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## **GT STEEL CONSTRUCTION GROUP LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8402)**

### **PROPOSED BONUS WARRANTS ISSUE**

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The Board proposes, subject to the satisfaction of the conditions below, to make the Bonus Warrants Issue to the Qualifying Shareholders on the basis of one (1) Warrant for every five (5) Shares held on the Record Date.

The Warrants will be issued in registered form. Each Warrant will entitle the holder thereof to subscribe in cash for one (1) New Share at an initial subscription price of HK\$4.00, subject to adjustments, upon exercise of the Warrant. The Warrant will be exercisable at any time from the date of issue of the Warrants to the last date falling twenty four months thereafter, which is expected to be from Tuesday, 24 August 2021 to Wednesday, 23 August 2023 (both days inclusive).

The Bonus Warrants Issue will be conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and the New Shares.

#### **RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS**

The Warrants to be issued under the Bonus Warrants Issue will only be issued to Qualifying Shareholders. In order to qualify for the Bonus Warrants Issue, a Shareholder must be registered as a member of the Company on the Record Date and not be a Non-Qualifying Shareholder. The register of members of the Company will be closed from Tuesday, 3 August 2021 to Friday, 6 August 2021 (both days inclusive) for determining entitlements to the Bonus Warrants Issue. No transfer of Shares may be registered during the book closure period. The last day for dealing in Shares cum-entitlements to the Bonus Warrants Issue will be Thursday, 29 July 2021.

## **GENERAL**

A circular containing, amongst other things, further details of the Bonus Warrants Issue will be despatched to the Shareholders as soon as practicable.

### **THE PROPOSED BONUS WARRANTS ISSUE**

The Board proposes, subject to the satisfaction of the condition below, to make the Bonus Warrants Issue to the Qualifying Shareholders on the basis of one (1) Warrant for every five (5) Shares held on the Record Date.

### **GENERAL MANDATE**

The Warrants will be issued pursuant to the general mandate to issue Shares granted to the Directors at the Company's annual general meeting held on 22 June 2021. Under the said general mandate and on the basis of 480,000,000 issued Shares as at 22 June 2021, the Directors were authorized generally to issue up to 96,000,000 Shares. No Share has been allotted or issued under the general mandate since it was approved and a maximum of 96,000,000 Shares can be issued under the general mandate.

### **SHARES TO BE ISSUED UPON EXERCISE OF THE WARRANTS**

Each Warrant will entitle the holder thereof to subscribe in cash for one (1) New Share. Based on 480,000,000 issued Shares as at the date of this announcement and assuming that no further Shares will be issued or repurchased by the Company from the date of this announcement up to the Record Date, the maximum number of Warrants to be issued will be 96,000,000 Warrants and upon the full exercise of the subscription rights attaching to the Warrants, a maximum of 96,000,000 New Shares (subject to adjustments) will be issued, representing 20% of the issued share capital of the Company as at the date of this announcement and approximately 16.67% of the issued share capital of the Company as enlarged by the New Shares to be issued upon the exercise of all Warrants. Based on the initial subscription price of HK\$4.00 per New Share, the Company would receive the subscription monies totalling up to approximately HK\$384 million.

As at the date of this announcement, the Company has no outstanding share options, warrants, convertible securities or similar rights entitling any person to subscribe for Shares prior to the Record Date.

### **CONDITION TO THE BONUS WARRANTS ISSUE**

The Bonus Warrants Issue will be conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrants and the New Shares.

## **SUBSCRIPTION PRICE AND SUBSCRIPTION PERIOD**

The Warrants will be issued in registered form and each Warrant will entitle the holder thereof to subscribe in cash for one (1) New Share at an initial subscription price of HK\$4.00, subject to customary anti-dilutive adjustments in market transactions of this type in certain events, including, among other things, share consolidations, share subdivisions, capitalisation issues and capital distributions, at any time from the date of issue of the Warrants to the last date falling twenty four months thereafter, which is expected to be from Tuesday, 24 August 2021 to Wednesday, 23 August 2023 (both days inclusive).

The initial subscription price of HK\$4.00 represents:

- (i) a premium of approximately 68.1% to the closing price per Share of HK\$2.38 as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 67.4% to the average closing price per Share of approximately HK\$2.39 as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day; and
- (iii) a premium of approximately 68.8% to the average closing price per Share of approximately HK\$2.37 as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Day.

The initial subscription price for the Warrants was determined with reference to the recent market price of the Shares and the business prospects of the Group, considering, among others, (i) the positive outlook of Singapore's construction industry and overall economic recovery following the large scale of COVID-19 vaccination in Singapore and worldwide by the end of this year; and (ii) the Group's new business development in the distribution of yak dairy products. The Directors consider the terms of the Bonus Warrants Issue, including the initial subscription price thereof, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **FRACTIONAL ENTITLEMENTS**

Fractional entitlements to the Warrants (if any) will not be issued to the Qualifying Shareholders but will, where practicable, be aggregated and sold in the market for the benefit of the Company. The net proceeds of sale will be retained for the benefit of the Company.

## **OVERSEAS SHAREHOLDERS**

The circular to be issued by the Company for the Bonus Warrants Issue and the Warrants to be issued will not be registered or filed under any securities legislation in any jurisdiction outside Hong Kong. In determining whether it would be necessary or expedient to exclude an Overseas Shareholder who is registered as a member of the Company on the Record Date, the Directors will make enquiry pursuant to Rule 17.41(1)

of the GEM Listing Rules regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange of the relevant place in which such Overseas Shareholder is residing. If the Directors are of the view that, after such enquiry, the exclusion of such Overseas Shareholder is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Warrants will not be granted to such Overseas Shareholder.

In view of the above, Warrants which would otherwise be issued to the Non-Qualifying Shareholder(s) under the Bonus Warrants Issue will be sold in the market as soon as possible after the commencement of dealings in the Warrants, if a premium (net of expenses) can be obtained. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to such Non-Qualifying Shareholder(s) pro rata to their respective holdings of Shares. Remittance thereof will be posted to them, at their own risk, unless the amount falling to be distributed to such person(s) is less than HK\$100, in which case it will be retained for the benefit of the Company.

**All Overseas Shareholders should consult their professional advisers as to whether or not they are permitted to participate in the Bonus Warrants Issue or whether any government or other consents are required or other formalities need to be observed.**

#### **REASONS FOR THE BONUS WARRANTS ISSUE**

The Company is an investment holding company. The Group is principally engaged in the design, supply, fabricate and erect structural steel works for the construction of buildings, including technological plants, industrial buildings, commercial buildings, government institutions and residential buildings in Singapore. The Directors believe that the Bonus Warrants Issue will provide the Shareholders with an opportunity to participate in the growth of the Company. The Bonus Warrants Issue will also strengthen the equity base of the Company, increase the Company's general working capital and provide funding for the Company's potential investments to be identified if and when the subscription rights attaching to the Warrants are exercised.

The Company intends to apply any subscription monies received as and when subscription rights are exercised towards general working capital for the Group's new business development of yak dairy products distribution.

#### **FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS**

The Company has not conducted any fund raising activities by issue of equity securities in the twelve months immediately before the date of this announcement.

## **LISTING**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and the New Shares. The New Shares will rank *pari passu* in all respects with the then existing issued Shares.

## **CERTIFICATES FOR THE WARRANTS AND BOARD LOT**

Subject to the satisfaction of the condition to the Bonus Warrants Issue, it is expected that certificates for the Warrants will be posted on or before Tuesday, 24 August 2021 by ordinary post at the risk of the Qualifying Shareholders entitled thereto to their respective addresses shown on the register of members of the Company.

Dealings in the Warrants on GEM are expected to commence on Wednesday, 25 August 2021. The Warrants are expected to be traded on GEM in board lots of 5,000 Warrants.

## **RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Tuesday, 3 August 2021 to Friday, 6 August 2021 (both days inclusive) for determining entitlements to the Bonus Warrants Issue.

The last day for dealing in Shares cum-entitlements to the Bonus Warrants Issue will be Thursday, 29 July 2021. In order to qualify for the Bonus Warrants Issue, all outstanding transfer of Shares should be lodged with the branch share registrar of the Company in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, not later than 4:00 p.m. on Monday, 2 August 2021.

## **EXPECTED TIMETABLE**

The expected timetable for the Bonus Warrants Issue set out below is for indicative purposes only and has been prepared on the assumption that the condition of the Bonus Warrants Issue will be fulfilled. All times and dates in this announcement refer to Hong Kong local times and dates. The expected timetable is subject to change, and any changes will be announced in a separate announcement by the Company as and when appropriate.

The expected timetable for implementing the Bonus Warrants Issue is set forth below:

Last day of dealings in Shares cum-entitlements to the  
Bonus Warrants Issue . . . . . Thursday, 29 July 2021

First day of dealings in Shares ex-entitlements to the  
Bonus Warrants Issue . . . . . Friday, 30 July 2021

Latest time for lodging forms of transfer of Shares to ensure entitlement to the Bonus Warrants Issue . . . . . 4:00 p.m. on Monday, 2 August 2021

Closure of register of members of the Company, both days inclusive . . . . . Tuesday, 3 August 2021 to Friday, 6 August 2021

Record Date . . . . . Friday, 6 August 2021

Despatch of the Warrant certificates by . . . . . Tuesday, 24 August 2021

Commencement of dealings in the Warrants on GEM. . . . Wednesday, 25 August 2021

## **GENERAL**

A circular containing, among other things, further details of the Bonus Warrants Issue will be despatched to the Shareholders as soon as practicable.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“Bonus Warrants Issue”	the proposed bonus issue of Warrants by the Company to the Qualifying Shareholders on the basis of one (1) Warrant for every five (5) Shares held on the Record Date
“Company”	GT Steel Construction Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed and traded on GEM
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the Peoples Republic of China

“Last Trading Day”	Friday, 25 June 2021, being the last trading day of the Shares prior to the date of this announcement
“New Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, after making enquiry, are of the view that it would be necessary or expedient to exclude them from the Bonus Warrants Issue on account either of legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company at the close of business on the Record Date is/are outside Hong Kong
“Qualifying Shareholder(s)”	the Shareholder(s), other than the Non-Qualifying Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date
“Record Date”	Friday, 6 August 2021, being the record date for ascertaining the entitlements of Shareholders to the Bonus Warrants Issue
“Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrant(s)”	warrant(s) proposed to be issued by the Company to subscribe for New Shares at an initial subscription price of HK\$4.00 per New Share, subject to adjustments
“%”	per cent.

By order of the Board  
**GT Steel Construction Group Limited**  
**Ong Cheng Yew**  
*Chairman and Executive Director*

Hong Kong, 28 June 2021

*As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Ong Cheng Yew (Chairman) and Ms. Koh Siew Khing; a non-executive Director, namely, Ms. Chen Xiaoyu; and three independent non-executive Directors, namely, Mr. Tam Wai Tak Victor, Ms. Chooi Pey Nee and Mr. Tan Yeok Lim (Chen Yulin).*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and on the "Latest Listed Company Information" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting. This announcement will also be published on the Company's website at [www.gt-steel.com.sg](http://www.gt-steel.com.sg).*