BGMC International Limited
璋利國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1693)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE 2020 ANNUAL RESULTS ANNOUNCEMENT AND RESUMPTION GUIDANCE AND CONTINUED SUSPENSION OF TRADING

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

Reference is made to the annual results announcement (the "**2020 Annual Results Announcement**") of the Company dated 31 December 2020 and the trading halt announcement (the "**Trading Halt Announcement**") of the Company dated 4 January 2021 in relation to the trading halt in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 4 January 2021 pending the release of a supplemental announcement in relation to the 2020 Annual Results Announcement.

Unless otherwise specified, terms used in this announcement shall have the meanings as defined in the 2020 Annual Results Announcement.

Supplemental Information

The Board would like to provide the following information in relation to the 2020 Annual Results Announcement and the Trading Halt Announcement:

(1) Under Rule 13.50A, the Exchange will normally require suspension of trading in an issuer's securities if it publishes a preliminary results announcement for a financial year as required under Rules 13.49(1) and (2) and the auditor has issued, or has indicated that it will issue, a disclaimer of opinion or an adverse opinion on the issuer's financial statements (unless relating to the going concern issue only). The suspension will normally remain in force until the issuer has addressed the issues giving rise to the disclaimer or adverse opinion, provided comfort that a disclaimer or adverse opinion in respect of such issues would no longer be required, and disclosed sufficient information to enable investors to make an informed assessment of its financial positions.

(2) As disclosed in the 2020 Annual Results Announcement, the auditors of the Company do not express an opinion on the consolidated financial statements of the Group ("**Disclaimer of Opinion**"), while the basis for the Disclaimer of Opinion ("**Basis for Disclaimer of Opinion**") are (a) material uncertainty related to going concern, (b) provision for legal and professional fee and disclosure of contingent liabilities, (c) provision for performance bonds and impairment loss on trade receivables and contract assets, and (d) the effect of provision for liquidated ascertained damages, the details of which are set out on pages 36 to 38 of the 2020 Annual Results Announcement.

(3) In light of the Disclaimer of Opinion and the Basis for Disclaimer of Opinion, the Stock Exchange has requested for trading suspension of the shares of the Company with effect from 9:00 a.m. on 4 January 2021.

RESUMPTION GUIDANCE

On 26 January 2021, the Company has been notified by the Stock Exchange of the following resumption guidance (the "**Resumption Guidance**"):

(i) address the issues giving rise to the disclaimer opinion on the 2020 Annual Results, provide comfort that the disclaimer opinion in respect of such issues would no longer be required and disclose sufficient information to enable investors to make an informed assessment of its financial positions as required under Rule 13.50A; and

(ii) announce all material information for the Company's shareholders and investors to appraise its position.

The Stock Exchange required the Company to remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before trading in its securities is allowed to resume and, for this purpose, the Company has the primary responsibility to devise its action plan for resumption. The Stock Exchange also indicated that it may modify or supplement the Resumption Guidance if the Company's situation changes.

Under Rule 6.01A(1), the Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months.

Under Rule 13.50B, as a transitional arrangement for issuers whose securities have been suspended from trading under Rule 13.50A, the 18-month period referred to in Rule 6.01A(1) is extended to 24 months if the suspension during the 18-month period is only due to a disclaimer or adverse opinion on the issuer's financial statements for the financial years commencing between 1 September 2019 and 31 August 2021, both dates inclusive.

Accordingly, in the case of the Company, the 18-month period under Rule 6.01A(1) expires on 3 July 2022. This 18-month period will be extended for 6 months under Rule 13.50B to 3 January 2023 **if** the suspension during the 18-month period is only due to a disclaimer or adverse opinion on the issuer's financial statements for the financial years commencing between 1 September 2019 and 31 August 2021, both dates inclusive.

If the Company fails to remedy the issues causing its trading suspension, fully comply with the Listing Rules to the Exchange's satisfaction and resume trading in its shares by **3 July 2022 or, if the transitional arrangement under Rule 13.50B applies, by 3 January 2023**, the Listing Division will recommend the Listing Committee to proceed with the cancellation of the Company's listing. Under Rules 6.01 and 6.10, the Exchange also has the right to impose a shorter specific remedial period, where appropriate.

The Company will keep its shareholders and potential investors informed of the latest progress as and when appropriate and will announce quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended from 9:00 a.m. on 4 January 2021 and will remain suspended until further notice.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

For and on behalf of
BGMC International Limited
Ching Hong Seng
Executive Director

Malaysia, 29 January 2021

As at the date of this announcement, the Board comprises Dato' Mohd Arifin Bin Mohd Arif (Vice-chairman), Dato' Teh Kok Lee (Chief Executive Officer) and Ching Hong Seng as executive Directors; and Tan Sri Dato' Seri Kong Cho Ha, Kua Choh Leang and Datuk Kamalul Arifin Bin Othman (Chairman) as independent non-executive Directors.