BGMC International Limited
璋利國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1693)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE TWELVE MONTHS ENDED 30 SEPTEMBER 2021

FINANCIAL HIGHLIGHTS

- Revenue of the Group decreased from RM301.6 million in FY2020 to RM201.1 million for the twelve months ended 30 September 2021.
- The Group's gross loss decreased from RM76.7 million in FY2020 to a gross loss of RM24.5 million for the twelve months ended 30 September 2021.
- Loss attributable to the owners of the Company was RM65.2 million for the twelve months ended 30 September 2021 as compared with a loss of RM193.5 million in FY2020.
- Basic loss per share was RM3.62 sen for the twelve months ended 30 September 2021 and basic loss per share was RM10.75 sen in FY2020.

The board ("**Board**") of directors ("**Directors**") of BGMC International Limited ("**Company**") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, "**Group**" or "**BGMC**" or "**we**" or "**us**") for the twelve months ended 30 September 2021, together with the audited comparative figures for the financial year ended 30 September 2020 ("**FY2020**"). The unaudited condensed consolidated financial results of the Group for the twelve months ended 30 September 2021 have been reviewed by the Company's audit committee ("**Audit Committee**") and approved by the Board on 30 November 2021. All amounts set out in this announcement are presented in Malaysian Ringgit ("**RM**") unless otherwise indicated.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE TWELVE MONTHS ENDED 30 SEPTEMBER 2021

	Notes	**2021** *RM'000* **(Unaudited)**	2020 *RM'000* (Audited)
Continuing operations			
Revenue	*5*	**201,067**	301,584
Cost of sales		**(225,546)**	(378,245)
Gross loss		**(24,479)**	(76,661)
Income from concession agreements	*5*	**4,037**	3,043
Other income		**1,772**	1,901
Impairment losses of financial assets and contract assets, net		**(7,662)**	(32,662)
Administrative and other expenses		**(49,936)**	(38,817)
Other gains/(losses), net		**4,810**	(50,419)
Finance costs		**(11,847)**	(6,661)
Loss before tax	*6*	**(83,305)**	(200,276)
Income tax credit/(expense)	*7*	**2,399**	(5,644)
Loss for the period from continuing operations		**(80,906)**	(205,920)
Discontinued operation			
Profit for the period from discontinued operation		**15,157**	18,813
Impairment loss on non-current assets held for sale		**–**	(11,150)
		15,157	7,663
Loss and total comprehensive loss for the period		**(65,749)**	(198,257)
Loss and total comprehensive loss for the period attributable to:			
Owners of the Company			
Loss from continuing operations		**(80,327)**	(201,206)
Profit from discontinued operation		**15,157**	7,663
Loss attributable to owners of the Company		**(65,170)**	(193,543)
Non-controlling interests			
Loss attributable to non-controlling interests		**(579)**	(4,714)
		(65,749)	(198,257)
Loss per share			
From continuing and discontinued operations			
Basic *(RM sen)*	*8*	**(3.62)**	(10.75)
Diluted *(RM sen)*	*8*	**(3.62)**	(10.75)
From continuing operations			
Basic *(RM sen)*	*8*	**(4.46)**	(11.18)
Diluted *(RM sen)*	*8*	**(4.46)**	(11.18)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2021

	Notes	**2021** ***RM'000*** **(Unaudited)**	2020 *RM'000* (Audited)
Non-current assets			
Property, plant and equipment	*9*	**122**	235
Right-of-use assets		**17,346**	18,894
Investment properties		**25,188**	25,507
Goodwill	*16*	**–**	–
Investment in associates	*18*	**–**	–
Investment in redeemable convertible preference shares		**1,708**	1,708
Intangible assets		**1,381**	3,556
Trade and other receivables, deposits and prepaid expenses	*10*	**–**	7,686
Contract assets		**160,279**	120,052
Share application monies		**2,886**	2,886
		208,910	180,524
Current assets			
Investment in redeemable convertible preference shares		**3,986**	3,986
Inventories	*11*	**1,287**	7,720
Trade and other receivables, deposits and prepaid expenses	*10*	**72,411**	80,428
Tax recoverable		**5,739**	4,324
Contract assets		**94,071**	224,175
Fixed deposits		**49,908**	39,124
Cash and bank balances		**2,921**	5,617
		230,323	365,374
Non-current assets held for sale		**–**	293,154
		230,323	658,528

	Notes	2021 *RM'000* (Unaudited)	2020 *RM'000* (Audited)
Current liabilities			
Contract liabilities		**19,770**	5,315
Trade and other payables	*13*	**240,184**	389,329
Borrowings – secured		**69,614**	69,286
Share application monies		**–**	54,270
Lease liabilities		**1,364**	3,385
		330,932	521,585
Liabilities directly associated with non-current assets held for sale		**–**	199,367
		330,932	720,952
Net current liabilities		**(100,609)**	(62,424)
Total assets less current liabilities		**108,301**	118,100
Non-current liabilities			
Deferred tax liabilities		**–**	429
Lease liabilities		**17,067**	18,258
		17,067	18,687
NET ASSETS		**91,234**	99,413
EQUITY			
Equity attributable to owners of the Company			
Share capital	*12*	**9,862**	9,862
Reserves		**87,210**	94,810
		97,072	104,672
Non-controlling interests		**(5,838)**	(5,259)
TOTAL EQUITY		**91,234**	99,413

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") since 9 August 2017. The Company was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 18 November 2016.

The addresses of the Company's registered office and principal place of business are Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and A-3A-02, Block A, Level 3A, Sky Park One City, Jalan USJ 25/1, 47650 Subang Jaya, Selangor Darul Ehsan, Malaysia, respectively.

The Company is an investment holding company and the Group is principally engaged in the provision of a wide range of construction services in Malaysia.

The condensed consolidated financial statements are presented in RM which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The unaudited interim results of the Group have been prepared in accordance with International Accounting Standards ("**IAS**") 34 Interim Financial Reporting and the disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**") and the Hong Kong Companies Ordinance. It was approved and authorized for issue by the Board on 30 November 2021.

Going concern assumption

During the twelve months ended 30 September 2021, the Group incurred a loss attributable to owners of approximately RM65.2 million and recorded net current liabilities of approximately RM100.6 million. The increase in net current liabilities was due to the provision of liquidated ascertained damages ("**LAD**") for all the major ongoing projects. These have reduced the contract assets by RM49.7 million. These provisions are however recoverable upon the Group obtaining the extension of time ("**EOT**") for each of the project. The increase in net current liabilities is also attributable to the RM61.3 million unrated sukuk (i.e. bond issued by one of the subsidiaries of the Company) incurred for the twelve months ended 30 September 2021 for the construction of large scale solar photovoltaic ("**LSSPV**") power plant project in Kuala Muda, Kedah. This unrated sukuk will be reclassified into non-current liabilities if the Group manage to raise rated sukuk. As at 30 September 2021, the Group managed to finalise the accounts for two projects with the clients. The finalising of the accounts has resulted a reduction of contract assets totalling RM70.1 million.

These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The basis for preparation of the financial statements on going concern assumption is therefore dependent on the continuous financial support from its lenders, clients and creditors. The Group is in the process of applying to the respective clients for variation of price ("**VOP**") due to the impact of increment of prices in building materials and equipment. The Government of Malaysia has taken the lead to effect the VOP to those contracts that are involving the Government as a way to overcome the problems faced by all the contractors. In the event if VOP is approved, it will reduce the costs of construction.

On 29 March 2021, BGMC Holdings Berhad, a subsidiary of the Company, has obtained an order from the High Court of Malaya to, among others, restrain creditors from taking legal actions against BGMC Corporation Sdn. Bhd. ("**BGMC Corporation**"). The Board is of the view that the proposed scheme for debt restructuring as set out in the announcement dated 25 May 2021, if implemented, will be in the interest of the Company and the shareholders as a whole because (1) the creditors' compromised sum represents a significant discount to the alleged original debt owed by BGMC Corporation to the scheme creditors, and (2) the proposed scheme will enable BGMC Corporation to continue as a going concern and allow BGMC Corporation to recover in its business operations. On 16 June 2021, the creditors meeting was convened and the terms of the proposed scheme of arrangement have been duly approved by the scheme creditors. As at the date of this interim results announcement, the proposed scheme of arrangement is conditional upon the successful sanction of the proposed scheme of arrangement by the Court.

The Directors of the Group are of the opinion that the preparation of the condensed consolidated financial statements of the Group on a going concern basis remains appropriate as they believe the proposed scheme of arrangement is expected to be sanctioned before the expiration date of the restraining order which is on or before 26 March 2022. The Group will obtain continuous financial support from the lenders, clients and creditors which will enable the Group to operate in the foreseeable future, and accordingly, realise its assets and discharge its liabilities in the normal course of business.

3. CHANGE OF FINANCIAL YEAR END DATE

On 8 November 2021, the Group has resolved to change the financial year end date of the Group from 30 September 2021 to 31 March 2022. The forthcoming financial year end date of the Group will be 31 March 2022 and the next audited consolidated financial statements of the Group will cover a period of 18 months from 1 October 2020 to 31 March 2022. Accordingly, the condensed consolidated interim financial statements of the Company covers the twelve months ended 30 September 2021 with comparative figures covering the twelve months ended 30 September 2020 ("**FY2020**").

4. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised International Financial Reporting Standards ("**IFRSs**") issued by the International Accounting Standards Board that are relevant to its operations and effective for its accounting year beginning on 1 October 2020. IFRSs comprise International Financial Reporting Standards ("**IFRS**"); IAS; and amendments and interpretations ("**new and revised IFRSs**"). The adoption of these new and revised IFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current period and prior years.

5. REVENUE, INCOME FROM CONCESSION AGREEMENTS AND SEGMENTAL INFORMATION

(a) Revenue

	2021 ***RM'000*** **(Unaudited)**	2020 *RM'000* (Audited)
Building construction revenue	**198,773**	297,477
Building maintenance service income	**7,841**	14,804
Supply and installation of elevators	**2,294**	817
	208,908	313,098
Representing:		
Continuing operations	**201,067**	301,584
Discontinued operation	**7,841**	11,514
	208,908	313,098

(b) Income from concession agreements

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
Income from concession agreements		
– imputed interest income:		
(i) Universiti Teknologi Mara ("**UiTM**")	**27,262**	41,681
(ii) Renewable Energy Power Purchase Agreement ("**REPPA**")	**4,037**	3,043
	31,299	44,724
Representing:		
Continuing operations	**4,037**	3,043
Discontinued operation	**27,262**	41,681
	31,299	44,724

(c) Segment Information

The Group's operating and reportable segments under IFRS 8 *Operating Segments* are as follows:

(i) Building and structures – provision of construction services in building and structural construction works;

(ii) Energy infra-structure – provision of construction services in energy transmission and distribution works;

(iii) Mechanical and electrical – provision of construction services in mechanical and electrical installation works;

(iv) Earthworks and infra-structure – provision of construction services in earthworks and infra-structure construction works;

(v) Concession and maintenance – provision of development and construction services under REPPA; and

(vi) Concession and maintenance – provision of construction services under private finance initiative and related post-construction property management services in relation to the maintenance of the related facilities and infra-structure (discontinued operation).

In addition to the above reportable segments, the Group has certain operating segments (including supply and installation of elevators; and investment in solar power infra-structure business) that do not meet any of the quantitative thresholds for determining reportable segments. These operating segments are grouped under the segment of *"Others"*.

Segment Revenue

For the twelve months ended 30 September 2021

	Building and structures *RM'000*	Energy infra-structure *RM'000*	Mechanical and electrical *RM'000*	Earthworks and infra-structure *RM'000*	Concession and maintenance *RM'000*	(Discontinued operation) Concession and maintenance *RM'000*	Others *RM'000*	Sub-total *RM'000*	Elimination *RM'000*	Consolidated *RM'000*
SEGMENT REVENUE										
External revenue	134,509	3,679	17,509	–	40,041	35,103	9,367	240,208	–	240,208
Inter-segment revenue	–	–	5,815	–	–	–	10,902	16,717	(16,717)	–
Total	134,509	3,679	23,324	–	40,041	35,103	20,269	256,925	(16,717)	240,208
RESULT										
Segment result	(74,646)	(801)	(6,228)	(418)	(3,548)	20,753	(617)	(65,505)	–	(65,505)
Unallocated corporate expenses										(2,175)
Other gains, net										4,810
Loss before tax										(62,870)

Other entity-wide segment information

For the twelve months ended 30 September 2021

	Building and structures *RM'000*	Energy infra-structure *RM'000*	Mechanical and electrical *RM'000*	Earthworks and infra-structure *RM'000*	Concession and maintenance *RM'000*	(Discontinued operation) Concession and maintenance *RM'000*	Others *RM'000*	Sub-total *RM'000*	Unallocated *RM'000*	Consolidated *RM'000*
Amounts included in the measure of segment results or segment assets:										
Additions of property, plant and equipment	–	–	–	–	–	38	–	38	–	38
Depreciation of property, plant and equipment	134	1	32	5	14	7	–	193	–	193
Depreciation of right-of-use assets	915	10	173	–	1,413	35	–	2,546	–	2,546
Amortisation of intangible assets	760	–	1,189	226	–	317	–	2,492	–	2,492
Impairment/(Reversal of impairment) of:										
Trade receivables	–	(144)	3,512	–	–	–	–	3,368	–	3,368
Contract assets	–	3,050	1,244	–	–	–	–	4,294	–	4,294
Gain on disposal of property, plant and equipment	(1,477)	–	–	(184)	–	–	–	(1,661)	–	(1,661)
Gain on disposal of right-of-use assets	(3,108)	–	–	–	–	–	–	(3,108)	–	(3,108)

Segment Revenue

FY2020

	Building and structures *RM'000*	Energy infra-structure *RM'000*	Mechanical and electrical *RM'000*	Earthworks and infra-structure *RM'000*	Concession and maintenance *RM'000*	(Discontinued operation) Concession and maintenance *RM'000*	Others *RM'000*	Sub-total *RM'000*	Elimination *RM'000*	Consolidated *RM'000*
SEGMENT REVENUE										
External revenue	132,678	36,482	10,626	446	114,154	53,195	10,241	357,822	–	357,822
Inter-segment revenue	1,976	–	7,571	–	–	–	2,248	11,795	(11,795)	–
Total	134,654	36,482	18,197	446	114,154	53,195	12,489	369,617	(11,795)	357,822
RESULT										
Segment result	(100,714)	(26,066)	(4,928)	(14,693)	3,211	15,820	(5,850)	(133,220)	–	(133,220)
Unallocated corporate income less expenses										(2,731)
Other losses, net										(50,419)
Loss before tax										(186,370)

Other entity-wide segment information

FY2020

	Building and structures *RM'000*	Energy infra-structure *RM'000*	Mechanical and electrical *RM'000*	Earthworks and infra-structure *RM'000*	Concession and maintenance *RM'000*	(Discontinued operation) Concession and maintenance *RM'000*	Others *RM'000*	Sub-total *RM'000*	Unallocated *RM'000*	Consolidated *RM'000*
Amounts included in the measure of segment results or segment assets:										
Additions of property, plant and equipment	66	–	–	–	–	23	30	119	–	119
Depreciation of property, plant and equipment	2,676	440	82	95	–	23	98	3,414	–	3,414
Depreciation of right-of-use asset	3,866	663	219	196	1,308	253	141	6,646	–	6,646
Impairment of goodwill	2,155	–	–	–	–	–	–	2,155	–	2,155
Amortisation of intangible assets	278	–	23	–	–	475	–	776	–	776
Impairment/(Reversal of impairment) of:										
Property, plant and equipment	14,034	–	–	(2,414)	–	–	–	11,620	–	11,620
Right-of-use asset	12,016	–	–	–	–	–	–	12,016	–	12,016
Trade Receivables	11,231	1,936	268	(401)	–	–	406	13,440	–	13,440
Contract assets	8,004	–	–	11,218	–	–	–	19,222	–	19,222
Gain on disposal of property, plant and equipment	(825)	–	–	62	–	–	–	(763)	–	(763)
Gain on disposal of Right-of-use assets	(531)	–	–	–	–	–	–	(531)	–	(531)
Net gain on derivatives	–	–	–	–	–	–	(335)	(335)	–	(335)

External segment revenue includes revenue and income from concession agreements as presented in the condensed consolidated statement of profit or loss and other comprehensive income.

Segment results represents the profit of each segment without allocation of corporate income and expenses, other losses, and income tax expenses. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

The total segment revenue can be reconciled to the revenue as presented in the condensed consolidated statement of profit or loss and other comprehensive income as follows:

	2021 ***RM'000*** **(Unaudited)**	2020 *RM'000* (Audited)
Total segment revenue	**256,925**	369,617
Less: Inter-segment revenue	**(16,717)**	(11,795)
Less: Income from concession agreements	**(4,037)**	(3,043)
Less: Income from discontinued operation	**(35,103)**	(53,195)
Revenue as presented in the condensed consolidated statement of profit or loss and other comprehensive income	**201,067**	301,584

The total segment loss before tax can be reconciled to the loss before tax as presented in the condensed consolidated statement of profit or loss and other comprehensive income as follows:

	2021 ***RM'000*** **(Unaudited)**	2020 *RM'000* (Audited)
Total segment loss before tax	**(62,870)**	(186,370)
Less: Profit before tax from discontinued operation	**(20,753)**	(15,820)
Add: Inter-segment profit before tax	**318**	1,914
Loss before tax as presented in the condensed consolidated statement of profit or loss and other comprehensive income	**(83,305)**	(200,276)

6. LOSS FOR THE PERIOD

The Group's profit for the twelve months ended 30 September 2021 is stated after charging/(crediting) the following:

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
Amortisation of intangible assets	**2,492**	776
Auditor's remuneration		
Audit services	**688**	446
Non-audit services	**–**	396
Cost of sales and services	**225,546**	378,245
Depreciation charge of:		
Property, plant and equipment	**193**	3,414
Right-of-use assets	**2,546**	6,646
Impairment of trade receivables	**3,368**	13,440
Impairment of contract assets	**4,294**	19,222
Impairment of goodwill	**–**	2,155
Net gain on derivatives	**–**	(335)
Impairment of property, plant and equipment	**–**	11,620
Impairment of right-of-use assets	**–**	12,016
Gain on disposal of property, plant and equipment	**(1,661)**	(763)
Gain on disposal of right-of-use assets	**(3,108)**	(531)
Impairment loss on non-current assets held for sale	**–**	11,150
Contract Asset written off	**1,801**	–
Staff costs including directors' emoluments		
– Wages and salaries	**10,576**	21,704
– Employees Provident Fund	**1,313**	2,400

7. INCOME TAX EXPENSE/(CREDIT)

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
Malaysia corporate income tax:		
Current period	**3,570**	3,598
(Over-provision)/ Under-provision in prior years	**(1,970)**	2,020
	1,600	5,618
Deferred tax:		
Current period	**1,280**	6,269
Under-provision in prior years	**–**	–
	1,280	6,269
	2,880	11,887
Representing:		
Continuing operations	**(2,399)**	5,644
Discontinued operation	**5,279**	6,243
	2,880	11,887

8. LOSS PER SHARE

	2021 **(Unaudited)**	2020 (Audited)
From continuing and discontinued operations		
Basic *(RM sen)*	**3.62**	(10.75)
Diluted *(RM sen)*	**3.62**	(10.75)
From continuing operations		
Basic *(RM sen)*	**(4.46)**	(11.18)
Diluted *(RM sen)*	**(4.46)**	(11.18)

Basic

The calculation of the basic loss per share is based on the following data:

	2021 ***RM'000*** **(Unaudited)**	2020 *RM'000* (Audited)
Profit/(loss) for the period attributable to the owners of the Company for the purpose of basic loss per share:		
Loss from continuing operations	**(80,327)**	(201,206)
Profit from discontinued operation	**15,157**	7,663
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of calculating basic loss per share:		
At beginning and end of the period	**1,800,000,000**	1,800,000,000

There is no diluted loss per share for the twelve months ended 30 September 2021 as there is no potential dilutive shares during the current reporting period.

9. PROPERTY, PLANT AND EQUIPMENT

During the twelve months ended 30 September 2021, the Group acquired property, plant and equipment for RM0.04 million (FY2020: RM0.12 million).

10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
Trade receivables:		
Third parties	**35,836**	74,118
Related parties	**191**	3,156
Less: Provision for loss allowance	**(18,640)**	(15,272)
	17,387	62,002
Retention receivables:		
Third parties	**11,060**	1,521
Related parties	**3,507**	8,499
	14,567	10,020
Other receivables:		
Third parties	**10,124**	9,264
Related parties	**786**	1,515
Less: Provision for loss allowance	**(1,500)**	(1,500)
	9,410	9,279
Contra properties	**24,413**	–
Refundable deposits	**4,663**	4,799
Prepaid expenses	**1,971**	2,002
Goods and services tax receivable	**–**	12
	72,411	88,114
Analysed for reporting purposes as:		
Current assets	**72,411**	80,428
Non-current assets	**–**	7,686
	72,411	88,114

The following is an aged analysis of trade receivables (excluding receivables arising from the concession agreements) presented based on the invoice date (net of provision for loss allowance of trade receivables) at the end of each reporting period:

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
0 to 30 days	**5,456**	18,585
31 to 90 days	**11,931**	7,038
Over 90 days	**–**	36,379
	17,387	62,002

Reconciliation of loss allowance for trade receivables:

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
As at 1 October	**15,272**	1,832
Increase in loss allowance for the period	**3,368**	13,440
As at 30 September	**18,640**	15,272

11. INVENTORIES

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
Unsold completed units:		
At cost	**1,287**	7,720

Cost of inventories recognised as an expense during the twelve months ended 30 September 2021 amounted to approximately RM6,433,245 (FY2020: RM7,720,000).

12. SHARE CAPITAL

The share capital as at 30 September 2021 and 30 September 2020 represents the share capital of the Company with details as follows:

	Number of shares	**Amounts**	**Amounts**
		Hong Kong Dollar	
		HK$'000	*RM'000*
Ordinary shares of HK$0.01 each			
Authorised:			
As at 1 October 2019, 30 September 2020 and 30 September 2021	5,000,000,000	50,000	
Issued and fully paid:			
As at 1 October 2019, 30 September 2020 and 30 September 2021	1,800,000,000	18,000	9,862

13. TRADE AND OTHER PAYABLES

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
Trade payables:		
Third parties	**108,380**	160,070
Related parties	**406**	45,273
	108,786	205,343
Retention sum payable:		
Third parties	**47,683**	35,597
Related parties	**874**	12,944
	48,557	48,541
Other payables:		
Third parties	**9,229**	31,645
Related parties	**3,039**	–
	12,268	31,645
Amount owing to an associated company	**541**	5,144
Accrued expenses	**67,376**	95,991
Goods and services tax payable	**2,656**	2,665
	240,184	389,329

The following is an aged analysis of trade payables presented based on the invoice dates.

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
0–30 days	**12,164**	34,096
31–90 days	**19,046**	45,672
Over 90 days	**77,576**	125,575
	108,786	205,343

14. RELATED PARTY TRANSACTIONS

The Group has the following transactions with related parties during the following financial period/year:

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
Construction revenue from related parties	**–**	6,649
Construction cost paid to related parties	**2,281**	6,737

15. DIVIDENDS

The Board has resolved not to recommend the payment of any interim dividend to the shareholders of the Company ("**Shareholders**") for the twelve months ended 30 September 2021.

16. GOODWILL

	2021	2020
	RM'000	*RM'000*
	(Unaudited)	(Audited)
At beginning of the period/year	**–**	2,155
Impairment during the period/year	**–**	(2,155)
At end of the period/year	**–**	–

Goodwill arising from business combination has been allocated to the following cash-generating unit ("**CGU**").

	2021	2020
	RM'000	*RM'000*
BGMC Corporation	**–**	–

As at 30 September 2020, the Directors performed a review of the recoverable amount of goodwill and concluded that the recoverable amount pertaining to the CGU of BGMC Corporation was less than its carrying amount plus goodwill allocated. Accordingly, the related goodwill had been impaired and recognised in the profit and loss of RM2,155,000 in FY2020.

The recoverable amount of the CGU has been determined on the basis of value in use calculations. These calculations have used cash flow projections based on financial budgets approved by the management covering a 2-year period. The cash flows from the third to fifth year period are prepared based on the best estimate of the management taking into account existing secured contracts and estimation of contracts to be secured during that period.

The key assumptions for the value in use calculations as at the end of the reporting period are as follows:

	2021		2020	
	Growth rate for cash flows between third and fifth years	**Discount rate applied**	Growth rate for cash flows between third and fifth years	Discount rate applied
CGU				
BGMC Corporation	**–**	**–**	1.90%	12.88%

(a) Growth rate

The growth rate is forecasted after considering factors like general market conditions, industry specific and other relevant information and does not exceed the average long-term growth rate for the relevant industry.

(b) Discount rate

The discount rate applied to the cash flow projections are pre-tax and reflect the weighted average cost of capital of the CGU.

17. CONTINGENT LIABILITIES

(a) On 28 March 2019, the Company received a writ of summons together with an indorsement of claim dated 19 March 2019 in the High Court of Shah Alam, Malaysia by 47 plaintiffs ("**Plaintiffs**") against Kingsley Hills Sdn. Bhd. as the first defendant and BGMC Corporation, an indirect wholly-owned subsidiary of the Company, as the second defendant. Please refer to the Company's announcement of 28 March 2019 for further details of the litigation.

BGMC Corporation had filed an interlocutory application to strike out the Plaintiffs' case as well as a counterclaim against the Plaintiffs' claiming for alleged additional LAD absorbed in good faith and spirit of the full and final settlement agreement. The High Court has allowed BGMC Corporation's application and struck out the Plaintiff's writ and statement of claim. 13 Plaintiffs have appealed against the High Court's decision to the Court of Appeal. On 25 August 2021, the Court of Appeal has unanimously dismissed the 13 Plaintiffs' appeal and affirmed the High Court's decision to strike out the Plaintiffs' claims.

As to the counterclaim initiated by BGMC Corporation against the remaining Plaintiffs who did not appeal against the High Court's decision (31 Plaintiffs in total) as disclosed above, the application has been dismissed by the High Court on 20 August 2021.

(b) As disclosed in the Company's announcement dated 30 June 2020, a subsidiary of the Company, in the ordinary course of business, had disputes with Customer A.

On 22 May 2020, Customer A served notices of termination of the construction engagement, alleging that the Group had delayed in completing the works under two contracts arising out of the same project. Customer A had sought to forfeit the Group's two performance bonds in the amount of approximately RM25.8 million.

On 27 May 2020, the Group has filed for an injunction at the High Court and has obtained an ad-interim injunction order dated 29 May 2020 against the encashing of the two performance bonds by Customer A. On 16 April 2021, the High Court granted the Group the injunction order. Customer A, however, is appealing against the High Court's decision.

The Group has also initiated arbitrations on 30 June 2020 (which was withdrawn and reinitiated as two arbitrations on 26 October 2020) to dispute the validity of the terminations by Customer A and claim against Customer A for (i) losses of profit of approximately RM35.0 million (ii) return of retention sum of approximately RM4.4 million and (iii) return of the sums under the two performance bonds amounting to approximately RM25.8 million.

On 17 August 2020, Customer A issued a counterclaim of approximately RM126.4 million (which then became counterclaims of RM101.1 million in the two arbitrations) in the arbitration proceeding against the Group.

As at the date of this interim results announcement, the arbitrations proceedings are still ongoing. The arbitrator has given the instructions to respective parties to file their cases and documentations within the schedule provided. The next case management date for the matter is 6 September 2022.

The Directors are of the opinion that the Group has a good arguable case to persuade the arbitrator to rule the facts in favour of the Group.

(c) The Company together with BGMC Corporation, received a writ of summons and the statement of claim both dated 15 March 2021 in the High Court of Kuala Lumpur, Malaysia. The dispute is in relation to an intercompany loan provided to the Company to enable the Group to undertake the solar power plant project, whereby the counterparty is claiming for an outstanding of USD1.9 million and interest.

On 27 August 2021, the counterparty filed an application for summary judgement in the High Court. The High Court has fixed 8 December 2021 as the case management date and the hearing date for the summary judgement application.

18. INVESTMENT IN ASSOCIATES

	2021	2020
	RM'000	*RM'000*
Investment in associates:		
At cost *(RM2)*	**–**	–

Details of the investment in associates as at 30 September 2021 are as follows:

Name of associate	**Place of incorporation and operation**	**Proportion of ownership interest and voting power held**		**Principal activity**
		2021	2020	
Sparks Energy International Limited ("**SPARKS**")	Cayman Islands	**45.1%**	45.1%	Investment holding
Kuala Muda Estate Sdn. Bhd.	Malaysia	**–***	–*	Property investment
Machang Estate Sdn. Bhd.	Malaysia	**–***	–*	Property investment
Machang Estate (II) Sdn. Bhd.	Malaysia	**–***	–*	Property investment

* Significant influence arise from subscription of redeemable convertible preference shares with no restriction to convert into ordinary shares.

19. EVENT AFTER THE REPORTING PERIOD

There are no material events subsequent to the end of the period under review in this interim results announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

BGMC is a full-fledged, integrated solutions provider operating in two business sectors. One of them is the Construction Services sector (comprising Building and Structures segment, Energy Infra-structure segment, Mechanical and Electrical segment, and Earthworks and Infra-structure segment) which undertakes primarily construction service contracts not exceeding five years. The other is the Concession and Maintenance sector which undertakes Public Private Partnership ("**PPP**") contracts with a duration of around 20 years.

Core Business	**Segment/Model**	**What BGMC does**
Construction Services	Building and Structures segment	Focuses on construction of low-rise and high-rise residential and commercial properties, factories, as well as government led infra-structure and facility projects.
	Energy Infra-structure segment	Has two previously independent businesses: (a) design and construction of medium and high voltage power substations; and (b) installation of medium and high voltage underground cabling systems. Is also responsible for developing and constructing the utility scale solar power plant.
	Mechanical and Electrical segment	Focuses on bringing value-added engineering expertise to the installation of mechanical and electrical components and equipment for buildings and infra-structure, drawing on its all-round capabilities from design and planning to installation of the mechanical and electrical facilities.
	Earthworks and Infra-structure segment	Maintains a fleet of machinery for carrying out detailed earthworks, including site clearing, building platform preparation, road and drainage systems, and other infra-structure installation.

Core Business	Segment/Model	What BGMC does
Concession and Maintenance	Build, Lease, Maintain and Transfer ("**BLMT**") model	A concession to build a campus over a three-year period and to lease it to UiTM for a period of 20 years, and to provide asset management services for 20 years. The Group had however entered into a share purchase agreement to dispose the entire shareholding in the subsidiary that owns this concession on 16 November 2020. The disposal has been completed on 11 June 2021.
	Build, Own and Operate ("**BOO**") model	A concession to build a solar power plant, and to generate and to sell such power generated from the plant to national utility company for 21 years.

CONSTRUCTION SERVICES SECTOR

The Construction Services sector contributed RM155.7 million, or 77.4%, to the consolidated revenue of the Group for the twelve months ended 30 September 2021, against RM180.2 million, or 59.7%, in FY2020. These substantial decreases are directly impacted by the imposition of the Movement Control Order ("**MCO**"), Full Movement Control Order ("**FMCO**"),Conditional Movement Control Order ("**CMCO**") and Recovery Movement Control Order ("**RMCO**") by the Government of Malaysia to contain the spread of COVID-19 pandemic, which have not only reduced the productivity at the construction sites but have also totally suspended the works at site in between 1 June 2021 until mid August 2021. The ultimate impact of these movement control orders have also prolonged the duration needed to complete the Group's projects. Such updates are provided in the quarterly update announcements of the Company dated 1 April 2021, 30 June 2021 and 30 September 2021.

With approval obtained from the relevant authorities, the Group's project sites have gradually resumed site activities in around mid-August 2021. All project sites are required to follow the standard operating procedures ("**SOP**") imposed by the Construction Industry Development Board of Malaysia ("**CIDB**") strictly. The SOP carries the principle of social distancing and is put in place to avoid the spreading of COVID-19 disease. One of the major requirements for resuming works at project sites is to carry out swab test for all the workers entering the project sites while operating hours are also required to be adjusted to reduce the effective working hours on site. All of our project sites have since resumed work at different dates as the swab test results are delivered over a period of time due to limitation in laboratories capacity.

In view of the above, all our projects are in need of a revised completion date. Together with the delays that have not been granted with EOT, we have estimated the LAD for all the major ongoing projects. These estimations are however recoverable upon the Group obtaining the EOT for each of the project.

During the period under review, the Construction Services sector secured one contract that is worth RM0.3 million. As at 30 September 2021, we will be kept busy with an outstanding order book of RM422.5 million (FY2020: RM597.4 million).

The Group's major ongoing projects are as follows:

Project Name and Description
The Sky Seputeh: Construction of two 37-storey towers with 290 apartment units, car parks and other facilities at Taman Seputeh, Wilayah Persekutuan, Malaysia.
Bangsar 61: Construction of Earthworks, Basement and Associated Works for a 4-storey basement car park at Bangsar, KL, Malaysia.
Setia Spice: Construction of a 26-storey building with a 19-storey hotel (453 rooms), a 3-storey car park and 4-storey hotel facilities, plus a 2-storey basement car park at Setia Spice, Bayan Lepas, Penang, Malaysia.

Building and Structures

As the leading segment of the Construction Services sector and the Group as a whole with sizeable contracts on hand, Building and Structures contributed RM134.5 million, or 66.9%, to the Group's consolidated revenue for the twelve months ended 30 September 2021, compared to RM132.7 million, or 44.0%, in FY2020.

During the period under review, this segment has not secured any new project as the Group switches its focus to (i) comply to the SOP imposed by the Government of Malaysia in running the business and operation; (ii) increase the productivity and work done for the existing ongoing projects as challenges are ahead with the new normal; (iii) overcome the limitation imposed by our difficult financial position. The immediate objective is to deploy more resources to implement the existing projects at a faster pace and therefore reduce any delay that is currently recorded. Besides aiming to complete the project soonest, these steps may also increase the contribution towards the revenue recognition in the immediate future. Meanwhile, the Group's operation level and construction activities have improved since September 2021 as a result of the replacement of MCO restrictive measures on construction activities with National Recovery Plan by the Government of Malaysia.

As at 30 September 2021, the Building and Structures segment had an outstanding order book of RM365.5 million (FY2020: RM520.8 million).

Energy Infra-structure

During the period under review, the Energy Infra-structure segment has contributed a revenue of RM3.7 million or equivalent to 1.8% of the Group's consolidated revenue, as compared with RM36.5 million or 12.1% of the consolidated revenue for FY2020. This decrease is due to (i) the changes of the revenue mix of the Group; (ii) the suspension of construction works during the MCO period; and (iii) delay in obtaining the work permit from the authorities to continue work on PMU Sri Hartamas to PMU Matrade 132 kilovolt and PMU Shah Alam 18 to PMU Sirim underground cabling work.

During the twelve months ended 30 September 2021, this segment has not secured any new project. As at 30 September 2021, Energy Infra-structure segment had an outstanding order book of RM25.7 million (FY2020: RM29.3 million).

Mechanical and Electrical

The Mechanical and Electrical segment has recorded a revenue of RM17.5 million or 8.7% contribution to the consolidated revenue for the twelve months ended 30 September 2021, as compared with RM10.6 million or 3.5% contribution to consolidated revenue for FY2020. The increase is recorded as most of the ongoing projects have reached a more advanced stage involving the delivery and complete installation of major electrical equipment.

During the period under review, the Mechanical and Electrical segment has secured one contract that is worth RM0.3 million. As at 30 September 2021, the Mechanical and Electrical segment recorded an outstanding order book of RM31.4 million (2020: RM47.2 million).

Earthworks and Infra-structure

The Earthworks and Infra-structure segment has not recorded any revenue for the twelve months ended 30 September 2021, or 0% of the consolidated revenue, as compared with RM0.4 million or 0.1% contribution recorded in FY2020. The decrease of the segment revenue was mainly because all the projects have been completed and the Group are proceeding to prepare the final account for the projects. Activities in this segment will be minimal going forward while the resources will be redeployed to other segments.

CONCESSION AND MAINTENANCE SECTOR

BGMC has one PPP contract currently, the Solar Power Purchase Agreement signed with Tenaga Nasional Berhad ("**TNB**"), a sole power distributor for Peninsular Malaysia, which is operated under BOO model.

BLMT Model – UiTM Campus

There are two sources of income derived from this concession contract, namely the imputed interest income, and building maintenance service income. During the twelve months ended 30 September 2021, the BLMT model has brought a total income of RM35.1 million to the Group, as compared with a total income of RM53.2 million for FY2020.

The Company's proposed sale of concession rights of UiTM Campus through disposal of KAS Engineering was completed on 11 June 2021.

BOO Model – Large Scale Solar Photovoltaic ("LSSPV") Power Plant

This concession contract that the Group has entered into is a contract to build a LSSPV power plant, to generate and to sell the power generated from the plant to TNB. The plant has an output capacity of 30 megawatts alternate current and is located at Kuala Muda, Kedah, Malaysia.

Currently, the Group is working towards the goal of enabling the supply of electricity on the commercial operation date ("**COD**"). The COD will now be revised to the 4th quarter of 2021 as compared to the original date of 30 September 2021. The slower than expected progress is partly due to (i) slow progress in carrying out the engineering, procurement, construction and commissioning ("**EPCC**") contract by the appointed EPCC contractor; (ii) disruption to the supply chain caused by the outbreak of COVID-19 pandemic; and (iii) the suspension of construction works due to the imposition of MCO by the Government of Malaysia.

During the twelve months ended 30 September 2021, the BOO business has a revenue of RM36.0 million (FY2020: RM111.1 million or 36.8%), representing 17.9% of the consolidated revenue of the Group.

FUTURE PROSPECT

The outbreak of COVID-19 pandemic has affected the businesses and economy around the world both in positive manner and negative manner. Malaysia, not spared from the pandemic, had experienced the effect of the outbreak since March 2020. During 2021, the Government of Malaysia has continued to impose various MCO and has implemented various measures to curb the spread of the disease due to the surges of detected cases. As a result, it has caused serious disruption to our progress at construction sites.

Apart from the above, construction industry in Malaysia is further complicated by other issues. The fluctuation in prices for construction materials such as concrete, steel bar, cables and other equipment, has resulted in the increase of construction costs. On the other hand, labour shortage is also another issue faced by the construction industry, whereby the permit to take in foreign workers is frozen by the authority at the moment. While we have resumed our construction activities gradually in August 2021, due to the measures implemented by the Government of Malaysia, we are required to follow the SOP strictly such as arranging swab tests for the workers at sites before we can commence works. All the above-mentioned challenges have greatly impacted the implementation costs for construction projects and costs of doing business.

Despite the challenges and uncertainties brought about by the COVID-19 pandemic which continues to affect the Group's performance, we are confident that with the experiences we gained in FY2020, we are able to handle the challenges going forward. We are glad that Malaysia has achieved a remarkable rate in the nationwide vaccination program which has not only allowed us to resume work under the new normal, but has also improved the working conditions and environment. The post completion of the very substantial disposal of one of the subsidiaries and with the proceeds thereof, we are able to continue to boost up the progress of our current projects at hand. With the scheme creditors approving the debt restructuring, we are confident that the Group's financial performance can be improved upon the successful sanctioning of the scheme of arrangement.

Moving forward, we will continue to concentrate on the completion of current projects at hand while refocus, revitalise and rebuild our construction capability and capacity, in anticipation of more new initiatives in the development and construction business. We will also closely monitor the development and progress in the country that we operate and strategize ourselves to be in the best position to compete and grow.

FINANCIAL REVIEW

Revenue

The Group's total revenue decreased from RM301.6 million in FY2020 to RM201.1 million. The decrease in revenue was mainly due to a lower contribution from the Construction Services sector. The Construction Services sector contributed RM155.7 million to the consolidated revenue of the Group for the twelve months ended 30 September 2021 against RM180.2 million in FY2020, fell by 13.6% which was mainly due to the loss of work productivity and momentum at construction sites in complying to the MCO. The social distancing SOP have also reduced the working capacity of the sites by limiting the number of workers allowed on sites and the working hours.

Gross Loss

The Group's gross loss margin improved to 12.2% for the twelve months ended 30 September 2021 from 25.4% in FY2020. The improvement of gross loss is due to the termination of two significant Building and Structure projects in FY2020, for which the costs incurred were unable to be charged to Customer A.

Administrative and Other Expenses

Administrative and other expenses increased from RM38.8 million in FY2020 to RM49.9 million for the twelve months ended 30 September 2021, mainly due to loss on disposal of KAS Engineering which was amounted to RM14.3 million. The administrative and other expenses also consist of impairment of trade receivables and impairment of contract assets totalling RM7.6 million. On the other hand, total staff costs incurred for the twelve months ended 30 September 2021 were RM11.8 million compared to RM24.1 million recorded in FY2020.

Finance Costs

Finance costs for the twelve months ended 30 September 2021 were RM11.8 million compared to RM6.7 million in FY2020. A total of RM7.8 million was incurred as the finance costs for the borrowing drawn for the construction of the LSSPV power plant project and also the interests accrued for the redeemable preference shares.

Income Tax Credit

Income tax expense reversed from RM5.6 million in FY2020 to tax credit of RM2.4 million for the twelve months ended 30 September 2021, mainly due to over provision of income tax expenses amounting to RM2.0 million recorded in FY2020.

Liquidity, Financial Resources and Capital Structure

Net gearing ratio of the Group (calculated by dividing the net debts by equity attributable to owners of the Company) is recorded at 0.17 time as at 30 September 2021 as compared to 0.25 time as at 30 September 2020.

Total borrowing is recorded at RM69.6 million as at 30 September 2021 as compared to RM69.3 million as at 30 September 2020. We have repaid the bank borrowing amounting to RM60.9 million with the proceeds obtained from the disposal of KAS Engineering. The increase in total borrowing is however due to the utilization of the borrowing to finance the construction of the LSSPV power plant project totalling RM61.3 million.

Cash and bank balances (including fixed deposits) stood at RM52.8 million as at 30 September 2021 as compared with RM44.7 million as at 30 September 2020, representing an increase of RM8.1 million.

Net Current Liabilities

Net current liabilities of the Group stood at RM100.6 million as at 30 September 2021, as compared with net current liabilities of RM62.4 million as at 30 September 2020, representing an increase of RM38.2 million. The increase in net current liabilities was due to the provision of LAD for all the major ongoing projects. These provisions are however recoverable upon the Group obtaining the EOT for each of the project.

Furthermore, the increase in net current liabilities is attributable to the RM61.3 million unrated sukuk (i.e. bond issued by one of the subsidiaries of the Company) incurred for the twelve months ended 30 September 2021 for the construction of LSSPV power plant project in Kuala Muda, Kedah. This unrated sukuk will be reclassified into non-current liabilities if we manage to raise rated sukuk.

For the going concern analysis, please refer to note 2 of the condensed consolidated financial statements, "Basis of Preparation".

Treasury Policies

The Group's financing and treasury activities are centrally managed and controlled at the corporate level. Bank borrowings of the Group are all denominated in RM and on a floating – rate basis. It is the Group's policy not to enter into derivative transactions for speculative purposes.

Capital Expenditure

Capital expenditure mainly consisted of procurement of construction machinery and computer equipment, which was funded by hire purchase and internally generated funds. For the twelve months ended 30 September 2021, BGMC has acquired construction machinery and computer equipment of RM0.04 million (FY2020: RM0.12 million).

Foreign Exchange Exposure

The functional currency of BGMC's operation, assets and liabilities is RM. Therefore, the Company is not exposed to significant foreign exchange risk and has not employed any financial instrument for hedging, except for Hong Kong Dollar denominated bank balances.

Significant Investment Hold

Save for the investment held in associates and subsidiaries as disclosed in note 18 of the condensed consolidated financial statements above, the Group did not hold any other significant investment for the twelve months ended 30 September 2021.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save for the disposal of KAS Engineering as set out in the announcement of the Company dated 16 November 2020, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the twelve months ended 30 September 2021.

Employees and Remuneration Policies

As at 30 September 2021, the Group has 145 employees as compared to 229 as at 30 September 2020. Total staff costs incurred for the twelve months ended 30 September 2021 were RM11.8 million compared to RM24.1 million recorded in FY2020. The reduction is achieved after the Group has taken immediate actions to review and reorganize the workforce required to run the operation and projects more efficiently.

Remuneration is determined by reference to prevailing market terms and in accordance with the performance, qualification and experience of each individual employee. Periodic in-house training is provided to enhance the knowledge of the workforce. Meanwhile, external training programs conducted by qualified personnel are also attended by employees to enhance their skills set and working experience.

The Group has adopted a share option scheme ("**Share Option Scheme**") which became effective on 9 August 2017 ("**Listing Date**"), being the date of listing of the shares of the Company on the Stock Exchange, to enable the Board to grant share options to eligible participants giving them an opportunity to have a personal stake in the Company. As at the date of this interim results announcement, there was no outstanding share option granted under the Share Option Scheme.

Contingent Liabilities

Details of the Group's contingent liabilities up to the date of this interim results announcement are set out in note 17 of the condensed consolidated financial statements.

CORPORATE GOVERNANCE AND OTHER INFORMATION

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2021, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures

Ordinance, Chapter 571 of the laws of Hong Kong ("**SFO**")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO), or as recorded in the register of the Company required to be kept under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer set out in Appendix 10 to the Listing Rules ("**Model Code**") were as follows:

Interests in the shares of the Company

Name of Director	Capacity/ Nature of interest	Interests in shares of the Company *(Note 1)*	Approximate percentage of shareholding *(Note 2)*
Dato' Teh Kok Lee ("**Dato' Michael Teh**")*(Note 1)*	Interest of a controlled corporation and interests held jointly with another person	1,208,250,000 (L)	67.1%

"L" denotes long position

Notes:

(1) On 15 December 2016, Dato' Michael Teh and Tan Sri Dato' Sri Goh Ming Choon ("**Tan Sri Barry Goh**"), a former executive Director, entered into a concert party confirmatory deed ("**Concert Party Confirmatory Deed**") to acknowledge and confirm, among other things, that they had been parties acting in concert with each other with respect to their interests in or the business of the relevant members of the Group since they became shareholders of BGMC Holdings Berhad ("**BGMC Holdings**") and would continue to act in concert after the signing of the Concert Party Confirmatory Deed. For further details, please refer to the paragraph headed "History, Development and Reorganisation – Concert Party Confirmatory Deed" in the prospectus of the Company dated 31 July 2017.

As at 30 September 2021, the 1,208,250,000 shares interested by them in aggregate consisted of (i) 864,000,000 shares beneficially owned by Prosper International Business Limited ("**Prosper International**") which in turn is beneficially and wholly-owned by Tan Sri Barry Goh; and (ii) 344,250,000 shares beneficially and wholly owned by Seeva International Limited ("**Seeva International**") which in turn is beneficially and wholly-owned by Dato' Michael Teh. Each of Tan Sri Barry Goh and Dato' Michael Teh is deemed to be interested in all the shares held or deemed to be held by them in aggregate by virtue of the SFO.

(2) The percentage is calculated on the basis of 1,800,000,000 shares in issue as at 30 September 2021.

Interest in the Shares of Associated Corporations

Name of Director	Name of associated corporation	Capacity/ Nature of interest	Interests in ordinary share	Percentage of shareholding
Dato' Michael Teh	Seeva International	Beneficial owner	1	100%

Save as disclosed above, as at 30 September 2021, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have taken under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2021, so far as is known to the Directors, the following corporations or persons (other than a Director or the chief executive had interests or short positions in the shares or underlying shares of the Company, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholders	Capacity/ Nature of interest	Number of shares of the Company held	Percentage of shareholding *(Note 2)*
Prosper International *(Note 1)*	Beneficial owner and interests held jointly with another person	1,208,250,000 (L)	67.1%
Seeva International *(Note 1)*	Beneficial owner and interests held jointly with another person	1,208,250,000 (L)	67.1%

"L" denotes long position

Notes:

(1) On 15 December 2016, Tan Sri Barry Goh and Dato' Michael Teh entered into the Concert Party Confirmatory Deed to acknowledge and confirm, among other things, that they had been parties acting in concert with each other with respect to their interests in or the business of the Company and the relevant members of the Group since they became shareholders of BGMC Holdings and would continue to act in concert after the signing of the Concert Party Confirmatory Deed. For further details of the Concert Party Confirmatory Deed, please refer to "Concert Party Confirmatory Deed" sub-section in the section headed "History, Development and Reorganisation" in the prospectus of the Company dated 31 July 2017.

As at 30 September 2021, the 1,208,250,000 shares of the Company interested by them in aggregate consisted of (i) 864,000,000 shares of the Company beneficially owned by Prosper International which in turn is beneficially and wholly owned by Tan Sri Barry Goh; and (ii) 344,250,000 shares of the Company beneficially owned by Seeva International which in turn is beneficially and wholly owned by Dato' Michael Teh. Each of Prosper International and Seeva International is deemed to be interested in all the shares held or deemed to be held by Tan Sri Barry Goh and Dato' Michael Teh in aggregate by virtue of the SFO.

(2) These percentages are calculated on the basis of 1,800,000,000 shares of the Company in issue as at 30 September 2021.

Save as disclosed above, so far as the Directors or the chief executive of the Company are aware of, as at 30 September 2021, no corporation or person (not being a Director or the Chief Executive) had any interests or short position in the shares or underlying shares of the Company, which would be required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company under section 336 of the SFO.

CHANGE OF DIRECTORS

There have been changes to the Board composition during the twelve months ended 30 September 2021 and thereafter up to the date of this interim results announcement:

(a) with effect from 30 August 2021, Dato' Mohd Arifin Bin Mohd Arif tendered his resignation as an Executive Director.

(b) Mr. Ching Hong Seng ("**Mr. Ching**") did not offer himself for re-election and hence retired as an executive Director upon the conclusion of the annual general meeting of the Company held on 31 March 2021, due to his commitment on his other business. Details of the retirement of Mr. Ching were set out in the announcement of the Company dated 29 March 2021.

(c) with effect from 7 October 2020: (1) Tan Sri Barry Goh tendered his resignation as an executive Director and ceased to be a member of the remuneration committee of the Board ("**RC**"); (2) Ms. Chan May May tendered her resignation as an independent non-executive Director ("**INED**") and ceased to be a chairperson of the RC, a member of the nomination committee of the Board ("**NC**") and a member of the audit committee of the Board ("**AC**"); (3) Datuk Kamalul Arifin Bin Othman has been appointed as an INED, the chairperson of the RC, a member of the NC and a member of the AC; and (4) Tan Sri Dato' Seri Kong Cho Ha, an INED, has been appointed as a member of the RC.

SHARE OPTION SCHEME

The Company has adopted the Share Option Scheme on the Listing Date to enable the Company to grant options to eligible participants as incentives and rewards for their contribution to the Group. As at 30 September 2021, there were no outstanding share options and no share options were granted, exercised or cancelled or lapsed for the twelve months ended 30 September 2021. Further details of the Share Option Scheme are set out in the Company's 2020 annual report.

PLEDGE OF ASSETS

The net book value of plant and equipment pledged for long term finance lease as at 30 September 2021 was amounted to RM0.2 million compared to RM0.4 million as at 30 September 2020. Certain banking facilities of the Group were secured by the Group's fixed bank deposits of RM23.2 million as at 30 September 2021 compared to RM57.4 million as at 30 September 2020.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

For the twelve months ended 30 September 2021 and thereafter up to the date of this interim results announcement, the Company did not redeem any of its listed securities nor did the Company or any of its subsidiaries purchase or sell such securities.

CORPORATE GOVERNANCE CODE COMPLIANCE

The Company is committed to maintaining a high standard of corporate governance in order to achieve sustainable development and enhance corporate performance especially in the areas of internal control, fair disclosure and accountability to all shareholders of the Company ("**Shareholders**").

The Company has adopted the code provisions as set out in the Corporate Governance Code set out in Appendix 14 to the Listing Rules ("**CG Code**") as its own code of corporate governance. For the twelve months ended 30 September 2021, the Company has complied with the applicable code provisions of the CG Code.

DIVIDEND

The Board has resolved not to recommend the payment of any interim dividend for the twelve months ended 30 September 2021 (FY2020: Nil).

EVENT AFTER THE REPORTING PERIOD

Please refer to note 19 of the condensed consolidated financial statements, "Event After the Reporting Period".

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct governing securities transactions by the Directors. Following a specific enquiry made by the Company with each of them, all Directors confirmed that they had complied with the required dealing standards set out in the Model Code, throughout the twelve months ended 30 September 2021.

REVIEW OF RESULTS BY THE AC

The AC was established on 3 July 2017 with specific written terms of reference in compliance with code provision C.3 of the CG Code and Rule 3.22 of the Listing Rules. Such written terms of reference were revised on 8 October 2020 to conform with the requirements under the CG Code and the Listing Rules. The AC has reviewed the unaudited consolidated financial statements and is of the view that such statements have been prepared in compliance with the applicable accounting standards, the Listing Rules and other applicable legal requirements and that adequate disclosure has been made.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.bgmc.asia. The interim report containing all the information required by the Listing Rules will be published on the aforesaid websites and will be despatched to the Shareholders as soon as possible.

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.

By Order of the Board
BGMC International Limited
Datuk Kamalul Arifin Bin Othman
Chairman and Independent Non-Executive Director

Malaysia, 30 November 2021

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