com/brcasia/>; or
 - (ii) via hard copy and sent personally or by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898.

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When sending in the questions, please provide full name, identification/registration number and the manner in which the shares of the Company are held for verification purpose, failing which, the submission will be treated as invalid.

- (b) The Company will endeavour to address substantial and relevant questions relating to the Proposed IPT Mandate as received from Shareholders either before the EGM on SGXNET or during the EGM.
- (c) The Company will, within one month after the date of the EGM, publish the minutes of the EGM on SGXNET, and the minutes will include the responses to the questions referred to above.
- (d) Please note that Shareholders will not be able to ask questions at the EGM live during the webcast and the audio feed, and therefore it is important for Shareholders to pre-register their participation in order to be able to submit their questions in advance of the EGM.

7.3 Voting by Proxy

Shareholders (whether individual or corporate) who wish to exercise their votes must submit a proxy form to appoint the Chairman of the EGM to vote on their behalf:

- (a) if in hard copy and sent personally or by post, the proxy form must be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898;
- (b) if by email, the proxy form must be received at sg.is.proxy@sg.tricorglobal.com;
- (c) via the website of the annual general meeting and the EGM at <https://agm.conveneagm.com/brcasia/>.

in either case, by **11 a.m. on 25 January 2021** (being 72 hours before the time fixed for the EGM).

8. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who wish to vote on the resolution at the EGM must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM.

Shareholders must submit the completed and signed proxy form in the manner set out herein by **no later than 11 a.m. on 25 January 2021** (being 72 hours before the time fixed for the EGM).

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM unless he is shown to have Shares entered against his name in the Depository Register, as certified by CDP at least 72 hours before the EGM.

9. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS

9.1 CPFIS Investors

CPFIS Investors who wish to attend and vote at the EGM should approach their respective CPF Agent Banks to submit their votes at least seven (7) working days before the date of the EGM and are advised to consult their respective CPF Agent Banks should they require further information. If they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice.

9.2 SRS Investors

SRS Investors who wish to attend and vote at the EGM should approach their respective SRS Operators to submit their votes at least seven (7) working days before the date of the EGM and are advised to consult their respective SRS Operators should they require further information. If they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed adoption of the Proposed IPT Mandate, the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company's Share Registrar's office at 80 Robinson Road, #11-02 Singapore 068898, during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Master Supply Agreement;
- (b) the Constitution of the Company;
- (c) the IFA Letter set out in **Appendix A** of this Circular; and
- (d) the written consent of the IFA referred to in **Section 5** of this Circular.

Yours faithfully

For and on behalf of
the Board of Directors of
BRC ASIA LIMITED

Mr. Teo Ser Luck
Chairman and Independent Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

6 January 2021

The Independent Directors

BRC Asia Limited

350 Jalan Boon Lay

Jurong Town

Singapore 619530

Dear Sirs,

**PROVISION OF INDEPENDENT FINANCIAL ADVISORY SERVICES TO BRC ASIA LIMITED
(THE "COMPANY")**

*Unless otherwise defined or the context requires otherwise, all terms used herein have the same meanings as defined in the Circular to Shareholders of the Company dated 6 January 2021 (the "**Circular**").*

1. INTRODUCTION

The Group is principally engaged in the business of design, manufacture and supply of steel reinforcement for construction, and is the leading steel reinforcing solutions provider in Singapore. The Group evaluates the types of prefabricated steel reinforcement required by project, as well as design, manufacture, pack and tag the prefabricated steel reinforcing components for easy and efficient handling and on-site assembly. The Group also has subsidiaries in Malaysia and employs more than 1,000 employees.

Mr. You Zhenhua ("**Mr. You**"), has a deemed shareholding interest in 167,795,536 Shares, representing an interest of approximately 71.9% in the Company (excluding treasury shares), and is accordingly a Controlling Shareholder of the Company. Mr. You's shareholding interest in the Company is held through his wholly-owned special purpose vehicle AVIL which in turn holds 80.1% of the shares in Esteel. Esteel in turn holds 167,795,536 Shares, representing approximately 71.9% of share capital of the Company (excluding treasury shares).

The Company proposes to enter into a master supply agreement ("**Master Supply Agreement**") with BPT and SEHE, each an associate of Mr. You, pursuant to which the Company intends to, from time to time, enter into transactions with BPT and/or SEHE in connection with the mutual supply of raw materials, commodities and intermediate goods, comprising steel, steel products, steel-related products and steel by-products ("**Goods**") on such terms and conditions as may be mutually agreed between the Company and BPT and/or SEHE (or their respective appointed agent(s), if any), as the case may be, as guided by the terms of the Master Supply Agreement (each a "**Buy-Sell Transaction**"), in the ordinary course of business. Such Buy-Sell Transactions are deemed as interested person transactions pursuant to the definitions of Chapter 9 of the Listing Manual.

To ensure that the terms of such Buy-Sell Transactions are on normal commercial terms and not prejudicial to the interest of the Company and its minority shareholders, the Company is proposing the adoption of an interested person transaction general mandate pursuant to Rule 920 of the Listing Manual ("**Proposed IPT Mandate**").

In connection with the above, CEL Impetus Corporate Finance Pte. Ltd. ("**CICF**") has been appointed by the Company as the independent financial adviser ("**IFA**") pursuant to Rule 920(1)(b)(v) of the Listing Manual to advise on whether the methods and/or procedures proposed by the Company for determining the transaction

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prices of the Mandated Transactions (as defined in the Circular), if adhered to and applied consistently, are sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

This letter (the "**IFA Letter**") has been prepared to be incorporated as **Appendix A** to the Circular which provides, *inter alia*, details of the Proposed IPT Mandate.

2. TERMS OF REFERENCE

CICF has been appointed as the IFA in respect of whether the review procedures pursuant to the Proposed IPT Mandate are sufficient to ensure that the Mandated Transactions entered into with BPT and/or SEHE (or their respective appointed agent(s), if any), as the case may be, will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

CICF is neither a party to the negotiations or discussions in relation to the Proposed IPT Mandate, nor were we involved in the deliberations leading up to the decision on the part of the Company to propose the adoption of the Proposed IPT Mandate, and we do not, by this IFA Letter, in any way advise on the merits of the Proposed IPT Mandate other than to form an opinion, for the purposes of Chapter 9 of the Listing Manual, on whether the review procedures pursuant to the Proposed IPT Mandate are sufficient to ensure that the Mandated Transactions entered into with BPT and/or SEHE (or their respective appointed agent(s), if any), as the case may be, will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

For the purpose of arriving at our opinion in respect of the Proposed IPT Mandate, we have taken into account the review procedures set up by the Company but have not evaluated and have not been requested to comment on the strategic or commercial merits or risks of the Proposed IPT Mandate, the Mandated Transactions or the prospects or earnings potential of the Group in view of the adoption of the Proposed IPT Mandate, and such evaluation and comments shall remain the sole responsibility of the Directors, although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion as set out in this IFA Letter.

In the course of our evaluation of the Proposed IPT Mandate, we have held discussions with the management of the Company and have examined and relied on publicly available information collated by us, information set out in the Circular, and information (including representations, opinions, facts and statements) provided to us by the Directors, management and employees, and the advisers of the Company, where applicable. We have relied on the assurances of the Directors and management of the Company that they jointly and severally accept full responsibility for the accuracy, truth, completeness and adequacy of such information and they have upon making all reasonable inquiries and to the best of their respective knowledge, information and belief, disclosed to us all material information in connection with the Proposed IPT Mandate, the Company and the Group, and that such information is true, complete, accurate and fair in all material respects and that there is no other information or fact, the omission of which would cause any information disclosed to or relied upon by us or the facts of or in relation to the Proposed IPT Mandate, the Company and/or the Group to be inaccurate, untrue, incomplete, unfair or misleading in any material respect.

Whilst care has been exercised in reviewing the information upon which we have relied, we have not independently verified such information but nevertheless have made such reasonable enquiries and exercised our judgment on the reasonableness of such information as we deemed necessary and have found no reason to doubt the accuracy or reliability of the information.

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The scope of our appointment does not require us to conduct and we have not conducted any comprehensive independent review of the business, operations or financial conditions of the Company, the Group, BPT and/or SEHE, or to express, and we do not express, a view on the future growth prospects, value and earnings potential of the Company and/or the Group after the implementation of the Proposed IPT Mandate. Such review or comment, if any, remains the responsibility of the Directors and the management of the Company and/or the Group, although we may draw upon their views or make such comments in respect thereof (to the extent required by the Listing Manual and/or deemed necessary or appropriate by us) in arriving at our opinion as set out in this IFA Letter. We have not obtained from the Company and/or the Group any projection of the future performance including financial performance of the Company and/or the Group and further, we did not conduct discussions with the Directors and management of the Company and/or the Group on, and did not have access to, any business plan and financial projections of the Company and/or the Group. We also do not express any opinion herein as to the prices at which the Shares of the Company may trade or the future value, financial performance or condition of the Company and/or the Group, upon or after the implementation of the Proposed IPT Mandate.

Our opinion herein is based upon market, economic, industry, monetary and other conditions prevailing on, and the information provided to us as of the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion in light of, and this IFA Letter does not take into account, any subsequent development after the Latest Practicable Date that may affect our opinion herein.

The Company has been separately advised by its advisers in the preparation of the Circular (other than this IFA Letter). We have no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this IFA Letter).

We have not regarded the general or specific investment objectives, financial situation, tax position, risk profile or unique needs and constraints of any individual Shareholder. As different Shareholders would have different investment portfolios and objectives, we would advise the Independent Directors to recommend that any individual Shareholder who may require specific advice in relation to his or her investment portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax advisor or other professional advisers.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor any other persons may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any purposes other than for the purposes of the Shareholders' resolution in relation to the Proposed IPT Mandate at any time and in any manner without the prior written consent of CICF in each specific case.

This IFA Letter is issued pursuant to Rule 920(1)(b)(v) of the Listing Manual, as well as for the use and benefit of the Independent Directors and the recommendations made by them to the Shareholders are the responsibility of the Independent Directors.

Our opinion in respect of the Proposed IPT Mandate should be considered in the context of the entirety of this IFA Letter and the Circular.

3. RATIONALE FOR THE PROPOSED IPT MANDATE

It is not within our terms of reference to comment or express an opinion on the merits of the adoption of the Proposed IPT Mandate or the future prospects of the Company and/or the Group in view of the adoption of the Proposed IPT Mandate. Nevertheless, we have reviewed the rationale for the Proposed IPT Mandate as set out in paragraph 2.3 of the Circular, and we have extracted below the relevant paragraphs as follows:

"2.3 Rationale for the Proposed IPT Mandate

The Group envisages that such interested person transactions will occur with some degree of frequency and could arise at any time and from time to time, as they are recurring transactions and are part of the day-to-day operations of the Group.

In lieu of seeking the specific approval of Shareholders for such contracts which are in the Group's ordinary course of business whenever the need arises, the Company is proposing the implementation of the Proposed IPT Mandate, pursuant to Chapter 9 of the Listing Manual, to enable the Company to enter in the ordinary course of business into certain types of transactions with specified "interested persons" of the Company, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such transactions.

The adoption of the Proposed IPT Mandate will:

- (a) facilitate the entry into Mandated Transactions (as defined in **Section 2.5** below) with the Mandated Interested Persons in the ordinary course of the Group's businesses;*
- (b) give the Company the ability to select transactions, service providers, customers or business relationships on the basis of which provides the best commercial advantage to the Company regardless of relationship with its interested persons; and*
- (c) eliminate the need to convene separate general meetings under Chapter 9 of the Listing Manual, to seek Shareholders' approval, thereby:
 - (i) substantially reducing administrative time and costs associated with the convening of such meetings;*
 - (ii) avoiding delay in the execution of financing transactions which facilitate the Group's business;*
 - (iii) enabling the Group to maintain its overall competitiveness and not be disadvantaged as compared to other parties that do not require Shareholders' approval to be obtained for entering into such transactions; and*
 - (iv) allowing manpower resources and time to be channelled towards attaining corporate objectives rather than to the convening of repeated Shareholders' meetings."**

4. BENEFITS OF THE PROPOSED IPT MANDATE

As explained in Section 2.5 of the Circular, the Company will benefit from having access to competitive quotes from the Mandated Interested Persons on payment and credit terms which are arm's length and (i) not more favourable than those offered to third party customers or (ii) not less favourable than those offered by third party suppliers (as the case may be), in addition to obtaining quotes from non-interested and unrelated third party persons.

5. MANDATED INTERESTED PERSON

The Proposed IPT Mandate will apply to transactions in the category described in Section 2.5 of the Circular, entered into between any entity at risk (being the Company) and the following associates of Mr. You:

(a) **BPT**

BPT is a private company limited by shares and was incorporated in Singapore on 5 October 2016. BPT is 100% held by Theme International Holdings Limited. Theme International is listed on the SEHK and is 71.29% owned by Wide Bridge Limited, with the balance owned by public shareholders. Wide Bridge Limited is in turn 100% beneficially owned by Mr. You. Accordingly, BPT is an "associate" of Mr. You and an "interested person" as set out in Section 2.1 of the Circular.

The principal business activities of BPT comprise the wholesale of metals and metals ores and wholesale on a fee or contract basis.

(b) **SEHE**

SEHE is a private company limited by shares and was incorporated in the PRC on 7 March 2018. Mr. You Zhenwu, the brother of Mr. You, has a deemed shareholding interest of 70.0% in SEHE which is held through Emetal Industrial Group Co., Ltd. which is turn indirectly controlled by RGL Group Co., Ltd. in which Mr. You Zhenwu has an aggregate interest of 88.24% which is held directly and indirectly through Shanghai Huaxi Industrial Co., Ltd.. Accordingly, SEHE is an "associate" of Mr. You and an "interested person" as set out in Section 2.1 of the Circular.

The principal business activities of SEHE comprise the import and export of steel, iron ore products and building materials.

6. CATEGORY OF MANDATED TRANSACTIONS

The Mandated Transactions to which the Proposed IPT Mandate will apply, and the benefits to be derived therefrom, comprise the purchase and/or sale of raw materials and intermediate goods, comprising steel, steel products, steel-related products and steel by-products used by the Company for its business activities, to lock in prices for such products which are attractive and cost-efficient and ensure that such prices are complementary to the Company's risk appetite, internal practices and pricing policies.

7. GUIDELINES AND REVIEW PROCEDURES UNDER THE PROPOSED IPT MANDATE

We noted and have considered the following guidelines and review procedures that the Company proposes to implement under the Proposed IPT Mandate. The full text can be found in Section 2.6 of the Circular and has been reproduced in italics below.

"2.6 Guidelines and Review Procedures under the Proposed IPT Mandate

- (a) **Review Procedures.** *Quotation exercises are generally conducted for most of the Company's purchases except where the transaction value is below the threshold specified in the internal control procedures of the Group which are in line with the non-applicable threshold stipulated in Chapter 9 of the Listing Manual. The specific terms of supply and/or purchase in a Buy-Sell Transaction are usually contained in a Purchase Order.*

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To ensure that the Mandated Transactions with Mandated Interested Persons are undertaken at:

- (i) arm's length and on normal commercial terms, being consistent with the Company's usual business practices and on terms which, taken as a whole, are not more favourable than those extended to unrelated third parties (in the case of sale or provision of Goods by the Company) or not less favorable than those obtained from unrelated third parties (in the case of purchase or procurement of Goods by the Company); or*
- (ii) in any event on terms, which taken as a whole, are not prejudicial to the interests of the Company and the minority Shareholders,*

the Company will adopt the following Review Procedures:

- (A) When purchasing Goods from a Mandated Interested Person, the Company will require that rate quotations for the relevant product be obtained from the Shanghai Futures Exchange, being the only active futures market for steel rebars, to the extent such rate quotations are reasonably representative of market transactions after taking into account the nature, quantum and frequency of the Buy-Sell Transactions involved. The Company will only enter into such purchasing transaction with such Mandated Interested Person provided that the rate quoted is on terms competitive and not prejudicial to the interest of the Company as compared to those rate(s) obtained from the Shanghai Futures Exchange (and taking into account, where applicable, the futures market situation). In determining whether the price and terms offered by such Mandated Interested Person are competitive and not prejudicial to the interest of the Company, all pertinent factors, including but not limited to quality, track record, specification compliance, delivery time, experience and expertise, and where applicable, preferential rates, discounts or rebates accorded for bulk purchases, may be taken into consideration.*

In the event that such competitive quotations cannot be obtained from the Shanghai Futures Exchange (for instance, if at or around the time the Company intends to enter into the Buy-Sell Transaction with the relevant Mandated Interested Person, there are no similar transactions of a Good being traded on the Shanghai Futures Exchange of a similar quantity within a comparable timeframe), the Company will require that quotations for the relevant product be obtained from at least two (2) other unrelated third party suppliers for similar quantities and/or quality of products (which may include products manufactured in other countries) for comparison. The pricing for products will not be higher than the most competitive price obtained through the unrelated third party quotations to ensure that the price and terms offered by the Mandated Interested Person are fair and reasonable and competitive to those offered by other unrelated third parties for the same or similar type of products. In determining the transaction price payable to such Mandated Interested Person for such products, all pertinent factors, including but not limited to quality, track record, specification compliance, delivery time, experience and expertise, and where applicable, preferential rates, discounts or rebates accorded for bulk purchases, may also be taken into consideration.

- (B) When selling Goods to a Mandated Interested Person, the Company will require that rate quotations for the relevant product be obtained from the Shanghai Futures Exchange to the extent such rate quotations are reasonably representative of market transactions after taking into account the nature, quantum, and frequency of Buy-Sell Transactions involved. The Company will only enter into such selling transactions with such Mandated Interested Person provided that the rate quoted is on terms competitive and not prejudicial to the interest of the Company as compared to those rate(s) obtained from the futures exchange(s)*

APPENDIX A – LETTER FROM IFA IN RESPECT OF THE PROPOSED IPT MANDATE

(and taking into account, where applicable, the futures market situation). Considerations such as preferential rates, discounts and/or rebates accorded to corporate customers or for bulk purchases will be taken into account in the assessment.

In the event that contracted sale rates or prices are not available on the Shanghai Futures Exchange (for instance, at or around the time the Company intends to enter into the Buy-Sell Transaction with the relevant Mandated Interested Person, there are no similar transactions of a Good being traded on the Shanghai Futures Exchange of a similar quantity within a comparable timeframe), the Company will require that quotations for the relevant product be obtained from at least two (2) other unrelated third party suppliers for similar quantities and/or quality of products (which may include products manufactured in other countries) for comparison. The pricing for products will not be lower than the most competitive price obtained through the unrelated third party quotations to ensure that the price and terms offered by the Mandated Interested Person are fair and reasonable and competitive to those offered by other unrelated third parties for the same or similar type of products and generally in accordance (where applicable) with industry norms.. The transaction prices will, where applicable, be in accordance with the Company's usual business practices and pricing policies, consistent with the usual margin of the Company for the same or substantially similar type(s) of transaction with unrelated third parties. In determining the transaction price payable by such Mandated Interested Person for such products, all pertinent factors, including but not limited to quantity, volume, duration of contract, strategic purposes of the transaction, and where applicable, preferential rates, discounts and/or rebates accorded for bulk purchases, will also be taken into account in the assessment.

- (b) **Threshold Limit.** *In addition to the above Review Procedures, the following approval threshold shall be adopted in respect of the Mandated Transactions:*
- (i) *Each transaction equal to or exceeding the Financial Limit will be reviewed and approved by two (2) uninterested Directors, and reported to the Audit Committee on a quarterly basis.*
 - (ii) *Each Mandated Transaction with a value equal to or exceeding the Financial Limit in value will be reviewed and approved by the Audit Committee prior to the Company's entry into of such Mandated Transaction.*
 - (iii) *Any of the approving Directors, and the Audit Committee, may, as he/it deems fit, request for additional information pertaining to the transaction under review from independent sources or advisers, including requesting for an independent financial adviser's opinion and/or the obtaining of valuations from independent professional valuers.*
- (c) **Abstention from decision making and voting at a Board meeting.** *If any of the Directors has an interest in the transaction or is a nominee for the time being of either or both the Mandated Interested Persons, or if any associate of such Director is involved in the decision making process on the part of either or both of the Mandated Interested Person, the review and approval process shall be undertaken by the remaining Directors who do not have an interest in the transaction or are not nominees for the time being of the relevant Mandated Interested Person(s), and who are not subject to such conflicts of interest, save that if all of the Directors have an interest in the transaction, or are nominees for the time being of either or both of the Mandated Interested Person or are subject to such conflicts of interest, the review and approval process shall be undertaken by the Audit Committee or such other senior executive(s) of the Company designated by the Audit Committee from time to time for such purpose.*

APPENDIX A – LETTER FROM IFA IN RESPECT OF THE PROPOSED IPT MANDATE

If a member of the Audit Committee has an interest in a transaction or is a nominee for the time being of either or both of the Mandated Interested Person, or if any associate of a member of the Audit Committee is involved in the decision-making process on the part of either or both of the Mandated Interested Person, he shall abstain from participating in the review and approval process of the Audit Committee in relation to that transaction.

- (d) **Register of Mandated Transactions.** *The Company will maintain a register of Mandated Transactions (including transactions below S\$100,000) carried out with the Mandated Interested Persons (recording the basis, including quotations, enquiries and/or reports obtained to support such basis, on which they are entered into).*

The Audit Committee will review the register of Mandated Transactions on a quarterly basis to ascertain that the guidelines and review procedures for Mandated Transactions have been complied with. The Audit Committee shall also review the appropriateness and sufficiency of the guidelines and review procedures for Mandated Transactions at least annually.

- (e) **Periodic Reviews.** *The internal auditors shall periodically, at the request of the Audit Committee, carry out audit reviews on the adequacy and compliance of the internal control system and reporting procedures for Mandated Transactions and will report to the Audit Committee on their findings.*

The internal auditors shall periodically, at the request of the Audit Committee, carry out audit reviews to ascertain that the established guidelines and procedures for Mandated Transactions are appropriate and have been adequately complied with.

The Audit Committee shall review these internal audit reports on Mandated Transactions to ascertain that the internal control procedures for Mandated Transactions have been complied with.

If during any of the reviews by the Audit Committee, the Audit Committee is of the view that the established guidelines and review procedures for Mandated Transactions have become inappropriate or insufficient for whatever reason, such as in the event of changes to the nature of, or manner in which, the business activities of the Company or the Mandated Interested Person are conducted, the Company will seek a fresh mandate from the Shareholders based on new guidelines and review procedures with a view to ensuring that Mandated Transactions will be carried out at arm's length, on normal commercial terms and will not be prejudicial to the interests of the Company and the minority Shareholders. In such a situation, prior to obtaining the new Shareholders' mandate, all transactions with the Mandated Interested Persons will be reviewed and approved by the Audit Committee."

8. VALIDITY PERIOD OF THE PROPOSED IPT MANDATE

The Proposed IPT Mandate is subject to Shareholders' approval at the EGM. If approved by Shareholders at the EGM, the Proposed IPT Mandate will take effect from the passing of the Ordinary Resolution relating thereto as set out in the Notice of EGM, and will (unless revoked or varied by the Company in general meeting) continue in force until the next AGM of the Company.

Approval from Shareholders will be sought for the Proposed IPT Mandate at the EGM and the renewal thereof at each subsequent AGM of the Company, subject to satisfactory review by the Audit Committee of its continued application to Mandated Transactions with the Mandated Interested Persons.

9. DISCLOSURE

The Company will announce the aggregate value of transactions conducted with each of the Mandated Interested Persons pursuant to the Proposed IPT Mandate for the financial periods that it is required to report on pursuant to Rule 705 of the Listing Manual (which relates to quarterly reporting by listed companies) within the time required for the announcement of such report.

Disclosure will be made in the Company's annual report of the aggregate value of the transactions conducted with interested persons pursuant to the Proposed IPT Mandate during the relevant financial year, and in the annual reports for the subsequent financial years that the Proposed IPT Mandate continues in force, in accordance with the requirements and form set out in Chapter 9 of the Listing Manual.

10. ABSTENTION FROM VOTING

Esteele, being an interested person, will abstain and shall procure their respective associates to abstain from voting on the Ordinary Resolution relating to the Proposed IPT Mandate to be tabled at the EGM. Esteele and its associates will also not act as proxies in relation to the Ordinary Resolution unless specific voting instructions have been given by the Shareholder.

11. OPINION

In arriving at our opinion in relation to the Proposed IPT Mandate, we have considered, *inter alia*, the guidelines and review procedures set up by the Company, the roles of the Directors (including the Audit Committee) and such senior executive(s) of the Company designated by the Audit Committee in enforcing the guidelines and review procedures for the Proposed IPT Mandate, the rationale for and the benefits of the Proposed IPT Mandate to the Group, as well as the views and representations of the Directors and management of the Company, which we deem to have significant relevance to our assessment.

Having regard to the considerations set out in this IFA Letter and the information made available to us as at the Latest Practicable Date, we are of the opinion that the guidelines and review procedures proposed by the Company under the Proposed IPT Mandate in the Circular, if adhered to and applied consistently, are sufficient to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

This IFA Letter has been prepared pursuant to Rule 920(1)(b)(v) of the Listing Manual, and it is also for the use of the Independent Directors in their consideration of the Proposed IPT Mandate. The recommendation made by the Independent Directors to the Shareholders in relation to the Proposed IPT Mandate shall remain the sole responsibility of the Independent Directors. Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor any other persons may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of CICF in each specific case, other than for the purposes of the EGM and the Proposed IPT Mandate.

APPENDIX A – LETTER FROM IFA IN RESPECT OF THE PROPOSED IPT MANDATE

This IFA Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
CEL IMPETUS CORPORATE FINANCE PTE. LTD.

NG BOON ENG
CHIEF EXECUTIVE OFFICER

FOO JIEN JIENG
DIRECTOR, CORPORATE FINANCE

NOTICE OF EXTRAORDINARY GENERAL MEETING

BRC ASIA LIMITED

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

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("**EGM**") of BRC ASIA LIMITED ("**Company**") will be convened and held by electronic means on Thursday, 28 January 2021 at 11 a.m. (or immediately after the conclusion of the Annual General Meeting of the Company to be held at 10 a.m. on the same day, by electronic means) for the purpose of considering and, if thought fit, passing, with or without amendments, the ordinary resolution set out below.

AS ORDINARY RESOLUTION

THE ADOPTION OF THE PROPOSED INTERESTED PERSON TRANSACTIONS MANDATE

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited, for the Company to enter into any of the transactions falling within the types of interested person transactions as set out in the Circular to this Notice of Extraordinary General Meeting, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions ("**Proposed IPT Mandate**");
- (b) the Proposed IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- (c) the Directors of the Company be and are hereby authorised to do all acts and things as they may in their discretion deem necessary, desirable or expedient in the interests of the Company to give effect to the Proposed IPT Mandate and/or this Ordinary Resolution.

By Order of the Board

Mr. Teo Ser Luck
Chairman and Independent Director

6 January 2021

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Registration to Attend the EGM remotely

Shareholders will be able to watch the proceedings of the EGM through through live audio-visual webcast or listen the proceedings of the EGM through live audio-only stream. In order to do so, Shareholders must pre-register by the Registration Cut-Off Date of **10 a.m. on 25 January 2021**, at <https://agm.conveneagm.com/brcasia/>. Shareholders will be required to provide their particulars for verification purposes.

PHYSICAL ATTENDANCE OF THE EGM WILL NOT BE PERMITTED.

2. Prior submission of questions

Shareholders who pre-register to watch the one-way live audio-visual webcast or listen to the live audio-only stream may also submit questions related to the Proposed IPT Mandate:

(a) All questions must be submitted by **10 a.m. on 25 January 2021**:

- (i) via the pre-registration website at <https://agm.conveneagm.com/brcasia/>; or
- (ii) via hard copy and sent personally or by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898.

When sending in the questions, please provide full name, identification/registration number and the manner in which the shares of the Company are held for verification purpose, failing which, the submission will be treated as invalid.

- (b) The Company will endeavour to address substantial and relevant questions relating to the Proposed IPT Mandate as received from Shareholders either before the EGM on SGXNET or during the EGM.
- (c) The Company will, within one month after the date of the EGM, publish the minutes of the EGM on SGXNET, and the minutes will include the responses to the questions referred to above.

Please note that Shareholders will not be able to ask questions at the EGM live during the webcast and the audio feed, and therefore it is important for Shareholders to pre-register their participation in order to be able to submit their questions in advance of the EGM.

3. Voting by Proxy

Shareholders (whether individual or corporate) who wish to exercise their votes must submit a proxy form to appoint the Chairman of the EGM to vote on their behalf:

- (a) if in hard copy and sent personally or by post, the proxy form must be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898;
- (b) if by email, the proxy form must be received at sg.is.proxy@sg.tricorglobal.com;
- (c) via the website of the annual general meeting and the EGM at <https://agm.conveneagm.com/brcasia/>.

in either case, by **11 a.m. on 25 January 2021** (being 72 hours before the time fixed for the EGM).

CPF Investors and SRS Investors who wish to appoint the chairman of the EGM as their proxy should approach their respective agent banks to submit their votes at least seven (7) working days before the date of the EGM. CPF Investors and SRS Investors should not directly appoint the chairman as proxy to direct the vote.

The Chairman of the EGM, as proxy, need not be a member of the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

The instrument appointing the Chairman of the EGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act (Chapter 50) of Singapore or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing the Chairman of the EGM as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.

The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy.

Personal data privacy:

By submitting an instrument appointing Chairman of the EGM to vote at the EGM of the Company and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM of the Company (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines and (ii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

PROXY FORM

BRC ASIA LIMITED

(Registration No. 193800054G)

(Incorporated in Singapore)

PROXY FORM

EXTRAORDINARY GENERAL MEETING

IMPORTANT:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting at the EGM are set out in the Circular.
2. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") who wish to vote at the EGM should approach their respective agent banks to submit their votes at least seven (7) working days before the date of the EGM. CPF Investors and/or SRS Investors are requested to contact their respective agent banks for any queries they may have with regard to appointment of the chairman of the EGM as proxy for the EGM.
3. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We _____ (Name) *NRIC/Passport/Co. Reg. No. _____

of _____ (Address)

being a *member/members of BRC Asia Limited ("**Company**"), hereby appoint the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Extraordinary General Meeting ("**EGM**") to be held by electronic means on Thursday, 28 January 2021 at 11 a.m. or immediately after the conclusion of the Annual General Meeting of the Company.

I/We* direct my/our* proxy to vote for or against or to abstain from voting on the ordinary resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, this Proxy Form shall be disregarded and the proxy shall abstain from voting on any matter arising at the EGM and at any adjournment thereof.

ORDINARY RESOLUTION	No. of votes for**	No. of votes against**	No. of votes abstaining**
To approve the adoption of the Proposed IPT Mandate			

** If you wish to exercise all your votes "For" or "Against" the Ordinary Resolution or if you wish to abstain from voting on the Ordinary Resolution in respect of all your votes, please indicate with a "✓" within the box provided. Alternatively, if you wish to exercise some and not all of your votes both "For" and "Against" the Ordinary Resolution and/or if you wish to abstain from voting in respect of the Ordinary Resolution, please indicate the number of votes "For", the number of votes "Against" and/or the number of votes "Abstaining" in the boxes provided for the Ordinary Resolution. For the avoidance of doubt, if you are required under Rule 920 of the Listing Manual to abstain from voting on the Ordinary Resolution, you must abstain in respect of all (and not some only) of your votes.

Total No. of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of Shareholder(s)
or Common Seal of Corporate Shareholder

* Delete where inapplicable

Dated this _____ day of _____ 2021

IMPORTANT: PLEASE READ THE NOTES BELOW CAREFULLY BEFORE COMPLETING THIS FORM

PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. **A Shareholder will not be able to attend the EGM in person.** If a Shareholder (whether individual or corporate) wishes to exercise his/her/its votes, he/she/it must submit a proxy form to appoint the Chairman of the EGM to vote on his/her/its behalf.
3. The chairman of the EGM, as proxy, need not be a member of the Company.
4. The instrument appointing the chairman of the EGM as proxy must:
 - (a) if in hard copy and sent personally or by post, the proxy form must be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898;
 - (b) if by email, the proxy form must be received at sg.is.proxy@sg.tricorglobal.com;
 - (c) via the website of the annual general meeting and the EGM at <https://agm.conveneagm.com/brcasia/>.in either case, by **11 a.m. on 25 January 2021** (being 72 hours before the time fixed for the EGM).
5. The instrument appointing the Chairman of the EGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney duly authorised.
6. Where an instrument appointing the Chairman of the EGM as proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a copy thereof certified by a notary public (failing previous registration with the Company) must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. Relevant Intermediaries shall also appoint the chairman of the EGM to act as proxy and direct the vote at the EGM. Together with the instrument appointing a proxy, the Relevant Intermediaries shall provide to the Company a list of attendees who would like to attend the EGM by way of a live webcast or a live audio feed with each attendee's full particulars for verification purposes. Upon successful registration, authenticated attendees will receive an email confirmation by 27 January 2021 with a unique link to watch the live audio-visual webcast or listen to the live audio-only stream of the EGM proceedings.
8. A Relevant Intermediary is:
 - (a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 6 January 2021.