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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)

AUDITED ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL HIGHLIGHTS

- Revenue of the Group from continuing operations increased from RM110.1 million in FY2023 to RM117.1 million in FY2024.
- The Group’s gross loss from continuing operations was RM7.3 million in FY2024 as compared with a gross profit of RM4.3 million in FY2023.
- Loss attributable to the owners of the Company was RM1.2 million in FY2024 as compared with a profit attributable to the owners of the Company of RM11.9 million in FY2023.
- Basic loss per share was RM0.06 sen in FY2024 and basic earnings per share was RM0.66 sen in FY2023.

The board of directors of BGMC International Limited (“**Company**”, “**Directors**” and “**Board**”, respectively) announces the audited consolidated results of the Company and its subsidiaries (collectively, “**Group**” or “**BGMC**”) for the year ended 31 March 2024 (“**FY2024**”), together with the comparative figures for the year ended 31 March 2023 (“**FY2023**”). The financial results have been reviewed by the Company’s audit committee (“**Audit Committee**”) and approved by the Board on 28 June 2024. All amounts set out in this announcement are presented in Malaysian Ringgit (“**RM**”) unless otherwise indicated.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 31 MARCH 2024

		Year ended 31 March 2024 RM'000	Year ended 31 March 2023 RM'000
	<i>Note</i>		
Continuing operations			
Revenue	4	117,070	110,110
Cost of sales		(124,361)	(105,766)
		<hr/>	<hr/>
Gross (loss)/profit		(7,291)	4,344
Other income		5,783	1,220
Reversal of impairment loss/(impairment losses) of financial assets and contract assets, net		10,005	(6,947)
Administrative and other expenses		(17,190)	(15,730)
Other gains, net		1,787	25,476
Finance costs		(1,577)	(1,077)
		<hr/>	<hr/>
(Loss)/profit before tax from continuing operations	5	(8,483)	7,286
Income tax credit/(expense)	6	277	(489)
		<hr/>	<hr/>
(Loss)/profit from continuing operations		(8,206)	6,797
Discontinued operations			
Profit for the year from discontinued operations	7	9,180	4,462
		<hr/>	<hr/>
Profit and total comprehensive income for the year		974	11,259
		<hr/>	<hr/>

		Year ended 31 March 2024 RM'000	Year ended 31 March 2023 RM'000
	<i>Note</i>		
(Loss)/profit and total comprehensive (loss)/income for the year attributable to:			
Owners of the Company			
(Loss)/profit from continuing operations		(10,392)	7,560
Profit from discontinued operations		9,228	4,318
		<u> </u>	<u> </u>
(Loss)/profit attributable to owners of the Company		(1,164)	11,878
		<u> </u>	<u> </u>
Non-controlling interests			
Profit/(loss) from continuing operations		2,186	(763)
(Loss)/profit from discontinued operations		(48)	144
		<u> </u>	<u> </u>
Profit/(loss) attributable to non-controlling interests		2,138	(619)
		<u> </u>	<u> </u>
		974	11,259
		<u> </u>	<u> </u>
(Loss)/earnings per share			
From continuing and discontinued operations			
Basic and diluted (<i>RM sen</i>)	8	(0.06)	0.66
		<u> </u>	<u> </u>
From continuing operations			
Basic and diluted (<i>RM sen</i>)	8	(0.58)	0.42
		<u> </u>	<u> </u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	<i>Note</i>	As at 31 March 2024 RM'000	As at 31 March 2023 RM'000
Non-current assets			
Property, plant and equipment		92	116
Right-of-use assets		402	192
Investment properties		49,385	48,159
Other investment		–	–
Intangible assets		726	964
		<hr/> 50,605	<hr/> 49,431
Current assets			
Investment in redeemable convertible preference shares		–	5,694
Trade and other receivables, deposits and prepaid expenses	9	25,703	50,865
Income tax recoverable		20	1,710
Contract assets		58,142	51,274
Fixed deposits		30,509	28,358
Cash and bank balances		6,497	1,547
		<hr/> 120,871	<hr/> 139,448
Assets classified as held for sale	7	<hr/> –	<hr/> 213,932
		<hr/> 120,871	<hr/> 353,380

		As at 31 March 2024 RM'000	As at 31 March 2023 RM'000
	<i>Note</i>		
Current liabilities			
Contract liabilities		9,316	4,504
Trade and other payables	11	92,082	132,380
Borrowings – secured		–	2,889
Lease liabilities		252	213
Income tax liabilities		146	738
		<u>101,796</u>	<u>140,724</u>
Liabilities directly associated with assets classified as held for sale	7	–	104,839
		<u>101,796</u>	<u>245,563</u>
Net current assets		<u>19,075</u>	<u>107,817</u>
Total assets less current liabilities		<u>69,680</u>	<u>157,248</u>
Non-current liabilities			
Redeemable secured loan stocks		48,515	48,272
Lease liabilities		143	33
		<u>48,658</u>	<u>48,305</u>
NET ASSETS		<u>21,022</u>	<u>108,943</u>
Equity			
Equity attributable to owners of the Company			
Share capital	10	9,862	9,862
Reserves		17,252	107,716
		<u>27,114</u>	<u>117,578</u>
Non-controlling interests		<u>(6,092)</u>	<u>(8,635)</u>
TOTAL EQUITY		<u>21,022</u>	<u>108,943</u>

NOTES TO THE 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 consolidated financial statements are presented in RM which is also the functional currency of the Company.

Since Prosper International Business Limited and Seeva International Limited are parties acting in concert with each other with respect to their interests in or the business of the relevant members of the Group, both of them are considered as the ultimate parent undertakings of the Company.

2. BASIS OF PREPARATION

The consolidated financial statements of the Company and its subsidiaries (together the “**Group**”) for FY2024 have been prepared in accordance with IFRS Accounting Standards and the disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) and the Hong Kong Companies Ordinance.

Reclassification due to discontinued operations

BGMC Bras Power

On 24 March 2022, BGMC Corporation Sdn. Bhd. (“**BGMC Corporation**”), an indirect wholly-owned subsidiary of the Company, entered into a Deed of Arrangement (“**DOA**”) with reNIKOLA Sdn. Bhd. (“**reNIKOLA**”), an independent third party, to dispose of the interest in 95% ordinary shares in BGMC Bras Power Sdn. Bhd. (“**BGMC Bras Power**”). BGMC Bras Power is engaged in concession and maintenance, which undertakes Private Partnership Contracts related to solar plant of duration of 21 years. Upon the completion of the disposal of BGMC Bras Power, the Group will discontinue its concession and maintenance business which is under the segment of “concession and maintenance”.

As at 31 March 2023, the Directors believed the disposal was highly probable and the net carrying value of the relevant assets and liabilities of BGMC Bras Power would be recovered principally through sale rather than through continuing use. Accordingly, as at 31 March 2023, the assets and liabilities attributable to BGMC Bras Power were reclassified as held for sale as at 31 March 2023 and the result of BGMC Bras Power for the year ended 31 March 2023 and for the period from 1 April 2023 to 26 April 2023 has been presented as discontinued operations.

On 26 April 2023, the disposal was completed. Details of the disposal are set out in the Company’s announcements dated 27 June 2022 and 26 April 2023 and the Company’s circular dated 21 September 2022.

Going concern assumption

During the year, the Group incurred a loss from continuing operations of RM8,206,000. The Group's ability to continue as going concern is dependent upon a number of factors. These conditions indicate that a material 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 consolidated financial statements of the Group on a going concern basis remains appropriate based on the following: –

- (i) the estimated cash inflows of RM23,791,000 within the next twenty-one months from the customer of a new construction contract which was secured by the Group during the year ended 31 March 2024;
- (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 twenty-one months.

Based on the Group's cash flow projections, taking into account of effectiveness and feasibility of the above measures covering a period of twenty-one months from the end of the reporting period prepared by the management, the Directors of the Company consider the Group would be able to finance its operations and to meet its financial obligations as and when they fall due within the forecast period. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any future liabilities that may arise and to re-classify non-current assets and liabilities as current assets and liabilities. The effect of these adjustments have not been reflected in the consolidated financial statements.

3. ADOPTION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Adoption of New and Amendments to IFRS Accounting Standards

During the year ended 31 March 2024, the Company and its subsidiaries (together the “**Group**”) have applied the following new and amendments to IFRS Accounting Standards issued by the International Accounting Standard Board (“**IASB**”) that are relevant to the operations to the Group and are effective for accounting periods beginning on or after 1 April 2023:

IFRS 17 and Amendments to IFRS 17	Insurance Contracts
Amendment to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 12	International Tax Reform– Pillar Two Model Rules

The application of the new and amended standards in the current year has had no material impact on the Group’s financial positions and performance for the year and prior year and/or on the disclosures set out in these consolidated financial statements.

Amendments to standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

IFRS 18	Presentation and Disclosures in Financial Statements ⁴
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback ²
Amendments to IAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants ²
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements ²
Amendments to IAS 21	Lack of Exchangeability ³
IFRS 19	Subsidiaries without Public Accountability: Disclosures ⁴

¹ Effective for annual periods beginning on or after a date to be determined

² Effective for annual periods beginning on or after 1 January 2024

³ Effective for annual periods beginning on or after 1 January 2025

⁴ Effective for annual periods beginning on or after 1 January 2027

The Group has already commenced an assessment of the related impact of adopting the above new and amended standards. So far, it has concluded that the above new and amended standards will be adopted at the respective effective dates and the adoption of them is unlikely to have a significant impact on the consolidated financial statements of the Group.

4. REVENUE, INCOME FROM CONCESSION AGREEMENTS AND SEGMENTAL INFORMATION

(a) Revenue

	Year ended 31 March 2024 <i>RM'000</i>	Year ended 31 March 2023 <i>RM'000</i>
Building construction revenue	116,522	107,451
Supply and installation of elevators	415	37
Management fee income	133	2,622
	<u>117,070</u>	<u>110,110</u>
Representing:		
Continuing operations	<u>117,070</u>	<u>110,110</u>
Timing of revenue recognition:		
Over time	<u>117,070</u>	<u>110,110</u>

(b) Income from concession agreements

	Year ended 31 March 2024 <i>RM'000</i>	Year ended 31 March 2023 <i>RM'000</i>
Imputed interest income from Renewable Energy Power Purchase Agreement	687	10,292
Supply of electricity	237	5,078
	<u>924</u>	<u>15,370</u>
Representing:		
Discontinued operations	<u>924</u>	<u>15,370</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 infrastructure – provision of construction services in energy transmission and distribution works;
- (iii) Mechanical and electrical – provision of construction services in mechanical and electrical installation works; and
- (iv) Earthworks and infrastructure – provision of construction services in earthworks and infrastructure 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.

The following is an analysis of the Group's revenue and results by reportable and operating segment from continuing operations:

Segment revenue

Year ended 31 March 2024

Continuing operations	Building and structures RM'000	Energy Infra-structure RM'000	Mechanical and electrical RM'000	Earthworks and infrastructure RM'000	Others RM'000	Sub-total RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE								
External revenue	115,007	-	1,515	-	548	117,070	-	117,070
Inter-segment revenue	-	-	1,321	-	-	1,321	(1,321)	-
Total	115,007	-	2,836	-	548	118,391	(1,321)	117,070
RESULT								
Segment results	(6,855)	-	(537)	4,220	(936)	(4,108)	-	(4,108)
Unallocated corporate expenses								(6,162)
Other gains, net								1,787
Loss before tax from continuing operations								(8,483)

Other entity-wide segment information

Year ended 31 March 2024

Continuing operations	Building and structures RM'000	Energy infrastructure RM'000	Mechanical and electrical RM'000	Earthworks and infrastructure RM'000	Others RM'000	Sub-total RM'000	Unallocated RM'000	Consolidated RM'000
Amounts included in the measure of segment results of segment assets:								
Depreciation of property, plant and equipment	27	-	8	-	-	35	9	44
Addition of property, plant and equipment	15	-	-	-	-	15	9	24
Addition of intangible asset	-	-	-	-	-	-	48	48
Depreciation of right-of-use-assets	269	-	3	-	-	272	-	272
Amortisation of intangible assets	275	-	3	-	-	278	8	286
Impairment/(reversal of impairment) of:								
Trade and retention receivables	(9,243)	-	(146)	6	-	(9,383)	-	(9,383)
Other receivables	(384)	-	(4)	-	-	(388)	(212)	(600)
Contract assets	228	-	(825)	-	68	(529)	-	(529)
Written off of:								
Contract assets	-	-	104	-	-	104	-	104
Deposit	397	-	6	-	-	403	-	403
Gain on disposal of property, plant and equipment	(520)	-	(40)	(70)	-	(630)	-	(630)

Segment revenue

Year ended 31 March 2023

Continuing operations	Building and structures RM'000	Energy infrastructure RM'000	Mechanical and electrical RM'000	Earthworks and infrastructure RM'000	Others RM'000	Sub-total RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE								
External revenue	94,318	9,214	3,919	-	2,659	110,110	-	110,110
Inter-segment revenue	-	-	661	-	-	661	(661)	-
Total	94,318	9,214	4,580	-	2,659	110,771	(661)	110,110
RESULT								
Segment results	1,763	148	(2,090)	-	(1,324)	(1,503)	-	(1,503)
Unallocated corporate expenses								(16,687)
Other gains, net								25,476
Profit before tax from continuing operations								7,286

Other entity-wide segment information

Year ended 31 March 2023

Continuing operations	Building and structures RM'000	Energy Infra-structure RM'000	Mechanical and electrical RM'000	Earthworks and infrastructure RM'000	Others RM'000	Sub-total RM'000	Unallocated RM'000	Consolidated RM'000
Amounts included in the measure of segment results of segment assets:								
Depreciation of property, plant and equipment	26	2	18	-	3	49	5	54
Depreciation of right-of-use-assets	262	22	2	-	3	289	-	289
Amortisation of intangible assets	252	21	2	-	3	278	-	278
Impairment/(reversal of impairment) of:								
Property, plant and equipment	(3,752)	(314)	(35)	2	(41)	(4,140)	-	(4,140)
Trade and retention receivables	(1,529)	(128)	(552)	1	(17)	(2,225)	-	(2,225)
Other receivables	(409)	(34)	(4)	-	(4)	(451)	4,933	4,482
Contract assets	4,278	359	(221)	(2)	47	4,461	-	4,461
Loss/(gain) on disposal of property, plant and equipment	2,712	227	25	(2)	30	2,992	-	2,992

5. (LOSS)/PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

(Loss)/profit before tax from continuing operations has been arrived after charging/(crediting):

	Year ended 31 March 2024 RM'000	Year ended 31 March 2023 RM'000
Amortisation of intangible assets	286	278
Auditor's remuneration		
Audit services	617	561
Non-audit services	-	11
Cost of sales and services	124,361	105,766
Depreciation charge of:		
Property, plant and equipment	44	54
Right-of-use assets	272	289
Reversal of impairment loss of property, plant and equipment	-	(4,140)
Legal and professional fees	2,749	1,056
(Gain)/loss on disposal of property, plant and equipment	(630)	2,992
Reversal of provision of performance bond	-	(25,797)
Fair value (gain)/loss on investment properties	(1,414)	1,442
Written off of investment properties	188	-
Staff costs including directors' emoluments		
- Wages and salaries	9,926	9,496
- Employees Provident Fund	1,122	1,081

6. INCOME TAX EXPENSE/(CREDIT)

	Year ended 31 March 2024 RM'000	Year ended 31 March 2023 RM'000
Malaysia Corporate Income Tax:		
Current year	4	570
Over-provision in prior years	(281)	(127)
	(277)	443
Deferred tax:		
Current year	422	987
	145	1,430
Representing:		
Continuing operations	(277)	489
Discontinued operations	422	941
	145	1,430

7. DISCONTINUED OPERATIONS AND NON-CURRENT ASSETS CLASSIFIED AS HELD-FOR-SALE/LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

BGMC Bras Power

The Group completed the disposal of the interest in 95% ordinary shares in BGMC Bras Power on 26 April 2023. BGMC Bras Power was engaged in the provision of renewable energy. The details are set out in the Note 2.

The operation is classified as discontinued operations for the period from 1 April 2023 to 26 April 2023 and for the year ended 31 March 2023 and its results are as follows:

	Period from 1 April 2023 to 26 April 2023 <i>RM'000</i>	Year ended 31 March 2023 <i>RM'000</i>
(Loss)/profit of BGMC Bras Power	(870)	4,462
Gain on disposal of BGMC Bras Power	<u>10,050</u>	<u>–</u>
Profit for the year from discontinued operations	<u>9,180</u>	<u>4,462</u>
Profit for the year from discontinued operations attributable to:		
Owners of the Company	9,228	4,318
Non-controlling interests	<u>(48)</u>	<u>144</u>
	<u>9,180</u>	<u>4,462</u>

The assets and liabilities directly associated with the assets classified as held for sale as at 31 March 2023 are as follows:

	As at 31 March 2023 <i>RM'000</i>
Assets classified as held for sale	
BGMC Bras Power	<u>213,932</u>
Liabilities directly associated with assets held for sale	
BGMC Bras Power	<u>104,839</u>

8. (LOSS)/EARNINGS PER SHARE

	Year ended 31 March 2024	Year ended 31 March 2023
From continuing and discontinued operations		
Basic and diluted (<i>RM sen</i>)	<u>(0.06)</u>	<u>0.66</u>
From continuing operations		
Basic and diluted (<i>RM sen</i>)	<u>(0.58)</u>	<u>0.42</u>

Basic

The calculation of the basic (loss)/earnings per share is based on the following data:

	Year ended 31 March 2024 RM'000	Year ended 31 March 2023 RM'000
(Loss)/profit and total comprehensive (loss)/income for the year attributable to the owners of the Company for the purpose of basic (loss)/earnings per share:		
(Loss)/profit from continuing operations	(10,392)	7,560
Profit from discontinued operations	9,228	4,318
	<hr/>	<hr/>
(Loss)/profit attributable to owners of the Company	(1,164)	11,878
	<hr/>	<hr/>
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share:		
At beginning and end of the year	1,800,000,000	1,800,000,000
	<hr/>	<hr/>

There is no diluted earnings per share in FY2024 and FY2023 as there is no potential dilutive shares during the respective reporting period.

From discontinued operations

Basic earnings per share from the discontinued operation is RM0.52 sen per share (2023: earnings per share of RM0.24 sen per share), based on the profit for the year from discontinued operations attributable to the owners of the Company of approximately RM9,228,000 (2023: RM4,318,000) and the denominators used are the same as those detailed above for both basic and diluted (loss)/earnings per share.

There is no diluted earnings per share in FY2024 and FY2023 as there was no potential dilutive shares during the respective reporting period.

9. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	As at 31 March 2024 RM'000	As at 31 March 2023 RM'000
Trade receivables:		
Third parties	17,315	47,168
Related parties	1	1
Less: Provision for expected credit loss	(10,200)	(19,627)
	7,116	27,542
Retention receivables:		
Third parties	33	3,461
Less: Provision for expected credit loss	-	(4)
	33	3,457
Other receivables:		
Third parties	13,317	14,535
Related parties	6,822	4,969
Less: Provision for expected credit loss	(5,961)	(6,824)
	14,178	12,680
Refundable deposits	1,001	278
Building construction related deposits	1,754	2,991
Prepaid expenses	208	204
Prepaid expenses to suppliers and sub-contractor	1,413	3,713
	25,703	50,865

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 31 March 2024 RM'000	As at 31 March 2023 RM'000
0 to 30 days	6,290	12,879
31 to 90 days	3	2,261
Over 90 days	856	15,859
	7,149	30,999

Reconciliation of loss allowance for trade and retention receivables:

	RM'000
At 1 April 2022	21,856
Reversal of impairment loss for the year	(6,550)
Increase in loss allowance for the year	<u>4,325</u>
At 31 March 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	<u>2,132</u>
At 31 March 2024	<u>10,200</u>

Reconciliation of loss allowance for other receivables:

	RM'000
At 1 April 2022	2,342
Reversal of impairment loss for the year	(451)
Increase in loss allowance for the year	<u>4,933</u>
At 31 March 2023	6,824
Written-off as uncollectible during the year	(263)
Reversal of impairment loss for the year	<u>(600)</u>
At 31 March 2024	<u>5,961</u>

10. SHARE CAPITAL

The share capital as at 31 March 2023 and 31 March 2024 represents the share capital of the Company with details as follows:

	Number of shares	Amounts Hong Kong Dollar HK\$'000	Amounts RM'000
Ordinary shares of HK\$0.01 each Authorised:			
As at 1 April 2022, 31 March 2023 and 31 March 2024	<u>5,000,000,000</u>	<u>50,000</u>	
Issued and fully paid:			
As at 1 April 2022, 31 March 2023 and 31 March 2024	<u>1,800,000,000</u>	<u>18,000</u>	<u>9,862</u>

11. TRADE AND OTHER PAYABLES

	As at 31 March 2024 RM'000	As at 31 March 2023 RM'000
Trade payables:		
Third parties	31,483	40,595
Retention sum payables:		
Third parties	16,902	14,496
Other payables:		
Third parties	5,307	44,144
Amount owing to related parties	2,604	3,175
Accrued staff costs	700	586
Accrued building construction related expenses	33,412	25,947
Other accrued expenses	1,664	748
Goods and services tax payable	10	2,689
	92,082	132,380

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

	As at 31 March 2024 RM'000	As at 31 March 2023 RM'000
0–30 days	8,699	14,841
31–90 days	4,900	4,378
Over 90 days	17,884	21,376
	31,483	40,595

12. DIVIDENDS

The Board has resolved not to recommend any dividend payment in respect of the current reporting period (FY2023: Nil).

13. 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 the consolidated financial statements have been authorised for issue, the arbitrations proceedings are still ongoing. The hearing of the matter has been fixed for 6-17 October 2025.

The Group's legal counsel is in the opinion that the Group has a stronger case to persuade the arbitrator to rule the facts in the Group's favour.

- (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. The matter was fixed for hearing on 21 August 2024.

Based on the advice from the Group's legal counsel, the burden of proving any mistake in law made by the Honourable High Court for the appeal is on the Beneficiary while the Beneficiary was still holding on to the retention sum tantamount to unconscionable conduct since the alleged back-charges for defects were certified and estimated to be approximately RM3,644,000.

Based on the advice from the Group's legal counsel, the Directors consider BGMC Corporation has a valid defence against the litigation and has not provided for any claim arising from the litigation in these consolidated financial statements.

- (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 summons ("**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.

The Court vacated the hearing of the Appeal scheduled on 31 January 2024; consequently, the Court of Appeal has fixed the next case management of the Appeal on 21 August 2024 and the hearing of the appeal on 5 September 2024.

Based on the advice from the Group's legal counsel, the Directors consider BGMC Corporation has a valid defence against the litigation and has not provided for any claim arising from the litigation in these consolidated financial statements.

14. EVENT AFTER THE REPORTING PERIOD

- (i) On 5 April 2024, the Group has incorporated an indirect wholly-owned subsidiary, Golden Sun Solar Energy Sdn. Bhd., with principal activity of construction of power plants.
- (ii) On 19 June 2024, the Board proposed to implement the share consolidation on the basis that every fifty issued and unissued existing shares of HK\$0.01 each will be consolidated into one consolidated share of HK\$0.50 each. The board lot size is also proposed to be changed from 4,000 existing shares to 1,000 consolidated shares. The share consolidation is conditional upon, among other things, the approval of the Shareholders at the extraordinary general meeting ("**EGM**"). Details of the share consolidation were set out in the announcement of the Company dated 19 June 2024.

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 Infrastructure segment, Mechanical and Electrical segment, and Earthworks and Infrastructure 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 infrastructure and facility projects.
	Energy Infrastructure segment	Has two previously independent businesses: <ul style="list-style-type: none"> (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 infrastructure, drawing on its all-round capabilities from design and planning to installation of the mechanical and electrical facilities.
Concession and Maintenance	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. The Group had entered into agreements to dispose of interest in 95% ordinary shares in the subsidiary which holds the solar power plant on 24 March 2022, the details of which are set out in the circular of the Company dated 21 September 2022. The completion of disposal has been announced on 26 April 2023.

CONSTRUCTION SERVICES SECTOR

The Construction Services sector contributed RM116.5 million, or 99.5%, to the consolidated revenue of the Group in FY2024, against RM107.5 million, or 97.6%, recorded in FY2023.

During FY2024, the Construction Services sector has secured a new contract with a fixed contract sum of RM540.6 million. As at 31 March 2024, we have an outstanding order book of RM610.4 million which will keep the Group busy for another 18 months. 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.
WAKL: 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 Segment

As the leading segment of the Construction Services sector and the Group as a whole with sizeable contracts on hand, Building and Structures contributed RM115.0 million, or 98.2%, to the Group's consolidated revenue in FY2024, compared to RM94.3 million, or 85.7% in FY2023.

During FY2024, this segment has secured a new project with a fixed contract sum of RM540.6 million. The Group continues to switch its focus to (i) increase the productivity and work done for the existing ongoing projects in order to complete the ongoing projects soonest possible; and (ii) preserving the Group's resources in procuring the suitable projects. Meanwhile, the Group's operation level and construction activities have further improved as a result of the implementation of National Recovery Plan by the Government of Malaysia.

As at 31 March 2024, the Building and Structures segment had an outstanding order book of RM610.4 million as compared to RM157.2 million as at 31 March 2023.

Other Segments

During FY2024, the Energy Infrastructure segment has not contributed any revenue as compared with RM9.2 million or 8.4% of the consolidated revenue in FY2023.

On the other hand, the Mechanical and Electrical segment has recorded a revenue of RM1.5 million or 1.3% contribution to the consolidated revenue in FY2024, as compared with RM3.9 million or 3.5% contribution to consolidated revenue in FY2023.

Both the segments are running low in the remaining order book due to non-procurement of new project during FY2024. Though the Group possesses the track record of securing and completing these projects, the procurement activities are nevertheless kept to a minimum due to the challenging market conditions. The Group foresees the revenue contribution to be insignificant going forward and has therefore re-allocated the resources to the Building and Structures segment.

CONCESSION AND MAINTENANCE SECTOR

BGMC completed disposal of its interest in April 2023 with respect to one PPP contract, the Solar Power Purchase Agreement signed with Tenaga Nasional Berhad (“**TNB**”), a sole power distributor for Peninsular Malaysia, which is operated under BOO model.

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. The LSSPV power plant has managed to procure the commercial operation date on 22 March 2022 and has since then started to generate and sell the solar power to TNB even though the Group has yet to accept the construction of the LSSPV power plant fully from the Engineering, Procurement, Construction and Commissioning (“**EPCC**”) contractor. The full and final handover of the LSSPV power plant will only occur when the Group is satisfied with the completion of the defective work by the EPCC contractor. During FY2024, the BOO business has a revenue of RM0.2 million as compared to RM5.1 million in FY2023. The reduction is due to the disposal of BGMC Bras Power Sdn. Bhd. (“**BGMC Bras Power**”) on 26 April 2023.

The Group has however entered into agreements on 24 March 2022 for the proposed disposal of interest in 95% ordinary shares of BGMC Bras Power, which the proposal was approved in the extraordinary general meeting (“**EGM**”) of the Company held on 7 October 2022. The completion of the disposal was subsequently achieved on 26 April 2023. For details, please refer to the circular of the Company dated 21 September 2022 and the announcements of the Company dated 27 June 2022 and 26 April 2023.

As disclosed in the circular of the Company dated 21 September 2022, the main reasons for the Group to dispose the interest in 95% ordinary shares of BGMC Bras Power is to allow the Group (i) to settle the disputes existed with the previous financing partners; (ii) to avoid investing additional funds required for the completion of the project; (iii) to recoup the investments made and to re-use it for other purpose. The proposed disposal was completed on 26 April 2023 and the Group has recognised a gain on disposal of RM10.1 million in FY2024.

Notwithstanding the disposal of this LSSPV power plant project, the Group will nevertheless, invest more resources to procure a new project that resembles the features of this sector. As the main reason for the disposal of BGMC Bras Power is not to quit the business but for those reasons listed above, the Group believes that it will have more experience and knowledge to build a model that suits the Group better going forward.

FINANCIAL REVIEW

Revenue

The Group recorded a total revenue of RM117.1 million in FY2024 as compared to RM110.1 million in FY2023. The increase in revenue is due to the Group having secured a new project with a fixed contract sum of RM540.6 million.

Gross (Loss)/Profit

The Group recorded a total gross loss of RM7.3 million in FY2024 as compared to a gross profit of RM4.3 million in FY2023. The deterioration of gross profit and gross profit margin was due to an increase in raw materials price as well as an increase in construction costs in order to expedite the completion of a major Building and Structure project.

(Loss)/Profit attributable to owners of the Company

The Group recorded a net loss attributable to owners of the Company of approximately RM1.2 million in FY2024, as compared with the net profit of approximately RM11.9 million attributable to the owners of the Company in FY2023. The deterioration in net profit for FY2024 was mainly attributable to, among others, (i) deterioration of gross profit as mentioned above; (ii) increase in legal and professional fees; and (iii) reversal of a provision for performance bond was recorded in FY2023 but no such reversal of provision was recorded in FY2024.

Other Income

Other income increased from RM1.2 million recorded in FY2023 to RM5.8 million in FY2024 mainly due to written back of goods and services tax payable which amounted to RM4.2 million.

Administrative and Other Expenses

Administrative and other expenses increased from RM15.7 million in FY2023 to RM17.2 million in FY2024. The increase is mainly due to the Group having incurred additional legal and professional fees for the project.

Finance Cost

Finance costs for FY2024 were RM1.6 million as compared to RM1.1 million in FY2023 due to increase in redeemable secured loan stocks interest expenses.

Income Tax Expenses

The Group recorded income tax credit of RM0.3 million in FY2024 as compared to income tax expenses of RM0.5 million recorded in FY2023 due to overprovision of income tax expenses.

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) decreased substantially from 0.28 times in FY2023 to a negative ratio of 0.24 times due to settlement of advances in FY2024.

Cash and bank balances (including fixed deposits) stood at RM37.0 million as at 31 March 2024 as compared with RM29.9 million as at 31 March 2023, representing an increase of RM7.1 million.

Net Current Assets

Net current assets of the Group stood at RM19.1 million as at 31 March 2024, as compared with RM107.8 million as at 31 March 2023 mainly due to asset classified as held for sale of RM213.9 million was recorded in FY2023 while no such asset was recorded in FY2024 after completion of disposal of BGMC Bras Power.

For the going concern analysis, please refer to note 2 to the announcement, “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 RM0.02 million in FY2024.

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 Hold

The Group did not hold any other significant investment during FY2024.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as disclosed in note 7 to the announcement, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during FY2024.

Employees and Remuneration Policies

As at 31 March 2024, the Group has 99 employees as compared to 107 as at 31 March 2023. Total staff costs incurred in FY2024 were RM11.0 million as compared to RM10.6 million recorded in FY2023. 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 (“**Shares**”) 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 annual 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 annual results announcement are set out in note 13 to the announcement.

FUTURE PROSPECTS

Despite facing challenges in the construction sector, BGMC remains optimistic about the future and is strategically positioned to leverage emerging opportunities. Our comprehensive approach to overcoming current obstacles and focusing on sustainable growth, industrialised building system, and community engagement will drive our success.

The construction industry in Malaysia plays a pivotal role in the nation’s economic development, contributing significantly to gross domestic product and employment. The sector is characterized by diverse segments including residential, non-residential, and infrastructure projects. The Malaysian government has introduced several economic initiatives, such as the National Energy Transition Roadmap (“**NETR**”) and the New Industrial Master Plan (“**NIMP**”) 2030, which have provided a robust pipeline of opportunities for the construction industry. However, the sector is also experiencing challenges such as fluctuating material costs, labour shortages and regulatory changes.

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 exploring opportunities in renewable energy projects, including solar and biomass energy installations, to diversify our portfolio and contribute to a greener future.

We will continue to prioritize training programs for our team. By equipping our workforce with the necessary skills to meet modern construction challenges, we aim to ensure that BGMC remains competitive in the industry. Our focus on workforce development will help drive innovation, productivity, and excellence in project execution.

The construction industry is facing headwinds from narrowing margins due to the uncertainty of building material prices, rising finance costs, and a shortage of skilled workers. By staying agile and adaptable, we will navigate these challenges and identify new opportunities for growth. Our proactive approach to market conditions will enable us to sustain our construction segment and capitalize on emerging trends.

The Malaysian construction industry is expected to recover gradually, supported by government initiatives and private sector investments in infrastructure, residential, and commercial projects. BGMC is well-positioned to capitalize on these opportunities through our strategic focus on sustainability, innovation, community engagement, safety, quality, strategic project acquisition, and workforce development.

In conclusion, BGMC is well-equipped to overcome current challenges and capitalize on future opportunities. Our strategic focus on sustainability, innovation, community engagement, safety, quality, strategic project acquisition, and workforce development will drive our growth and success in the coming years. We remain committed to delivering high-quality results and upholding our reputation for excellence in the construction industry.

DIVIDEND

The Board has resolved not to recommend the payment of any final dividend for FY2024 (FY2023: Nil).

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 31 March 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 10 to the Listing Rules (“Model Code”) were as follows:

Interests in the Shares

Name of Directors	Capacity/Nature of interest	Interests in Shares (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	1,244,250,000 (L)	69.1%

"L" denotes long position

Notes:

- (1) On 15 December 2016, Tan Sri Dato' Sri Goh Ming Choon ("**Tan Sri Barry Goh**") and Dato' Michael Teh 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**"), an indirect wholly-owned subsidiary of the Company 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.

On 19 February 2024, Proper International Business Limited ("**Proper International**"), a controlling shareholder of the Company, has agreed to purchase and Kingdom Base Holdings Limited ("**Kingdom Base**") has agreed to sell a total of 36,000,000 shares in the Company. For further details, please refer to the announcement of the Company dated 19 February 2024.

As at 31 March 2024, the 1,244,250,000 Shares interested by them in aggregate consisted of (i) 900,000,000 Shares beneficially owned by 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) These percentages are calculated on the basis of 1,800,000,000 Shares in issue as at 31 March 2024.

Interest in the Shares of Associated Corporations

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

Save as disclosed above, as at 31 March 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.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

During FY2024 and thereafter up to the date of this annual 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.

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. During FY2024, the Company has complied with the applicable code provisions of the CG Code.

EVENTS AFTER FY2024

Save as disclosed in note 14 to the announcement, there are no material events subsequent to the end of the period under review in this annual results announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code 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 during FY2024.

REVIEW OF RESULTS BY 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. The written terms of reference were revised on 8 October 2020. The Audit Committee has reviewed the audited consolidated financial statements of the Group for FY2024 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.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

The following is an extract of Moore CPA Limited's report on the Group's consolidated financial statements for the year ended 31 March 2024.

We draw attention to Note 2 to this annual results announcement, which describes that the Group incurred a loss from continuing operations of RM8,206,000 for the year ended 31 March 2024. This condition, along with other matters as set forth in Note 2 to this annual results announcement, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

SCOPE OF WORK OF MOORE CPA LIMITED ON THIS PRELIMINARY ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 March 2024 as set out in the preliminary announcement have been agreed by the Group's auditors, Moore CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 March 2024. The work performed by Moore CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Moore CPA Limited on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual 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 annual report of the Company for FY2024 containing all the information required by the Listing Rules will be published on the aforesaid websites and will be despatched to the shareholders of the Company in due course in the manner required by the Listing Rules.

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

Malaysia, 28 June 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), Kua Choh Leang and Datuk Kang Hua Keong as independent non-executive Directors.