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BHCC Holding Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1552)

**(I) DISCLOSEABLE AND CONNECTED TRANSACTION AT SUBSIDIARY LEVEL
IN RELATION TO PAYMENT OF TENDER DEPOSIT; AND**

**(II) VOLUNTARY ANNOUNCEMENT IN RELATION TO ENTERING INTO OF THE
MEMORANDUM OF UNDERSTANDING IN RESPECT OF FORMATION OF JOINT
VENTURE**

PAYMENT OF TENDER DEPOSIT

The Company is pleased to announce that, on 18 July 2024, BHCC Projects, an indirect wholly-owned subsidiary of the Company, together with the Other Tenderers, have jointly submitted the Tender to the Tenderee for the lease of the Land for residential development in Singapore. As required under the conditions of Tender, the Tender Deposit, in the amount of approximately S\$15,000,000 (equivalent to approximately HK\$87,000,000), representing no less than 5% of the Tender Price and including the BHCC Deposit in the amount of approximately S\$1,500,000 (equivalent to approximately HK\$8,700,000) contributed by BHCC Projects, has been paid to the Tenderee. In the event that the Tender be accepted, the Tender Deposit will be applied in part-payment of the Tender Price, but otherwise for unsuccessful bid, the Tender Deposit will be refunded to the Tenderers on or before the expiry of the Tender validity period, i.e. on or before 14 August 2024.

**MEMORANDUM OF UNDERSTANDING IN RESPECT OF FORMATION OF
JOINT VENTURE**

On 17 July 2024, BHCC Projects and the Other Tenderers entered into the Memorandum of Understanding, in respect of, among others, the joint submission of the Tender and the intention to incorporate the JV Company upon acceptance of the Tender for among others, the lease and development of the Land.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratios (as defined under the Listing Rules) in respect of the payment of the BHCC Deposit exceeds 5% but is under 25%, the payment of the BHCC Deposit will constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Accordingly, the payment of the BHCC Deposit is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, AA Real Estate is indirectly owned as to 87.5% by AA Development, which in turn is the indirect holder of 10% of the issued share capital of Evermega Investment Holdings Pte. Ltd., an indirect non-wholly owned subsidiary of the

Company, AA Real Estate is therefore also a connected person of the Company at subsidiary level. As such, the payment of BHCC Deposit pursuant to the Tender jointly submitted by the Tenderers (which among others, BHCC Projects and AA Real Estate are parties), constitutes a connected transaction at the subsidiary level of the Company under Chapter 14A of the Listing Rules. The Board has approved the payment of BHCC Deposit and the independent non-executive Directors have confirmed that the terms of the payment of BHCC Deposit are fair and reasonable, on normal or better commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the payment of BHCC Deposit is subject to the reporting and announcement requirements but is exempt from the Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Pursuant to the Memorandum of Understanding, in the event the Tender is accepted, the Tenderers intend to form the JV Company for the lease and development of the Land. A shareholders' agreement will be entered into to govern, among others, the operation and capital commitment of the shareholders therein. The formation of the JV Company and capital contribution of the Group is expected to constitute a notifiable transaction on the part of the Company under Chapter 14 of the Listing Rules. Furthermore, as AA Real Estate is a connected person of the Company at subsidiary level, the formation of the JV Company with among others, AA Real Estate, if materialises, will also constitute a connected transaction at subsidiary level of the Company. The Company will at the relevant time comply with the applicable reporting, announcement and shareholders' approval requirements under Chapter 14 and 14A of the Listing Rules.

PAYMENT OF TENDER DEPOSIT

The Company is pleased to announce that, on 18 July 2024, BHCC Projects, an indirect wholly-owned subsidiary of the Company, together with the Other Tenderers have jointly submitted the Tender to the Tenderee for the lease of the Land for residential development in Singapore. Pursuant to the conditions of Tender, the Tender Deposit in the amount of approximately S\$15,000,000 (equivalent to approximately HK\$87,000,000), comprising the BHCC Deposit in the amount of approximately S\$1,500,000 (equivalent to approximately HK\$8,700,000) and the deposits made by the Other Tenderers, has been paid at the time of the submission of the Tender. Set out below are details of the payment of the BHCC Deposit:

Date of Tender submission	18 July 2024
Parties	(i) the Tenderers (as joint tenderers), including: <ul style="list-style-type: none">(a) BHCC Projects;(b) AA Real Estate;(c) Heeton Homes;(d) Santarli; and
	(ii) the Tenderee (as tenderee, acting as agent and on behalf of the Government of

Singapore)

Tender validity period	Period of four weeks from the Tender submission date, i.e. up to and including 14 August 2024
Tender result announcement date	The successful tenderer(s) shall be informed by the Tenderee within the Tender validity period
Subject matter of Tender	the Land, being a land parcel situated at Canberra Crescent, Singapore for residential development with a site area of approximately 20,437 square meters and maximum gross floor area of approximately 32,698 square meters

Tender Deposit

Under the conditions of tender, a tender deposit of at least five per cent (5%) of the tendered sale price shall be paid at the time of the submission of each tender. The Tender Deposit in the amount of approximately S\$15,000,000 (equivalent to approximately HK\$87,000,000), comprising the BHCC Deposit in the amount of approximately S\$1,500,000 (equivalent to approximately HK\$8,700,000) and other deposits made by the Other Tenderers, has been paid at the time of the submission of the Tender on 18 July 2024.

In the event that the Tender be accepted, the Tender Deposit will be applied in part-payment of the Tender Price, but otherwise for unsuccessful bid, the Tender Deposit will be refunded to the Tenderers on or before the expiry of the Tender validity period, i.e. on or before 14 August 2024.

The BHCC Deposit will be funded by the internal resources of the Group.

Basis for determination of the BHCC Deposit

The BHCC Deposit was determined based on (i) the requirement of the Tenderee as stipulated under the conditions of Tender in which the Tender Deposit shall be an amount representing not less than 5% of the Tender Price; and (ii) the intended pro-rata interest of not more than 10% of BHCC Projects in the JV Company.

The Tender Price was in turn determined by the Tenderers with reference to (i) the prevailing market value of comparable properties in the vicinity; (ii) the developmental potential of the premises taking into account various factors including but not limited to the location and permitted uses of the Land; and (iii) historical tender statistics of comparable land parcels.

MEMORANDUM OF UNDERSTANDING IN RESPECT OF FORMATION OF JOINT VENTURE

On 17 July 2024, BHCC Projects and the Other Tenderers entered into the Memorandum of Understanding, in respect of, among others, the joint submission of the Tender and the intention to incorporate the JV Company upon acceptance of the Tender for among others, the lease and development of the Land.

Set out below are the principal terms of the Memorandum of Understanding:

Date of Memorandum of Understanding of 17 July 2024

- Parties**
- (i) BHCC Projects;
 - (ii) AA Real Estate;
 - (iii) Heeton Homes; and
 - (iv) Santarli

Submission of Tender

The parties to the Memorandum of Understanding shall jointly submit the Tender as joint tenderers for the lease of the Land and furnish the Tender Deposit to the Tenderee on the Tender submission date.

Formation of JV Company

The parties to the Memorandum of Understanding shall on acceptance of the Tender incorporate the JV Company and the JV Company shall be appointed to sign the building agreement and the lease with the President of Singapore and his Successors in Office for the lease and development of the Land.

Proposed shareholding structure of the JV Company

Upon acceptance of the Tender, each party to the Memorandum of Understanding may, at its own absolute discretion, invite investors to form its own consortium and participate in the JV Company . The JV Company shall at all times maintain the following shareholding structure:

- (i) BHCC Projects and its consortium partners shall at all times own 10% of shares in the JV Company, provided that BHCC Projects shall own at least 5% of shares in the JV Company;
- (ii) AA Real Estate and its consortium partners shall at all times own 40% of shares in the JV Company, provided that AA Real Estate shall own at least 20% of shares in the JV Company;
- (iii) Heeton Homes and its consortium partners shall at all times own 10% of shares in the JV Company, provided that Heeton Homes shall own at least 5% of shares in the JV Company; and
- (iv) Santarli and its consortium partners shall at all times own 40% of shares in the JV Company, provided that Santarli shall own at least 20% of shares in the JV Company.

Formal agreement

The parties to the Memorandum of Understanding shall within 21 days from the date of

acceptance of the Tender or such other date as may be mutually agreed between the parties enter into a formal and definitive shareholders' agreement, which shall set out among others, the shareholding structure of the JV Company, the capital contribution and financing by the parties, and the respective rights and obligations of the parties in the JV Company.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Group is principally engaged as a main contractor in the provision of building and construction works, and properties investment, including the leasing of industrial properties in Singapore. The Group is also specialized in reinforcement concrete works which it has undertaken on a selected basis in the subcontractor projects.

Since March 2024, the Group has ventured into the property development business via the redevelopment of an industrial property in Singapore. The Group has since continued to explore new opportunities in the Singapore property market. The Group considers that the Land, situated in an established residential area in Singapore and is located at close proximity to several Housing and Development Board estates with a variety of recreational and community amenities, has promising developmental prospects and potential, the Company is optimistic that the potential lease of the Land will allow the Company to further expand its property development business as well as diversifying the development portfolio of the Group. As a relatively new market player in the property development sector, the present transaction structure will also allow the Company to minimize its risk exposure by taking a minor stake in the development of the Land, more effectively utilizing the resources of the Group by limiting the amount of capital commitment, and to accumulate key experiences and industry know-hows in the property development sector by forming a consortium and cooperating with the other Joint Tenderers which are more established property developers.

Having taken into account that the Tender Deposit in amount of not less than 5% of the Tender Price was a requirement provided in the conditions of the Tender and was contributed by the Tenderers on pro-rata basis of the percentage interest in the Tender, which is in line with the market norms in lease of land by way of tender in Singapore, and that such Tender Deposit will be either set-off as part payment against the Tender Price if the Tender is accepted or be refunded to the Tenderers if the Tender is rejected, the Directors therefore consider the terms of the payment of the Tender Deposit are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES TO THE TRANSACTIONS

BHCC Projects

BHCC Projects is a company incorporated in Singapore and is principally engaged in real-estate development, it is an indirect wholly-owned subsidiary of the Company.

AA Real Estate

AA Real Estate is a company incorporated in Singapore and is principally engaged in real estate development. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, as at the date of this announcement, AA Real Estate is indirectly

owned as to 87.5% by AA Development, which in turn is ultimately owned as to 70% by Li Jun and as to 30% by Tan Shu Mei. As AA Development is the indirect holder of 10% of the issued share capital of Evermega Investment Holdings Pte. Ltd., an indirect non-wholly owned subsidiary of the Company, AA Real Estate is therefore also a connected person of the Company at subsidiary level.

Heeton Homes

Heeton Homes is a company incorporated in Singapore and is principally engaged in real estate development. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, as at the date of this announcement, Heeton Homes is ultimately owned as to 100% by Heeton Holdings Limited, a company incorporated in Singapore principally engaged in real estate development and investment holding, the issued shares of which are listed on the Singapore Stock Exchange (SGX stock code: 5DP), and each of Heeton Homes and its ultimate beneficial owner is an Independent Third Party.

Santarli

Santarli is a company incorporated in Singapore and is principally engaged in real estate investment and real estate development. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, as at the date of this announcement, Santarli is owned as to 33.4% by Lee Boon Teow, as to 33.3% by Sim How Tiong and as to 33.3% by Chan Thiam Seng, and each of Santarli and its ultimate beneficial owners is an Independent Third Party.

The Tenderee

The Tenderee is a governmental authority of Singapore responsible for Singapore's land use planning and conservation. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, each of the Tenderee and its ultimate beneficial owner is an Independent Third Party.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratios (as defined under the Listing Rules) in respect of the payment of the BHCC Deposit exceeds 5% but is under 25%, the payment of the BHCC Deposit will constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Accordingly, the payment of the BHCC Deposit is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, AA Real Estate is indirectly owned as to 87.5% by AA Development, which in turn is the indirect holder of 10% of the issued share capital of Evermega Investment Holdings Pte. Ltd., an indirect non-wholly owned subsidiary of the Company, AA Real Estate is therefore also a connected person of the Company at subsidiary level. As such, the payment of BHCC Deposit pursuant to the Tender jointly submitted by the Tenderers (which, among others, BHCC Projects and AA Real Estate are parties), constitutes a connected transaction at the subsidiary level of the Company under Chapter 14A of the Listing Rules. The Board has approved the payment of BHCC Deposit and the independent non-executive Directors have confirmed that the terms of the payment of BHCC Deposit are fair and reasonable, on normal or better commercial terms and in the interests of the Company and the Shareholders as a whole.

Accordingly, the payment of BHCC Deposit is subject to the reporting and announcement requirements but is exempt from the Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Pursuant to the Memorandum of Understanding, in the event the Tender is accepted, the Tenderers intend to form the JV Company for the lease and development of the Land. A shareholders' agreement will be entered into to govern, among others, the operation and capital commitment of the shareholders therein. The formation of the JV Company and capital contribution of the Group is expected to constitute a notifiable transaction on the part of the Company under Chapter 14 of the Listing Rules. Furthermore, as AA Real Estate is a connected person of the Company at subsidiary level, the formation of the JV Company with among others, AA Real Estate, if materialises, will also constitute a connected transaction at subsidiary level of the Company. The Company will at the relevant time comply with the applicable reporting, announcement and shareholders' approval requirements under Chapter 14 and 14A of the Listing Rules.

As none of the Directors has any material interests in the payment of BHCC Deposit and the entering into of the Memorandum of Understanding and the transactions contemplated thereunder, none of the Directors is required to abstain from voting on the Board resolutions approving the same.

DEFINITIONS

Unless otherwise stated or the context requires otherwise, the terms and expression in this announcement have the following meanings:

“AA Real Estate”	Apex Asia Real Estate Holding Pte. Ltd., a company incorporated in Singapore and an indirect non-wholly-owned subsidiary of AA Development
“AA Development”	Apex Asia Development Pte. Ltd., a company incorporated in Singapore and a connected person of the Company at subsidiary level
“BHCC Deposit”	the sum of approximately S\$1,500,000 (equivalent to approximately HK\$8,700,000), being 10% of the Tender Deposit, contributed by BHCC Projects
“BHCC Projects”	BHCC Development (Projects) Pte Ltd., a company incorporated in Singapore and an indirect wholly-owned subsidiary of the Company
“Board”	the board of Directors of the Company
“Company”	BHCC Holding Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1552)
“connected persons”	has the meaning ascribed to it in the Listing Rules and “connected” shall be construed accordingly
“Director(s)”	director(s) of the Company

“Group”	the Company and its subsidiaries
“Heeton Homes”	Heeton Homes Pte. Ltd., a company incorporated in Singapore, one of the Other Tenderers and an Independent Third Party
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and connected person(s) of the Company
“JV Company”	the joint venture company to be incorporated in Singapore in the event the Tender is accepted and is to be owned as to no more than 10% by BHCC Projects
“Land”	the land parcel situated at Canberra Crescent, Singapore
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum Understanding”	of the memorandum of understanding dated 17 July 2024 entered into between BHCC Projects and the Other Tenderers in respect of, among others, the joint submission of the Tender and the intention to incorporate the JV Company
“Other Tenderers”	collectively, AA Real Estate, Heeton Homes and Santarli, being the other joint tenderers under the Tender
“Santarli”	SNC3 Realty Pte. Ltd., a company incorporated in Singapore, one of the Other Tenderers and an Independent Third Party
“S\$”	Singapore dollar, the lawful currency of Singapore
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Singapore”	The Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender”	the tender submitted by the Tenderers to the Tenderee for the lease of the Land by way of public tender
“Tenderee”	Urban Redevelopment Authority of Singapore
“Tenderers”	collectively, BHCC Projects and the Other Tenderers, as joint tenderers of the Tender

“Tender Deposit”	the sum of approximately S\$15,000,000 (equivalent to approximately HK\$87,000,000), being the tender deposit of not less than 5% of the Tender Price payable by the Tenderers to the Tenderee as stipulated under the conditions of the Tender
“Tender Price”	the bid price submitted by the Tenderers under the Tender
“%”	per cent.

In this announcement, unless the context requires otherwise, amounts denominated in S\$ have been translated to HK\$ at the exchange rate of S\$1.00:HK\$5.80 for illustration purpose only. Such conversions shall not be construed as representations that amounts in S\$ were or may have been converted into HK\$ at such rate or any other exchange rates.

By order of the Board
BHCC Holding Limited
Mr. Yang Xinping
Chairman and executive Director

Singapore, 18 July 2024

As at the date of this announcement, the Board comprises Mr. Yang Xinping and Ms. Han Yuying as executive Directors; and Ms. Chan Bee Leng, Mr. Kwong Choong Kuen (Huang Zhongquan) and Mr. Ooi Soo Liat as independent non-executive Directors.