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**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 SIX MONTHS ENDED 30 SEPTEMBER 2024**

**FINANCIAL HIGHLIGHTS**

- Revenue of the Group increased from RM35.7 million in the Corresponding Period to RM64.5 million for the Period.
- The Group’s gross loss improved from RM23.1 million in the Corresponding Period to a gross loss of RM0.99 million for the Period.
- Loss attributable to the owners of the Company was RM8.3 million for the Period as compared with a loss of RM14.1 million in the Corresponding Period.
- Basic loss per share was RM0.23 for the Period and basic loss per share was RM0.39 in the Corresponding Period (after taking into account the Share Consolidation).

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 six months ended 30 September 2024 (“**Period**”), together with the unaudited comparative figures for the six months ended 30 September 2023 (“**Corresponding Period**”). The unaudited condensed consolidated financial results of the Group for the Period have been reviewed by the Company’s audit committee (“**Audit Committee**”) and approved by the Board on 25 November 2024. 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 SIX MONTHS ENDED 30 SEPTEMBER 2024*

		<b>For the six months ended 30 September 2024 RM'000 (Unaudited)</b>	<b>For the six months ended 30 September 2023 RM'000 (Unaudited)</b>
	<i>Notes</i>		
<b>Continuing operations</b>			
Revenue	4	<b>64,463</b>	35,660
Cost of sales		<b>(65,454)</b>	(58,770)
<b>Gross loss</b>		<b>(991)</b>	(23,110)
Other income		<b>696</b>	4,832
Reversal of impairment loss on financial assets and contract assets, net		<b>802</b>	4,914
Administrative and other expenses		<b>(8,287)</b>	(7,522)
Other (losses)/gains, net		<b>(13)</b>	462
Finance costs		<b>(483)</b>	(900)
<b>Loss before tax from continuing operations</b>	5	<b>(8,276)</b>	(21,324)
Income tax expense		<b>–</b>	–
<b>Loss for the period from continuing operations</b>		<b>(8,276)</b>	(21,324)
<b>Discontinued operation</b>			
Profit for the period from discontinued operation		<b>–</b>	9,196
<b>Loss and total comprehensive loss for the period</b>		<b>(8,276)</b>	(12,128)
<b>Loss and total comprehensive loss for the period attributable to:</b>			
Owners of the Company			
Loss from continuing operations		<b>(8,273)</b>	(23,357)
Profit from discontinued operation		<b>–</b>	9,210
Loss attributable to owners of the Company		<b>(8,273)</b>	(14,147)
Non-controlling interests			
(Loss)/Profit from continuing operations		<b>(3)</b>	2,033
Loss from discontinued operation		<b>–</b>	(14)
(Loss)/Profit attributable to non-controlling interest		<b>(3)</b>	2,019
		<b>(8,276)</b>	(12,128)
<b>Loss per share</b>			
From continuing and discontinued operations			
Basic (RM)	6	<b>(0.23)</b>	(0.39)
Diluted (RM)	6	<b>(0.23)</b>	(0.39)
From continuing operations			
Basic (RM)	6	<b>(0.23)</b>	(0.65)
Diluted (RM)	6	<b>(0.23)</b>	(0.65)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2024**

		<b>As at 30 September 2024 RM'000 (Unaudited)</b>	<b>As at 31 March 2024 RM'000 (Audited)</b>
	<i>Notes</i>		
<b>Non-current assets</b>			
Property, plant and equipment	7	109	92
Right-of-use assets		271	402
Investment properties		49,385	49,385
Intangible assets		613	726
		<hr/>	<hr/>
<b>Current assets</b>		50,378	50,605
Trade and other receivables, deposits and prepaid expenses	8	25,361	25,703
Income tax recoverable		25	20
Contract assets		56,933	58,142
Fixed deposits		30,247	30,509
Cash and bank balances		7,173	6,497
		<hr/>	<hr/>
		119,739	120,871
		<hr/>	<hr/>
<b>Current liabilities</b>			
Contract liabilities		5,384	9,316
Trade and other payables	10	103,454	92,082
Redeemable secured loan stocks		48,165	–
Lease liabilities		135	252
Income tax liabilities		86	146
		<hr/>	<hr/>
		157,224	101,796
		<hr/>	<hr/>
<b>Net current (liabilities)/asset</b>		(37,485)	19,075
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		12,893	69,680
		<hr/>	<hr/>

		<b>As at 30 September 2024</b>	<b>As at 31 March 2024</b>
	<i>Notes</i>	<b>RM'000 (Unaudited)</b>	<b>RM'000 (Audited)</b>
<b>Non-current liabilities</b>			
Lease liabilities		<b>147</b>	143
Redeemable secured loan stocks		<u>–</u>	<u>48,515</u>
		<b>147</b>	48,658
<b>NET ASSETS</b>		<u><b>12,746</b></u>	<u>21,022</u>
<b>EQUITY</b>			
Equity attributable to owners of the Company			
Share capital	9	<b>9,862</b>	9,862
Reserves		<u><b>8,979</b></u>	<u>17,252</u>
		<b>18,841</b>	27,114
Non-controlling interests		<u><b>(6,095)</b></u>	<u>(6,092)</u>
<b>TOTAL EQUITY</b>		<u><b>12,746</b></u>	<u>21,022</u>

# 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 Act, 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

This unaudited condensed consolidated interim financial information on pages 2 to 17 for the six months ended 30 September 2024 (“**Period**”) have been prepared in accordance with the International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“**IASB**”) and Appendix D2 of the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”).

The interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s 2024 annual report.

### Going concern assumption

During the Period, the Group incurred a loss attributable to owners of approximately RM8.3 million and recorded net current liabilities of approximately RM37.5 million. The net current liabilities arose mainly from reclassification of redeemable secured loan stocks, amounting to approximately RM48.2 million which will be due in less than 12 months from the date of this interim results announcement. These events or conditions indicate that an uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern.

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 based on the following:

- (i) positive cash inflows within the next fifteen months from the customer;
- (ii) the Group is in the midst of arranging mezzanine financing to fund for working capital; and
- (iii) continuous repayments from the debtors within the next fifteen months.

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. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

#### New and amended standards and interpretations adopted by the Group

In the current period, the Group has adopted the following IAS and International Financial Reporting Standards (“IFRS”) that are relevant to the operations to the Group and are effective for accounting periods beginning on or after 1 April 2024:

Standards and amendments	Effective date	Key requirements
Amendments to IFRS 16	1 January 2024	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	1 January 2024	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	1 January 2024	Supplier Finance Arrangements

The amendments listed above did not have material impact on the Group’s financial performance for the Period and financial position as at 30 September 2024.

#### New standards and interpretations not yet effective

Standards and amendments	Effective for accounting periods beginning on or after	Key requirements
Amendments to IAS 21	1 January 2025	Lack of Exchangeability
Amendments to IFRS 9 and IFRS 7	1 January 2026	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 January 2026	Annual Improvements to IFRS Accounting Standards – Volume 11
IFRS 18	1 January 2027	Presentation and Disclosures in Financial Statements
IFRS 19	1 January 2027	Subsidiaries without Public Accountability Disclosures
Amendments to IFRS 10 and IAS 28	to be announced	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The above new and amended accounting standards have been issued but are not effective for the financial year beginning on 1 April 2024 and have not been early adopted by the Group.

#### 4. REVENUE, INCOME FROM CONCESSION AGREEMENT AND SEGMENTAL INFORMATION

##### (a) Revenue

	For the six months ended 30 September 2024 <i>RM'000</i> (Unaudited)	For the six months ended 30 September 2023 <i>RM'000</i> (Unaudited)
Building construction revenue	64,463	35,526
Management fee income	–	134
	<u>64,463</u>	<u>35,660</u>
Representing:		
Continuing operations	<u>64,463</u>	<u>35,660</u>

##### (b) Income from concession agreement

	For the six months ended 30 September 2024 <i>RM'000</i> (Unaudited)	For the six months ended 30 September 2023 <i>RM'000</i> (Unaudited)
Income from concession agreement		
– imputed interest income:		
Renewable Energy Power Purchase Agreement ("REPPA")	–	831
Supply of electricity	–	269
	<u>–</u>	<u>1,100</u>
Representing:		
Discontinued operation	<u>–</u>	<u>1,100</u>

**(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;

In addition to the above reportable segments, the Group has certain operating segments (including supply and installation of elevators) that do not meet any of the quantitative thresholds for determining reportable segments. These operating segments are grouped under "Others" segment.

**Segment Revenue**

*For the six months ended 30 September 2024*

	Building and structures RM'000	Energy infra- structure RM'000	Mechanical and electrical RM'000	Earthworks and infra- structure RM'000	Others RM'000	Sub-total RM'000	Elimination RM'000	Consolidated RM'000
<b>SEGMENT REVENUE</b>								
External revenue	64,485	-	(22)	-	-	64,463	-	64,463
Inter-segment revenue	-	-	-	-	1,637	1,637	(1,637)	-
<b>Total</b>	<b>64,485</b>	<b>-</b>	<b>(22)</b>	<b>-</b>	<b>1,637</b>	<b>66,100</b>	<b>(1,637)</b>	<b>64,463</b>
<b>RESULT</b>								
Segment result	(6,769)	-	(158)	43	(678)	(7,562)	-	(7,562)
Unallocated corporate expenses								(701)
Other loss, net								(13)
Loss before tax								(8,276)



## Other entity-wide segment information

For the six months ended 30 September 2024

	Building and structures RM'000	Energy infra- structure RM'000	Mechanical and electrical RM'000	Earthworks and infra- structure 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	21	-	-	-	20	41	-	41
Additions of intangible asset	30	-	-	-	-	30	-	30
Depreciation of property, plant and equipment	12	-	3	-	8	23	-	23
Depreciation of right-of-use assets	128	-	-	-	-	128	-	128
Amortisation of intangible assets	139	-	-	-	3	142	-	142
Reversal of impairment of:								
Trade receivables	-	(539)	-	-	-	(539)	-	(539)
Other receivables	(156)	-	-	-	-	(156)	-	(156)
Write back of:								
Other receivables	-	-	-	-	(107)	(107)	-	(107)
Gain on disposal of property, plant and equipment	(1)	-	(1)	-	-	(2)	-	(2)

## Segment Revenue

For the six months ended 30 September 2023

	Building and structures RM'000	Energy infra- structure RM'000	Mechanical and electrical RM'000	Earthworks and infra- structure RM'000	Others RM'000	Sub-total RM'000	Elimination RM'000	Consolidated RM'000
<b>SEGMENT REVENUE</b>								
External revenue	35,526	-	-	-	134	35,660	-	35,660
Inter-segment revenue	-	-	-	-	1,750	1,750	(1,750)	-
<b>Total</b>	<b>35,526</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,884</b>	<b>37,410</b>	<b>(1,750)</b>	<b>35,660</b>
<b>RESULT</b>								
Segment result	(24,822)	57	(328)	4,248	(389)	(21,234)	-	(21,234)
Unallocated corporate expenses								(552)
Other gains, net								462
Loss before tax								(21,324)

## Other entity-wide segment information

For the six months ended 30 September 2023

	Building and structures RM'000	Energy infra- structure RM'000	Mechanical and electrical RM'000	Earthworks and infra- structure 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	-	-	-	-	8	8	-	8
Additions of intangible asset	-	-	-	-	43	43	-	43
Depreciation of property, plant and equipment	6	-	4	-	4	14	-	14
Depreciation of right-of-use assets	129	-	-	-	-	129	-	129
Amortisation of intangible assets	139	-	-	-	3	142	-	142
Reversal of impairment of:								
Trade receivables	-	(4,625)	-	-	-	(4,625)	-	(4,625)
Other receivables	(67)	-	-	-	(211)	(278)	-	(278)
Contract assets	-	160	(171)	-	-	(11)	-	(11)
Gain on disposal of property, plant and equipment	(493)	-	(34)	(70)	-	(597)	-	(597)

Segment results represents the profit or loss 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.

## 5. LOSS BEFORE TAX FROM CONTINUING OPERATIONS

The Group's loss before tax from continuing operations has been arrived after charging/(crediting) the following:

	For the six months ended 30 September 2024 RM'000 (Unaudited)	For the six months ended 30 September 2023 RM'000 (Unaudited)
Amortisation of intangible assets	142	142
Auditor's remuneration		
– Audit services	303	242
Cost of sales and services	65,454	58,770
Depreciation charge of:		
– Property, plant and equipment	23	14
– Right-of-use assets	128	129
Legal & professional fee	999	1,148
Reversal of trade receivables	(539)	(4,625)
Reversal of other receivables	(156)	(278)
Reversal of contract assets	-	(11)
Write back of other receivables	(107)	-
Gain on disposal of property, plant and equipment	(2)	(597)
Staff costs including directors' emoluments		
– Wages and salaries	4,784	4,644
– Employees Provident Fund	543	507

## 6. LOSS PER SHARE

	For the six months ended 30 September 2024 (Unaudited)	For the six months ended 30 September 2023 (Unaudited)
From continuing and discontinued operations		
Basic (RM)	<u>(0.23)</u>	<u>(0.39)</u>
Diluted (RM)	<u>(0.23)</u>	<u>(0.39)</u>
From continuing operations		
Basic (RM)	<u>(0.23)</u>	<u>(0.65)</u>
Diluted (RM)	<u>(0.23)</u>	<u>(0.65)</u>

### Basic

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

	For the six months ended 30 September 2024 RM'000 (Unaudited)	For the six months ended 30 September 2023 RM'000 (Unaudited)
(Loss)/Profit for the period attributable to the owners of the Company for the purpose of basic loss per share:		
Loss from continuing operations	(8,273)	(23,357)
Profit from discontinued operation	<u>–</u>	<u>9,210</u>
	<b>Number of shares</b>	<b>Number of shares</b>
Weighted average number of ordinary shares for the purpose of calculating basic loss per share:		
At beginning the period	1,800,000,000	1,800,000,000
Shares consolidation exercise	<u>(1,764,000,000)</u>	<u>(1,764,000,000)</u>
	<u>36,000,000</u>	<u>36,000,000</u>

On 12 August 2024, the share consolidation of every fifty (50) existing shares of HK\$0.01 each into one (1) consolidated share of HK\$0.5 each has become effective. As such the total number of shares were reduced from 1,800,000,000 shares to 36,000,000 shares.

The comparative basic and diluted loss per share is recalculated after assuming that the share consolidation had been executed at respective financial years.

There is no diluted loss per share for the Period as there is no potential dilutive shares during the current reporting period.

## 7. PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group acquired property, plant and equipment for RM0.04 million (Corresponding Period: RM0.01 million).

## 8. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	As at 30 September 2024 RM'000 (Unaudited)	As at 31 March 2024 RM'000 (Audited)
Trade receivables:		
Third parties	21,112	17,315
Related parties	1	1
Less: Provision for expected credit loss	(9,661)	(10,200)
	11,452	7,116
Retention receivables:		
Third parties	33	33
Other receivables:		
Third parties	8,724	13,317
Related parties	4,722	6,822
Less: Provision for expected credit loss	(5,805)	(5,961)
	7,641	14,178
Refundable deposits	86	1,001
Building construction related deposit	2,620	1,754
Prepaid expenses	94	208
Prepaid expenses to suppliers and sub-contractor	3,435	1,413
	<u>25,361</u>	<u>25,703</u>
Analysed for reporting purposes as:		
Current assets	<u>25,361</u>	<u>25,703</u>
	<u>25,361</u>	<u>25,703</u>

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

	As at 30 September 2024 RM'000 (Unaudited)	As at 31 March 2024 RM'000 (Audited)
0 to 30 days	4,085	6,290
31 to 90 days	6,524	3
Over 90 days	876	856
	<u>11,485</u>	<u>7,149</u>

Reconciliation of loss allowance for trade and retention receivables:

	<i>RM'000</i>
As at 1 April 2023	19,631
Written-off as uncollectible during the year	(48)
Reversal of impairment loss for the year	(11,515)
Increase in loss allowance for the year	2,132
	<hr/>
At 31 March 2024	10,200
Reversal of impairment loss for the period	(539)
	<hr/>
At 30 September 2024	9,661
	<hr/>

Reconciliation of loss allowance for the other receivables:

	<i>RM'000</i>
As at 1 April 2023	6,824
Written-off as uncollectible during the year	(263)
Reversal of impairment loss for the year	(600)
	<hr/>
As at 31 March 2024	5,961
Reversal of impairment loss for the period	(156)
	<hr/>
As at 30 September 2024	5,805
	<hr/>

## 9. SHARE CAPITAL

The share capital as at 31 March 2024 and 30 September 2024 represents the share capital of the Company with details as follows:

	<b>Number of shares</b>	<b>Amounts Hong Kong Dollar HK\$'000</b>	<b>Amounts RM'000</b>
<b>Ordinary shares of HK\$0.01 each</b>			
<b>Authorised:</b>			
<b>As at 1 April 2023 and 31 March 2024</b>	5,000,000,000		
<b>(-) Shares Consolidation exercise</b>	<u>(4,900,000,000)</u>		
<b>As at 30 September 2024</b>	<u>100,000,000</u>	<u>50,000</u>	
<b>Issued and fully paid:</b>			
<b>As at 1 April 2023 and 31 March 2024</b>	1,800,000,000	18,000	9,862
<b>(-) Shares Consolidation exercise</b>	<u>(1,764,000,000)</u>	<u>—</u>	<u>—</u>
<b>As at 30 September 2024</b>	<u>36,000,000</u>	<u>18,000</u>	<u>9,862</u>

On 19 June 2024, the Board proposed to implement the share consolidation on the basis that every fifty (50) issued and unissued existing shares of HK\$0.01 each in the issued and unissued share capital of the Company be consolidated into one (1) consolidated share (the “**Share Consolidation**”). The Share Consolidation was approved by the shareholders at the extraordinary general meeting of the Company held on 8 August 2024 and same became effective on 12 August 2024.

Following the Share Consolidation, the authorised share capital of the Company is HK\$50,000,000 divided into 100,000,000 shares of the Company with par value of HK\$0.5 each. As at 30 September 2024, 36,000,000 shares of the Company have been issued.

## 10. TRADE AND OTHER PAYABLES

	As at 30 September 2024 <i>RM'000</i> (Unaudited)	As at 31 March 2024 <i>RM'000</i> (Audited)
Trade payables:		
Third parties	41,508	31,483
Retention sum payable:		
Third parties	18,566	16,902
Other payables:		
Third parties	4,523	5,307
Accrued staff costs	563	700
Amount owing to related parties	1,795	2,604
Accrued building construction related expenses	35,821	33,412
Other accrued expenses	678	1,664
Sales and services tax payable	–	10
	<u>103,454</u>	<u>92,082</u>
Analysed for reporting purposes as:		
Current liabilities	<u>103,454</u>	<u>92,082</u>
	<u>103,454</u>	<u>92,082</u>

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

	As at 30 September 2024 <i>RM'000</i> (Unaudited)	As at 31 March 2024 <i>RM'000</i> (Audited)
0–30 days	9,292	8,699
31–90 days	11,046	4,900
Over 90 days	21,170	17,884
	<u>41,508</u>	<u>31,483</u>

## 11. DIVIDENDS

The Board has resolved not to recommend the payment of any interim dividend to the shareholders of the Company (“Shareholders”) for the Period.

## 12. CONTINGENT LIABILITIES

- (a) 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 RM25,800,000.

On 27 May 2020, the Group has filed for an application for an injunction in the High Court against Customer A's proposed forfeiture of performance bonds and has obtained an ad-interim injunction order dated 29 May 2020 against the forfeiture of the performance bonds by Customer A. On 16 April 2021, the High Court granted the Group the injunction order. Customer A filed an appeal at the Court of Appeal against the High Court order. The Court of Appeal on 13 January 2023 dismissed Customer A's appeal and upheld the High Court's decision. Customer A did not further appeal to Federal Court within the deadline 12 February 2023.

The Group has also initiated arbitrations on 30 June 2020 (which was withdrawn and retained as two arbitrations on 26 October 2020, which was eventually consolidated) to dispute the validity of the terminations by Customer A and claim against Customer A for (i) losses of profit of approximately RM35,000,000, (ii) return of retention sum of approximately RM4,400,000 and (iii) return of the sums under the two performance bonds amounting to approximately RM25,800,000.

On 17 August 2020, Customer A issued a counterclaim of approximately RM126,400,000 (which then became counterclaims of approximately RM83,000,000 in the two arbitrations) in the arbitration proceeding against the Group.

The matter was heard in 2022 and 2023.

As at the date of this interim results announcement, the arbitrations proceedings are still ongoing. The hearing of the matter has been fixed for 6-17 October 2025.

- (b) On 20 November 2020, BGMC Corporation Sdn Bhd ("**BGMC Corporation**") received a demand letter from a licensed bank in Malaysia ("**Bank**"), in which the Bank alleged that it had received a demand against a bank guarantee from a beneficiary ("**Beneficiary**") being a customer of BGMC Corporation, in the sum of approximately RM5,500,000, and unless the Beneficiary withdraws its demand or the Bank is restrained from performing its obligations, the Bank would effect payment of the sum demanded to the Beneficiary on 24 November 2020.

Based on the demand letter from the Beneficiary to the Bank, the said demand was related to a performance bond provided by BGMC Corporation to the Beneficiary for a development project, for which the Beneficiary alleged that BGMC Corporation has not duly performed its contractual obligation.

On 23 November 2020, through its solicitors, BGMC Corporation filed an application ("**Application**") to the Kuala Lumpur High Court against the Beneficiary, which restrains the Beneficiary from receiving the sum demanded by the Beneficiary. On 24 November 2020, the Kuala Lumpur High Court granted an interim injunction in favour of BGMC Corporation, which restrained the Beneficiary, their respective agents, employees and/or officers from effecting the claims of the performance bond or receiving the payment or part payment under the performance bond from the Bank until the disposal of the originating summons filed by BGMC Corporation against the Beneficiary. On 20 May 2021, the Kuala Lumpur High Court granted a permanent injunction against the Beneficiary in favour of BGMC Corporation.

The Beneficiary has applied for an appeal against the decision of the High Court. The estimated payout for the bank guarantee is in the sum of approximately RM5,500,000 should the Beneficiary's action be successful in the appeal. On 21 August 2024, the Court of Appeal has allowed the appeal filed by the Beneficiary.

On 26 August 2024, BGMC Corporation filed a Notice of Motion for an Erinford Injunction in the Court of Appeal ("**Erinford Injunction Application**") to preserve the status quo pending the disposal of BGMC Corporation's application for leave in the Federal Court. The Erinford Injunction Application was fixed for hearing on 15 November 2024 and the Court of Appeal directed for the bank guarantee to be deposited with the Beneficiary's legal counsel as stakeholder, pending the disposal of the FC Leave Application (as defined below).

On 2 September 2024, BGMC Corporation filed a Notice of Motion in the Federal Court for leave to appeal against the Court of Appeal's decision ("**FC Leave Application**"). The FC Leave Application is fixed for hearing on 9 December 2024.

- (c) Maha Alusteel Sdn Bhd ("**Maha**") served a notice of demand dated 13 July 2022 ("**Notice dated 13 July 2022**") on BGMC Corporation pursuant to Section 465(1)(e) of the Companies Act 2016, demanding payment of approximately RM285,000 to be made, failing which, Maha would proceed winding up proceedings against BGMC Corporation.

In response, BGMC Corporation filed an originating summon ("**Encl. 1**"), inter alia, to seek for an injunction to restrain Maha from filing a winding up petition against BGMC Corporation pursuant to the Notice dated 13 July 2022. On 19 December 2022, the High Court dismissed Encl. 1 with costs of RM5,000 to Maha ("**Decision**").

Dissatisfied with the Decision, BGMC Corporation filed an appeal against the Decision to Court of Appeal on 4 January 2023 ("**Appeal**"). BGMC Corporation also sought for an injunction to prevent Maha from presenting a winding up petition against BGMC Corporation pending the conclusion of the Appeal ("**Encl. 31**"). The High Court had on 27 January 2023, allowed Encl. 31 on the condition that BGMC Corporation shall deposit a sum of approximately RM290,000 (inclusive of costs RM5,000 awarded by the High Court) ("**Deposited Sum**") with its solicitor, pending disposal of the Appeal. The Deposited Sum will be released to Maha in the event if the Appeal is dismissed, and will be refunded to BGMC Corporation if the Appeal is allowed.

During the case management on 21 August 2024, the Court vacated the hearing of the Appeal on 5 September 2024. The Court has further fixed the next case management of the Appeal on 10 July 2025 and the hearing of the Appeal on 24 July 2025.



### 13. EVENT AFTER THE REPORTING PERIOD

- (a) On 17 October 2024, the Group has incorporated an indirect wholly-owned subsidiary, Nexa Intelligence Sdn. Bhd., for its future business expansion.
- (b) On 29 October 2024, the Group has incorporated a direct wholly-owned subsidiary, BGMC Energy Group Limited, with principal activity of investment holding.
- (c) On 19 November 2024, the Group has incorporated an indirect wholly-owned subsidiary, BGMC Energy Holdings Sdn. Bhd., with principal activity of investment holding company and management consultancy company.
- (d) On 19 November 2024, the Company received the sealed winding-up order which was applied by a creditor for outstanding debt and approved by the High Court of Malaya against Headway Construction Sdn. Bhd. (“**Headway Construction**”, an indirect non-wholly owned subsidiary of the Company) pursuant to the Companies Act 2016 of Malaysia and the Official Receiver of the State of Malaya has been appointed as the Liquidator of Headway Construction.

Headway Construction is a company incorporated in Malaysia with limited liability and is indirectly owned as to 51% by the Company. As Headway Construction is a limited liability company, the other entities of the Group are not liable for settlement of the outstanding debt of Headway Construction.

As the total assets of Headway Construction as at 31 March 2024 is less than 5% of the audited consolidated total assets of the Group as at 31 March 2024, and the profits and revenue of Headway Construction for the year ended 31 March 2024 is also less than 5% of the profits and revenue of the Group for the year ended 31 March 2024 respectively, Headway Construction is not considered to be a major subsidiary of the Company for the purpose of Rule 13.25(2) of the Listing Rules.

Headway Construction has not recorded any revenue and has been dormant since 2021 up to the date of this announcement, and had no material asset nor any subsidiary and had no business activity.

As at 30 September 2024, Headway Construction is indebted to (i) BGMC Corporation (an indirect wholly owned subsidiary of the Company) in the sum of approximately RM4.6 million which was recorded as the amount due to immediate holding company and the said amount was fully impaired; and (ii) Built-Master Engineering Sdn. Bhd. (an indirect non-wholly owned subsidiary of the Company) in the sum of approximately RM0.2 million which was recorded as the amount due to related company and the said amount was fully impaired.

Based on the foregoing, the winding-up of Headway Construction does not, and will not, have material adverse impact on the overall financial or operation conditions of the Group. For further details, please refer to the announcement of the Company dated 20 November 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

BGMC is a full-fledged, integrated solutions provider. The Construction Services sector (comprising Building and Structures segment, Energy Infra-structure segment, Mechanical and Electrical segment, and Earthworks and Infra-structure segment) undertakes primarily construction service contracts not exceeding five years. BGMC also looks for suitable business opportunities in 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.

### CONSTRUCTION SERVICES SECTOR

The Construction Services sector contributed RM64.5 million, or 100%, to the consolidated revenue of the Group for the Period, against RM35.5 million, or 99.6%, in the Corresponding Period. The increase in revenue was due to the significant work progress of a new project secured in November 2023.

As at 30 September 2024, we have an outstanding order book of RM545.8 million (30 September 2023: RM113.4 million).

The Group's major ongoing projects are as follows:

<b>Project Name and Description</b>
<b>The Sky Seputeh:</b> Construction of two 37-storey towers with 290 apartment units, car parks and other facilities at Taman Seputeh, Wilayah Persekutuan, Malaysia.
<b>Bangsar 61:</b> Construction of Earthworks, Basement and Associated Works for a 4-storey basement car park at Bangsar, Kuala Lumpur, Malaysia.
<b>WAKL:</b> Additional modifications and upgrades to the façade of an existing 25-storey hotel building on the Lot 1275, Seksyen 57, Jalan Raja Chulan, Wilayah Persekutuan, in the City of Kuala Lumpur, 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 RM64.5 million, or 100%, to the Group's consolidated revenue for the Period, compared to RM35.5 million, or 99.6% as at 30 September 2023.

As at 30 September 2024, the Building and Structures segment had an outstanding order book of RM545.8 million (30 September 2023: RM112.0 million).

### **Energy Infra-structure**

During the Period, the Energy Infra-structure segment has not contributed any revenue to the Group's consolidated revenue, as all energy intra-structure segment projects were completed.

During the Period, this segment has not secured any new project. As at 30 September 2024, Energy Infra-structure segment had no outstanding order book (30 September 2023: Nil).

### **Mechanical and Electrical**

The Mechanical and Electrical segment has recorded a negative revenue of RM0.02 million for the Period, as compared with no contribution to consolidated revenue for the Corresponding Period. The negative revenue was due to omission of job scope in the finalisation of project account with the client for the Period.

### **Earthworks and Infra-structure**

The Earthworks and Infra-structure segment has not recorded any revenue for the Period as all the projects were completed. No activities in this segment are expected moving forward.

## **FUTURE PROSPECT**

The year 2024 is a defining year, where the need for stability and the drive for change are spanning across many industries. We are seeing big transformation, driven by things like changing policies and fast-paced digital disruption. For our Group, it has been a year of real progress, but also a few challenges along the way. Looking ahead, our long-term success will depend on the strength of our different business areas working together, and our ability to adapt to the ever-changing market around us.

According to the Economic Outlook Report 2025 released by Ministry of Finance in October 2024, the construction sector is expected to continue its positive momentum in the second half of 2024, with projected 13.7% growth following a significant growth of 14.6% in the first half of 2024. The construction sector will remain resilient as it is forecasted to register a growth of 9.4% in 2025, largely driven by the acceleration of strategic infrastructure projects, residential building sector and industrial buildings sector. Notably, the development and construction of data centres, particularly in Johor and Selangor, is driving the need for construction services and the establishment of energy infrastructure.

We are dedicated to expanding our project portfolio with a focus on environmental sustainability. This includes implementing eco-friendly building materials in our construction processes. Our commitment to sustainability will not only reduce our carbon footprint but also align with global trends and regulatory requirements, ensuring long-term viability and competitiveness. Additionally, we are actively exploring opportunities in renewable energy projects, to further diversify our portfolio and contribute to a greener future. While we are still in the early stages of these initiatives, we are dedicated to positioning ourselves for long-term growth and competitiveness in an increasingly eco-conscious market.

In short, the Group will not only focus on completing ongoing projects but will also continue actively pursuing new opportunities to replenish our order book. At the same time, the Group will explore new businesses or new business model to ensure the sustainability of the Group as well as to strengthen the Group's financial performance.

## **FINANCIAL REVIEW**

### **Revenue**

The Group's total revenue rose from RM35.7 million in the Corresponding Period to RM64.5 million during the Period, representing increase of 81%. The increase was primarily driven by substantial work progress on a newly secured project in November 2023. The Construction Services sector contributed RM64.5 million to the Group's consolidated revenue for the Period, compared to RM35.7 million in the Corresponding Period, which is 100% contribution to the Group's total revenue.

## **Gross Loss**

The Group recorded total gross loss of RM0.99 million in the Period as compared to a gross loss of RM23.1 million in the Corresponding Period. The decrease in gross loss was due to less project cost overruns during the Period.

## **Loss Attributable to Owners of the Company**

The Group recorded a net loss attributable to owners of the Company of RM8.3 million for the Period, as compared with a loss of RM14.1 million in the Corresponding Period. The reduction in net loss for the Period was mainly attributable to, among others, (i) increase in revenue due to substantial work progress on a newly secured project; (ii) lower gross loss recognised due to less project cost overruns; and (iii) lower finance costs incurred in the Period.

## **Administrative and Other Expenses**

Administrative and other expenses increased from RM7.5 million in the Corresponding Period to RM8.3 million for the Period, mainly due to increase in staff cost and feasibility studies expenses incurred in the development of potential project.

## **Finance Costs**

Finance costs for the Period were RM0.5 million as compared to RM0.9 million in the Corresponding Period due to full settlement of all borrowings.

## **Income Tax Credit**

There was no income tax expense recognised in both the Period and the Corresponding Period.

## **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 negative 0.38 times as at 30 September 2024 as compared to negative 0.24 times as at 31 March 2024. The increase in net gearing ratio is due to decrease in equity in the Period.

Cash and bank balances (including fixed deposits) stood at RM37.4 million as at 30 September 2024 as compared with RM37.0 million as at 31 March 2024, representing an increase of RM0.4 million.

On 19 June 2024, the Board proposed to implement the share consolidation on the basis that every fifty (50) issued and unissued existing shares of HK\$0.01 each in the issued and unissued share capital of the Company be consolidated into one (1) consolidated share (“**Share Consolidation**”). The Share Consolidation was approved by the shareholders at the extraordinary general meeting of the Company held on 8 August 2024 and same became effective on 12 August 2024.

Following the Share Consolidation, the authorised share capital of the Company is HK\$50,000,000 divided into 100,000,000 shares of the Company with par value of HK\$0.5 each. As at 30 September 2024, 36,000,000 shares of the Company have been issued. The board lot size has also been changed from 4,000 shares to 2,000 shares of the Company upon the Share Consolidation becoming effective on 12 August 2024.

For details of the Share Consolidation, please refer to the announcements of the Company dated 19 June 2024, 9 July 2024, 18 July 2024 and 8 August 2024, and the circular of the Company dated 24 July 2024.

### **Net Current Liabilities**

Net current liabilities of the Group stood at RM37.5 million as at 30 September 2024, as compared with net current asset of RM19.1 million as at 31 March 2024, representing a decrease of RM56.6 million. The net current liabilities arose mainly from reclassification of redeemable secured loan stocks (“**RSLS**”) of approximately RM48.2 million which will be due in less than 12 months from the date of this interim results announcement.

For the going concern analysis, please refer to note 2 to 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. The Group has acquired computer equipment of RM0.04 million during the Period.

### **Foreign Exchange Exposure**

The functional currency of BGMC’s operation, assets and liabilities is denominated in 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 which is not material to the Group as a whole.

### **Significant Investment**

The Group did not hold any significant investment during the Period.

## **Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures**

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Period.

## **Employees and Remuneration Policies**

As at 30 September 2024, the Group has 99 employees as compared to 94 as at 30 September 2023. Total staff costs incurred for the Period were RM5.3 million as compared to RM5.2 million recorded in the Corresponding Period. The Group has taken continuous 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 12 to 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 2024, 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 C3 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	24,885,000 (L)	69.1%

"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 2024, the 24,885,000 shares interested by them in aggregate consisted of (i) 18,000,000 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) 6,885,000 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 36,000,000 shares of the Company in issue as at 30 September 2024.

## 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 2024, 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 2024, 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	24,885,000 (L)	69.1%
Seeva International (Note 1)	Beneficial owner and interests held jointly with another person	24,885,000 (L)	69.1%
Kingdom Base Holdings Limited ("Kingdom Base") (Note 2)	Beneficial owner	2,115,000 (L)	5.9%

"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 2024, the 24,885,000 shares of the Company interested by them in aggregate consisted of (i) 18,000,000 shares of the Company beneficially owned by Prosper International which in turn is beneficially and wholly-owned by Tan Sri Barry Goh; and (ii) 6,885,000 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) Based on the latest disclosure of interests forms filed by Kingdom Base, Kingdom Base ceased to hold interest in shares of the Company since 13 November 2024.
- (3) These percentages are calculated on the basis of 36,000,000 shares of the Company in issue as at 30 September 2024.

Save as disclosed above, so far as the Directors or the chief executive of the Company are aware of, as at 30 September 2024, 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.

## **RETIREMENT OF DIRECTOR**

Datuk Kang Hua Keong (“**Datuk Kang**”) retired as an independent non-executive Director upon the conclusion of the annual general meeting of the Company held on 24 September 2024 due to his commitment on his other business engagements. Details of the retirement of Datuk Kang were set out in the announcement of the Company dated 6 September 2024.

## **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 2024, there were no outstanding share options and no share options were granted, exercised or cancelled or lapsed for the Period. Further details of the Share Option Scheme are set out in the Company’s 2024 annual report. During the Period, immediately upon the Share Consolidation becoming effective from 12 August 2024, the scheme mandate limit of the Share Option Scheme has been adjusted from 180,000,000 to 3,600,000 Shares.

## **PLEDGE OF ASSETS**

Investment properties of RM49.4 million were pledged to RSLs as at 30 September 2024 (31 March 2024: RM49.4 million). Certain banking facilities of the Group were secured by the Group’s fixed bank deposits of RM30.2 million as at 30 September 2024, as compared to RM30.5 million as at 31 March 2024.

## **PURCHASE, SALE OR REDEMPTION OF COMPANY’S LISTED SECURITIES**

For the Period 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. During the Period, the Company has completed Share Consolidation as set out below.

## **SHARE CONSOLIDATION AND CHANGE IN BOARD LOT**

With effect from 12 August 2024: (1) the Share Consolidation of every 50 existing shares of HK\$0.01 each into 1 consolidated share of HK\$0.5 has become effective, and (2) the change in board lot size of the Shares for trading on the Stock Exchange from 4,000 existing shares to 2,000 consolidated shares have become effective, the details of which are set out in the circular of the Company dated 24 July 2024.

## **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 C1 to the Listing Rules (“**CG Code**”) as its own code of corporate governance. For the Period, save as disclosed in this announcement, the Company has complied with the applicable code provisions of the CG Code.

## **NON-COMPLIANCE WITH THE LISTING RULES IN RELATION TO THE BOARD COMPOSITION**

Following the retirement of Datuk Kang: (i) total number of independent non-executive Directors accounts for less than three, and hence the Company fails to meet the requirement of Rule 3.10(1) of the Listing Rules; and (ii) the number of members of the audit committee of the Company will fall below the minimum number required under Rule 3.21 of the Listing Rules. The above non-compliances arose only due to the retirement of Datuk Kang. The Board is identifying a suitable candidate with appropriate background and qualification for appointment as an independent non-executive Director and Board committee member and will fill the vacancies as soon as possible and within three months as required by the Listing Rules. Further announcement(s) will be made in relation to such appointments as and when appropriate.

## **DIVIDEND**

The Board has resolved not to recommend the payment of any interim dividend for the Period (Corresponding Period: Nil).

## **EVENT AFTER THE REPORTING PERIOD**

Details of the Group’s event after the reporting period up to the date of this interim results announcement are set out in note 13 to the condensed consolidated financial statements.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code as set out in Appendix C3 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 Period.

## **REVIEW OF RESULTS BY THE AUDIT COMMITTEE**

The Audit Committee was established on 3 July 2017 with specific written terms of reference in compliance with 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 Audit Committee 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](http://www.hkexnews.hk) and the website of the Company at [www.bgmc.asia](http://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.

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

Malaysia, 25 November 2024

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