BGMC International Limited
璋利國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1693)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2017

FINANCIAL HIGHLIGHTS

- Revenue of the Group increased by 34.4% to RM694.9 million in FY2017 from RM516.9 million in FY2016.
- Gross profit of the Group increased by 22.8% to RM128.1 million in FY2017 from RM104.3 million in FY2016.
- Profit attributable to the owners of the Company decreased by 12.9% to RM54.8 million in FY2017 from RM62.9 million in FY2016 primarily due to the listing expenses of RM15.7 million. The profit attributable to the owners of the Company would reach RM70.6 million without the listing expenses.
- Basic earnings per share was RM0.0387 in FY2017.

FINAL DIVIDEND

- The Board has recommended the payment of a final dividend of HK1.5 cents per share for FY2017.

The board ("**Board**") of directors ("**Directors**") of BGMC International Limited ("**Company**") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively "**Group**" or "**BGMC**") for the financial year ended 30 September 2017 ("**FY2017**"), together with the comparative figures for the financial year ended 30 September 2016 ("**FY2016**"). The information should be read in conjunction with the prospectus of the Company dated 31 July 2017 (the "**Prospectus**"). The financial results have been reviewed by the Company's audit committee ("**Audit Committee**") and approved by the Board on 28 December 2017.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 RM	2016 RM
Revenue	4	**694,915,957**	516,879,122
Cost of sales		**(566,838,143)**	(412,617,611)
Gross profit		**128,077,814**	104,261,511
Income from concession agreement	4	**43,677,715**	44,240,090
Other income		**943,257**	230,706
Administrative and other expenses		**(75,056,689)**	(38,252,274)
Other (loss)/gain		**(2,494,313)**	18,692
Finance costs		**(18,852,357)**	(23,868,286)
Profit before tax	5	**76,295,427**	86,630,439
Income tax expense	6	**(21,172,485)**	(21,649,639)
Profit for the year		**55,122,942**	64,980,800
Other comprehensive income, net of tax		**—**	—
Total comprehensive income for the year		**55,122,942**	64,980,800
Profit and total comprehensive income for the year attributable to:			
Owners of the Company		**54,833,458**	62,919,122
Non-controlling interests		**289,484**	2,061,678
		55,122,942	64,980,800
Earnings per share			
Basic (RM sen)	7	**3.87**	4.66
Diluted (RM sen)	7	**3.86**	N/A

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2017

	Notes	**2017** *RM*	2016 *RM*
ASSETS			
Non-Current Assets			
Property, plant and equipment	*8*	**49,157,711**	31,158,663
Goodwill		**9,244,406**	9,244,406
Intangible assets		**18,462,961**	26,995,694
Trade receivables	*9*	**281,422,452**	285,723,873
Total Non-Current Assets		**358,287,530**	353,122,636
Current Assets			
Trade and other receivables, deposits and prepayments	*9*	**190,221,253**	104,700,898
Amount due from customers for contract works	*10*	**234,200,657**	134,053,951
Tax recoverable		**—**	270,561
Fixed deposits		**132,591,798**	40,605,075
Cash and bank balances		**24,056,670**	36,796,445
Total Current Assets		**581,070,378**	316,426,930
Total Assets		**939,357,908**	669,549,566
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	*11*	**9,862,255**	100
Reserves		**331,633,019**	62,919,122
Equity attributable to owners of the Company		**341,495,274**	62,919,222
Non-controlling interests		**7,454,051**	7,164,567
Total Equity		**348,949,325**	70,083,789
Non-Current Liabilities			
Obligations under finance leases		**19,272,423**	11,449,863
Borrowings		**223,177,728**	240,694,810
Deferred tax liabilities		**8,463,083**	7,637,422
Total Non-Current Liabilities		**250,913,234**	259,782,095
Current Liabilities			
Amount due to customers for contract works	*10*	**24,531,615**	23,453,638
Trade and other payables	*12*	**256,332,500**	218,704,857
Amount due to Directors		**—**	38,164,630
Obligations under finance leases		**12,564,077**	4,816,019
Borrowings		**31,617,724**	33,981,552
Tax liabilities		**14,449,433**	20,562,986
Total Current Liabilities		**339,495,349**	339,683,682
Total Liabilities		**590,408,583**	599,465,777
Total Equity and Liabilities		**939,357,908**	669,549,566

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Share capital *RM*	**Share premium** *RM*	**Other reserve** *RM*	**Retained earnings** *RM*	**Total** *RM*	**Non-controlling interests** *RM*	**Total equity** *RM*
At 1 October 2015	100	—	—	—	100	4,850,390	4,850,490
Profit and total comprehensive income for the year	—	—	—	62,919,122	62,919,122	2,061,678	64,980,800
Contribution from non-controlling interests	—	—	—	—	—	252,499	252,499
At 30 September 2016	100	—	—	62,919,122	62,919,222	7,164,567	70,083,789
At 1 October 2016	100	—	—	62,919,122	62,919,222	7,164,567	70,083,789
Profit and total comprehensive income for the year	—	—	—	54,833,458	54,833,458	289,484	55,122,942
Arising from Reorganisation *(Notes 11(a) and (b))*	(94)	—	94	—	—	—	—
Deemed contribution from equity holders	—	—	65,000,000	—	65,000,000	—	65,000,000
Issue of shares in connection with the Global Offering *(Note 11(e))*	2,465,564	170,123,881	—	—	172,589,445	—	172,589,445
Share issue expenses *(Note 11(e))*	—	(13,846,851)	—	—	(13,846,851)	—	(13,846,851)
Capitalisation issue *(Notes 11(d) and (e))*	7,396,685	(7,396,685)	—	—	—	—	—
At 30 September 2017	**9,862,255**	**148,880,345**	**65,000,094**	**117,752,580**	**341,495,274**	**7,454,051**	**348,949,325**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	2017	2016
	RM	*RM*
OPERATING ACTIVITIES		
Profit before tax	**76,295,427**	86,630,439
Adjustments for:		
Finance costs	**18,852,357**	23,868,286
Amortisation of intangible assets	**8,532,733**	8,152,277
Depreciation of property, plant and equipment	**8,004,817**	5,144,361
Loss/(Gain) on disposal of property, plant and equipment	**1,495,388**	(18,692)
Bad debts written off	**1,254,259**	—
Unrealised foreign exchange loss	**992,785**	—
Imputed interest income from trade receivables	**(43,677,715)**	(44,240,090)
Interest income from bank deposits	**(861,380)**	(200,594)
Operating cash flows before movements in working capital	**70,888,671**	79,335,987
(Increase)/Decrease in amounts due from customers for contract works	**(100,146,706)**	228,596,842
Increase in trade and other receivables, deposits and prepayment	**(41,014,794)**	(189,255,838)
Increase in trade and other payables	**56,389,512**	79,942,466
Increase/(Decrease) in amounts due to customers for contract works	**1,077,977**	(43,044,091)
Net cash (used in)/generated from operations	**(12,805,340)**	155,575,366
Income tax paid	**(26,189,816)**	(6,499,556)
Net cash (used in)/generated from operating activities	**(38,995,156)**	149,075,810
INVESTING ACTIVITIES		
Interest received	**861,380**	200,594
Purchase of property, plant and equipment	**(7,045,569)**	(3,254,666)
Proceeds from disposal of property, plant and equipment	**4,526,000**	40,000
Advances to related parties	**—**	(51,945,755)
Repayment from related parties	**2,219,316**	60,877,748
Placement of restricted bank balances	**(20,606,180)**	(7,997,240)
Withdrawal of restricted bank balances	**19,186,578**	6,880,008
Placement of fixed deposits	**(12,032,505)**	(3,269,370)
Net cash (used in)/generated from investing activities	**(12,890,980)**	1,531,319

	2017	2016
	RM	*RM*
FINANCING ACTIVITIES		
Interest paid	**(18,852,357)**	(23,868,286)
New borrowings raised	**—**	27,166,338
Repayment of borrowings	**(24,041,671)**	(56,376,963)
Repayment of obligations under finance leases	**(9,409,066)**	(5,842,742)
Increase/(Decrease) in bank overdrafts	**4,160,761**	(10,644,435)
Advances from related parties	**—**	12,015,543
Repayment to related parties	**(3,036,820)**	(15,609,122)
Advances from Directors	**44,886,100**	7,209,900
Repayment to Directors	**(18,050,730)**	(16,455,680)
Contribution from non-controlling interests	**—**	252,499
Proceeds from Global Offering	**172,589,445**	—
Payment of share issue expenses	**(29,571,900)**	—
Net cash generated from/(used in) financing activities	**118,673,762**	(82,152,948)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**66,787,626**	68,454,181
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**70,766,819**	2,312,638
Effect of foreign exchange rates	**(992,785)**	—
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**136,561,660**	70,766,819

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 18 November 2016. The address of the Company's registered office is PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The Company's headquarters and principal place of business are both located at A-3A-02, Block A, Level 3A, Sky Park One City, Jalan USJ 25/1, 47650 Subang Jaya, Selangor Darul Ehsan, Malaysia. The Company has established its place of business in Hong Kong at 31/F, 148 Electric Road, North Point, Hong Kong.

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

The consolidated financial statements are presented in Malaysia Ringgit ("**RM**"), which is also the functional currency of the Company. The Company's shares were initially listed on the Main Board of the Stock Exchange on 9 August 2017 ("**Listing Date**").

2. GROUP REORGANISATION AND BASIS OF PREPARATION

In preparation for the initial listing of the shares of the Company on the Stock Exchange ("**Global Offering**"), the Group underwent a reorganisation ("**Reorganisation**") as described below.

The Reorganisation involved the setting up of the Company and BGMC Malaysia Limited ("**BGMC Malaysia**"). BGMC Malaysia was interspersed between BGMC Builder Sdn. Bhd. ("**BGMC Builder**") and its then shareholders comprising Tan Sri Dato' Sri Goh Ming Choon ("**Tan Sri Barry Goh**"), Dato' Teh Kok Lee ("**Dato' Michael Teh**") and Dato' Mohd Arifin bin Mohd Arif ("**Dato' Arifin**"), who are also the Directors, (collectively the "**Controlling Shareholders**") on 6 December 2016, and then the Company was interspersed between BGMC Malaysia and its Controlling Shareholders on the same day. Thereafter, the Company became the holding company of the companies now comprising the Group. The Group comprising the Company and its subsidiaries resulting from this Reorganisation is regarded as a continuing entity.

The consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statements of cash flows of the Group have been prepared as if the Company had always been the holding company of the companies now comprising the Group and the current group structure had been in existence throughout the years or since their respective dates of incorporation, where it is a shorter period.

The consolidated statement of financial position of the Group as at 30 September 2016 and 30 September 2017 present the assets and liabilities of the companies comprising the Group which had been incorporated on those dates and as if the current group structure had been in existence as at those dates.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The Group has consistently applied all IFRSs, International Accounting Standards ("**IASs**"), amendments and interpretations ("**new and revised IFRSs**") issued by the International Accounting Standards Board, which are effective for annual accounting periods beginning on or after 1 October 2016 throughout the year.

New and amendments to IFRSs and interpretations in issue but not yet effective

The Group has not early applied the following new and revised IFRSs and interpretation that have been issued but are not yet effective:

Amendments to IAS 7	Disclosure Initiative[1]
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses[1]
IFRS 9	Financial Instruments[2]
IFRS 15	Revenue from Contracts with Customers[2]
IFRS 16	Leases[3]
IFRS 17	Insurance Contracts[4]
IFRIC 22	Foreign Currency Transactions and Advance Consideration[2]
IFRIC 23	Uncertainty over Income Tax Treatments[3]

Clarification to IFRS 15	Revenues from Contracts with Customers[2]
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions[2]
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts[2]
Amendments to IFRS 9	Prepayment Features with Negative Compensation[3]
Amendments to IFRS 10 and IAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures[3]
Amendments to IAS 40	Transfers of Investment Property[2]
Amendments to IFRSs	Annual Improvements to IFRS Standards 2014–2016 Cycle[1 or 2]
Amendments to IFRSs	Annual Improvements to IFRS Standards 2015–2017 Cycle[4]

1 Effective for annual periods beginning on or after 1 January 2017
2 Effective for annual periods beginning on or after 1 January 2018
3 Effective for annual periods beginning on or after 1 January 2019
4 Effective for annual periods beginning on or after 1 January 2021
5 Effective for annual periods beginning on or after a date to be determined

4. REVENUE, INCOME FROM A CONCESSION AGREEMENT AND SEGMENT INFORMATION

The Group is principally engaged in the provision of a wide range of contruction services in Malaysia.

(a) Revenue

	2017	2016
	RM	*RM*
Construction contracts revenue	**684,091,273**	508,062,589
Supply and installation of elevators	**306,493**	23,000
Building maintenance service income	**10,518,191**	8,793,533
	694,915,957	516,879,122

(b) Income from a concession agreement

	2017	2016
	RM	*RM*
Income from a concession agreement — imputed interest income	**43,677,715**	44,240,090

(c) Segment Information

The Group manages its business by segment and has presented the following five reportable segments:

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

(ii) Energy transmission and distribution — 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 infrastructure — provision of construction services in earthworks and infrastructure construction works; and

(v) Concession and maintenance — provision of construction services under private finance initiative and related post-construction property management services in relation to the maintenance of the related facilities and infrastructure.

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

The following is an analysis of the Group's total segment revenue and results by reportable and operating segments:

For the year ended 30 September 2017

	Building and structures *RM*	Energy transmission and distribution *RM*	Mechanical and electrical *RM*	Earthworks and infrastructure *RM*	Concession and maintenance *RM*	Others *RM*	Sub-total *RM*	Elimination *RM*	Consolidated *RM*
SEGMENT REVENUE									
External revenue	530,017,012	56,232,321	37,549,106	60,292,834	54,195,906	306,493	738,593,672	—	738,593,672
Inter-segment revenue	—	—	15,876,658	—	—	7,066,271	22,942,929	(22,942,929)	—
Total	530,017,012	56,232,321	53,425,764	60,292,834	54,195,906	7,372,764	761,536,601	(22,942,929)	738,593,672
RESULTS									
Segment results	52,357,624	4,929,868	4,913,845	5,814,863	47,051,188	(590,103)	114,477,285	—	114,477,285
Unallocated corporate income less expenses									(35,687,545)
Other loss									(2,494,313)
Profit before tax									76,295,427

Other entity-wide segment information

For the year ended 30 September 2017

	Building and structures *RM*	Energy transmission and distribution *RM*	Mechanical and electrical *RM*	Earthworks and infrastructure *RM*	Concession and maintenance *RM*	Others *RM*	Unallocated *RM*	Consolidated *RM*
Additions of property, plant and equipment	25,476,373	2,702,924	67,330	3,761,550	6,226	10,850	—	32,025,253
Amortisation of intangible assets	5,841,123	619,716	620,330	976,225	475,339	—	—	8,532,733
Depreciation of property, plant and equipment	5,416,112	574,624	103,381	1,715,118	195,115	467	—	8,004,817
Gain/(Loss) on disposal of property, plant and equipment	59,999	—	—	(1,555,387)	—	—	—	(1,495,388)

For the year ended 30 September 2016

	Building and structures *RM*	Energy transmission and distribution *RM*	Mechanical and electrical *RM*	Earthworks and infrastructure *RM*	Concession and maintenance *RM*	Others *RM*	Sub-total *RM*	Elimination *RM*	Consolidated *RM*
SEGMENT REVENUE									
External revenue	371,294,816	23,248,170	18,461,878	95,057,724	53,033,624	23,000	561,119,212	—	561,119,212
Inter-segment revenue	—	—	5,846,297	—	—	4,264,240	10,110,537	(10,110,537)	—
Total	371,294,816	23,248,170	24,308,175	95,057,724	53,033,624	4,287,240	571,229,749	(10,110,537)	561,119,212
RESULTS									
Segment results	50,801,995	3,005,003	4,547,171	917,370	26,807,567	323,718	86,402,824	—	86,402,824
Unallocated corporate income less expenses									208,923
Other gains									18,692
Profit before tax									86,630,439

Other entity-wide segment information

For the year ended 30 September 2016

	Building and structures *RM*	Energy transmission and distribution *RM*	Mechanical and electrical *RM*	Earthworks and infrastructure *RM*	Concession and maintenance *RM*	Others *RM*	Unallocated *RM*	Consolidated *RM*
Additions of property, plant and equipment	11,285,854	688,636	86,870	1,428,425	920,967	—	—	14,410,752
Amortisation of intangible assets	4,636,433	274,251	407,944	2,358,310	475,339	—	—	8,152,277
Depreciation of property, plant and equipment	2,864,654	174,794	98,929	1,864,998	140,986	—	—	5,144,361
Gain on disposal of property, plant and equipment	17,617	1,075	—	—	—	—	—	18,692

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

	2017 *RM*	2016 *RM*
Total segment revenue	**761,536,601**	571,229,749
Less: Inter-segment revenue	**(22,942,929)**	(10,110,537)
Less: Income from a concession agreement	**(43,677,715)**	(44,240,090)
Revenue as presented in consolidated statement of profit or loss and other comprehensive income	**694,915,957**	516,879,122

5. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

	2017 *RM*	2016 *RM*
Staff costs	**28,752,230**	19,547,050
Listing expenses (included in administrative and other expenses)	**15,725,049**	2,187,474
Amortisation of intangible assets	**8,532,733**	8,152,277
Depreciation of property, plant and equipment	**8,004,817**	5,144,361
Loss/(gain) on disposal of property, plant and equipment	**1,495,388**	(18,692)
Bad debts written off	**1,254,259**	—
Directors' emoluments	**1,139,265**	465,160
Unrealised foreign exchange loss	**992,785**	—
Minimum lease payments paid under operating leases in respect of office premises	**625,846**	359,589
Auditor's fee	**440,000**	218,000
Realised foreign exchange loss	**6,140**	—
Imputed interest income from trade receivables	**(43,677,715)**	(44,240,090)
Interest income from bank deposits	**(861,380)**	(200,594)
Minimum lease payments received under operating leases from leasing of properties less outgoings	**—**	(23,805)

6. INCOME TAX EXPENSE

	2017 *RM*	2016 *RM*
Malaysia Corporate Income Tax:		
Current year	**18,183,388**	16,227,580
Underprovision in prior year	**2,163,436**	—
	20,346,824	16,227,580
Deferred tax:		
Current year	**7,017,820**	5,422,059
Overprovision in prior year	**(6,192,159)**	—
	825,661	5,422,059
	21,172,485	21,649,639

7. EARNINGS PER SHARE

	2017	2016
Basic (RM sen)	**3.87**	4.66
Diluted (RM sen)	**3.86**	N/A

Basic

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

	2017	2016
	RM	*RM*
Profit for the year attributable to the owners of the Company for the purpose of basic earnings per share	**54,833,458**	62,919,122
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share:		
At beginning of year	**1,350,000,000**	1,350,000,000
Effect of issue of new shares	**65,342,466**	—
At end of year	**1,415,342,466**	1,350,000,000

The weighted average number of ordinary shares in issue during FY2016 was based on the assumption that 1,350,000,000 shares of the Company were in issue, comprising 1,000 shares in issue and 1,349,999,000 shares issued pursuant to the capitalisation issue had been effective from 2 July 2015 (the date of incorporation of BGMC Builder) to the end of the year.

The weighted average number of ordinary shares in issue during FY2017 further taken into consideration the 450,000,000 shares issued under the Global Offering on 9 August 2017.

Fully Diluted

The diluted earnings per share has been calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares that would have been issued upon full exercise of the over-allotment of shares adjusted by the number of such shares that would have been issued at fair value as follows:

	2017	2016
	RM	*RM*
Profit for the year attributable to the owners of the Company for the purpose of basic earnings per share	**54,833,458**	62,919,122
	Number of shares	Number of shares
Weighted average number of ordinary shares	**1,415,342,466**	1,350,000,000
Effect of dilution:		
Over-allotment of shares	**5,547,945**	—
Adjusted weighted average number of ordinary shares	**1,420,890,411**	1,350,000,000

8. PROPERTY, PLANT AND EQUIPMENT

During FY2017, the Group acquired items of property, plant and equipment for RM32 million.

9. TRADE AND OTHER RECEIVABLES

	As at 30 September	
	2017	2016
	RM	*RM*
Trade receivables	**378,874,677**	334,742,404
Retention receivables	**68,710,094**	39,092,509
Other receivables, deposits and prepayments	**24,058,934**	16,589,858
Total	**471,643,705**	390,424,771

The following is an aged analysis of trade receivables (excluding receivables arising from the concession agreement) presented based on the invoice date at the end of each reporting period.

	As at 30 September	
	2017	2016
	RM	*RM*
0–30 days	**56,386,639**	28,000,089
31–90 days	**18,531,742**	3,240,038
Over 90 days	**17,339,203**	12,963,534
	92,257,584	44,203,661

10. AMOUNT DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORKS

	As at 30 September	
	2017	2016
	RM	*RM*
Contract costs incurred to date	**1,936,211,121**	1,343,488,373
Recognised profits less recognised losses	**296,364,541**	179,781,018
	2,232,575,662	1,523,269,391
Less: Progress billings received and receivable	**(2,022,906,620)**	(1,412,669,078)
	209,669,042	110,600,313
Analysed for reporting purposes as:		
Amount due from customers for contract works	**234,200,657**	134,053,951
Amount due to customers for contract works	**(24,531,615)**	(23,453,638)
	209,669,042	110,600,313

11. SHARE CAPITAL

The share capital as at 30 September 2017 represented the share capital of the Company following the completion of the Reorganisation on 6 December 2016 with details as follows:

	Number of shares	Amount *HK$*	Amount *RM*
Ordinary shares of HK$0.01 each			
Authorised:			
As at 18 November 2016 (the "**Date of Incorporation**") *(Note a)*	30,000,000	300,000	
Increase in shares	4,970,000,000	49,700,000	
As at 30 September 2017 ***(Note c)***	**5,000,000,000**	**50,000,000**	
Issued and fully paid:			
As at 18 November 2016 (Date of Incorporation) *(Note a)*	100	1	1
Arising from Reorganisation *(Note b)*	900	9	5
Capitalisation issue *(Note d)*	1,349,999,000	13,499,990	7,396,685
Issue of shares in connection with Global Offering *(Note e)*	450,000,000	4,500,000	2,465,564
As at 30 September 2017	**1,800,000,000**	**18,000,000**	**9,862,255**

Notes:

(a) On 18 November 2016, the Company was incorporated and registered as an exempted company in the Cayman Islands with an authorised share capital of HK$300,000 comprising 30,000,000 ordinary shares of HK$0.01 each and paid up share capital of HK$1 (equivalent to RM1) comprising 100 ordinary shares of HK$0.01 issued to the Controlling Shareholders.

(b) Pursuant to the Reorganisation on 6 December 2016, the issued and fully paid-up share capital of the Company was increased from HK$1 (equivalent to RM1) comprising 100 ordinary shares of HK$0.01 each to HK$10 (equivalent to RM6) comprising 1,000 ordinary shares of HK$0.01 each by way of issuance of 900 shares to the Controlling Shareholders in exchange for shares owned by them in BGMC Builder for the purpose of interspersing between BGMC Builder and the Controlling Shareholders as disclosed in Note 2.

(c) On 3 July 2017, pursuant to the written resolution of shareholders of the Company, the authorised share capital was increased to HK$50,000,000 divided into 5,000,000,000 ordinary shares of a par value of HK$0.01 each.

(d) Pursuant to a written resolution of the shareholders passed on 20 July 2017, the allotted and issued share capital of the Company was increased from HK$10 (equivalent to RM6) comprising 1,000 ordinary shares of HK$0.01 each to HK$13,500,000 (equivalent to RM7,396,691) comprising 1,350,000,000 ordinary shares by way of issuance of 1,349,999,000 new ordinary shares of HK$0.01 each amounting in total to HK$13,499,990 (equivalent to RM7,396,685) to the Controlling Shareholders. This resolution was conditional on the share premium being credited as a result of the Global Offering and pursuant to this resolution, a sum of HK$13,499,990 (equivalent to RM7,396,685) standing to the credit of the share premium account was to be capitalised to pay up in full at par for the shares allotted and issued.

(e) Following the completion of the Global Offering on the Listing Date, the Company's issued shares were successfully listed on the Stock Exchange. The issued and fully paid-up share capital of the Company was increased from HK$13,500,000 (equivalent to RM7,396,691) comprising 1,350,000,000 ordinary shares to HK$18,000,000 (equivalent to RM9,862,255) comprising 1,800,000,000 ordinary shares by way of issuance of 450,000,000 new ordinary shares at a price of HK$0.70 per share amounting to HK$315,000,000 (equivalent to RM172,589,445) to the public. Part of the proceeds received from the Global Offering amounting to HK$13,499,990 (equivalent to RM7,396,685) were then capitalised standing to the credit of the share premium account to pay up in full at par for the shares allotted and issued to the Controlling Shareholders as disclosed in Note 11(d).

Certain listing expenses from the Global Offering amounting to RM13,846,851 are being offset against the share premium.

11. SHARE CAPITAL (CONTINUED)

The share capital as at 30 September 2016 of the Group represented the share capital of BGMC Builder with details as follow:

	Number of shares	Share capital RM
Authorised:		
Ordinary shares of RM1 each:		
As at 1 October 2015 and 30 September 2016	**400,000**	400,000
Issued and fully paid:		
Ordinary shares of RM1 each:		
As at 1 October 2015 and 30 September 2016	**100**	100

12. TRADE AND OTHER PAYABLES

	As at 30 September	
	2017	2016
	RM	*RM*
Trade payables	**170,140,142**	105,264,637
Retention sum payables	**35,304,306**	18,317,849
Other payables	**5,826,546**	57,062,415
Accruals	**45,061,506**	38,059,956
	256,332,500	218,704,857

The following is an aged analysis of trade payables based on the invoice date at the end of each reporting period.

	As at 30 September	
	2017	2016
	RM	*RM*
0–30 days	**60,163,172**	47,486,229
31–90 days	**58,607,308**	30,798,463
Over 90 days	**51,369,662**	26,979,945
	170,140,142	105,264,637

13. RELATED PARTY TRANSACTIONS

The Group has the following transactions with related parties:

	2017	2016
	RM	*RM*
Construction revenue from related parties	**273,484,831**	203,677,348
Construction cost paid to related parties	**24,574,292**	14,016,161
Rental of office premises to related party	**584,956**	265,608
Other expenses paid to related parties	**339,034**	295,782

14. DIVIDENDS

No dividend has been paid or declared by the Company during the period from the Date of Incorporation to 30 September 2017.

The Board has recommended the payment of a final dividend of HK1.5 cents per ordinary share for FY2017, subject to approval by the shareholders in the forthcoming annual general meeting of the Company (the "**AGM**").

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

CONSTRUCTION SERVICES

In adhering to its business model, BGMC intensified its efforts in winning the right kind of projects which has helped sharpen its competitive advantage. Driven by the growth experienced by the Malaysian construction industry, construction services continue to be the Group's main revenue contributor, contributing 98.4% or RM684.1 million during the year under review as compared to 98.3% or RM508.1 million in the previous year, primarily driven by the organic growth of its business segments, namely Building and Structures, Energy Transmission and Distribution as well as Mechanical and Electrical.

BGMC's ability to deliver value engineering services and innovative end-to-end integrated solutions, coupled with strong execution and effective cost control capabilities has given it the competitive advantage to successfully complete several key projects, namely refurbishment works of the Bukit Jalil National Sports Complex into Kuala Lumpur Sports City, the Mahogony, Kingsley International School and V-Residency 2. For FY2017, BGMC secured 23 new projects with a total contract value of RM792.6 million, including the construction of Spice Hotel in Penang and Setia Sky Seputeh in Kuala Lumpur. As at 30 September 2017, BGMC's order book for Construction Services stood at RM2.2 billion while its outstanding order book stood at RM1.2 billion.

As at the date of this announcement, the top 5 BGMC's ongoing projects are as follow:

Project Descriptions	**Contract Value** ***(RM'000)***
D'Pristine Medini: Construction of a mixed development consisting of a 3-storey retail unit, 6 storey parking facilities, a 23-storey office tower, a 28-storey SOHO tower, a 29-storey SOHO tower and a 27-storey hotel tower at Medini Iskandar, Johor, Malaysia	580,000
The Sky Seputeh: Construction of two blocks of 37-storey towers consisting of 290 units of apartments, car parks and other facilities at Taman Seputeh, Wilayah Persekutuan, Malaysia	292,020
Setia Spice: Construction of a 26-storey building which consists of a 19-storey hotel tower (453 rooms), a 3-storey carpark, 4-storey hotel facilities and a 2-storey basement carpark at Setia Spice Area, Bayan Lepas, Penang, Malaysia	209,488
The Serini: Construction of two blocks of 38-storey towers consisting of 528 units of apartments, car parks and other facilities at Melawati, Selangor, Malaysia	178,908
V-Residency 5: Construction of a 24-storey tower consisting of apartment and other amenities at Selayang town, Gombak District, Selangor, Malaysia	66,850

Building and Structures

Leveraging the growth of Malaysia's construction industry, our Building and Structures segment was at the forefront of the Construction Services business component, contributing 71.75% or RM530.0 million during the year under review.

For FY2017, some of the key projects completed include the 20-storey apartment (The Mahogony) at Saujana Impian, construction of two blocks of 22-storey apartment known as V-Residency 2 as well as Kingsley International School. Another project that is reaching completion is the MSM Warehouse and this project cemented BGMC's ability to correctly identify new growth drivers, namely construction of industrial assets, under the Building and Structures segment.

To further support the growth, BGMC successfully reduced the rental of machinery and site equipment for certain building and structural projects by purchasing new equipment such as tower cranes, self-climbing platforms, including concrete pumps and aluminium formworks, which were funded by the initial public offering ("**IPO**") proceeds (Please refer to the paragraph headed "Use of Net Proceeds from the Listing" below).

For the year under review, BGMC secured seven new contracts worth RM648.1 million for this segment such as the MSM Warehouse, Setia Sky Seputeh in Kuala Lumpur and Spice Hotel in Penang. We had an outstanding order book of RM918.1 million in the Building and Structures segment as at 30 September 2017.

Energy Transmission and Distribution

The Energy Transmission and Distribution segment has been identified as one of the key growth drivers for BGMC's Construction Services component moving forward. Given the increasing demand for sustainable and reliable electricity transmission and distribution in tandem with the country's rapid economic growth, it is expected that the government-driven initiatives to expand the transmission and distribution grid will improve the current transmission and distribution capacity.

For FY2017, we undertook Energy Transmission and Distribution works that involved the installation of 33kV underground systems and construction of a 275k power substation. During the year under review, we completed eight projects, with a total contract value of RM29.7 million, such as the installation, testing and commissioning of 33kV single core underground cable with fibre optic cables from PMU Pasak to SSU Sedeli Besar in Johor, Malaysia, from PMU Tanjung Kupang to PMU Forest City and from PMU BKMC to PMU MRT Cuepacs.

This segment's outstanding order book stood at RM107.3 million as at 30 September 2017. For the year under review, the Energy Transmission and Distribution segment secured 11 new projects with a total contract value of RM100.9 million, such as power substation works at PMU 132KV Damansara Heights and underground cabling works from PMU Tanjung Kupang to SSU Forest City, and from PMU Damansara City to PMU Brickfield.

Mechanical and Electrical

Our Mechanical and Electrical segment provides smooth end-to-end integration which allows us to plan, design, source, build and manage the overall construction supply chain right down to the smallest details. Across all our projects, we have incorporated value engineering into the Mechanical and Electrical system planning and design as this allows us to optimise functionality, safety, efficiency and lower maintenance costs.

During the year under review, we completed four mechanical and electrical works for commercial and office buildings for contracts amounting to RM40.9 million, which included being the subcontractor for the extra-low voltage, low voltage and medium voltage electrical services works for the construction of a 13-storey commercial complex at Melawati Town Centre in Selangor.

During the year under review, this segment secured one new contract worth RM35.1 million for The Henge Metropolitan and it had outstanding contracts worth RM195.2 million as at 30 September 2017.

EARTHWORKS AND INFRASTRUCTURE

The Earthworks and Infrastructure Construction works segment worked as a subcontractor through its subsidiary Headway Construction. During the year under review, this segment won three new contracts worth RM7.9 million for earthworks in Kota Seriemas PT20, Bukit Rahman Putra Sungai Buloh and Pengerang.

As at 30 September 2017, the Earthworks and Infrastructure segment's outstanding order book amounted to RM12.2 million and we are currently working on securing a pipeline of new projects.

CONCESSION AND MAINTENANCE

Leveraging on our experience and expertise in construction services, we believe that there is big potential in the Public Private Partnership ("**PPP**") sector and as such, we have reinforced our focus on developing PPP projects given our strong track record in undertaking PPP projects based on the Build Lease Maintain Transfer ("**BLMT**") model. To date, we have in place the Universiti Teknology MARA ("**UiTM**") BLMT project which operates based on a concession granted over a period of 23 years, of which three years are for construction while the remaining 20 years are for asset management services. As such, this PPP project will ensure long-term, steady cash inflow for BGMC. For FY2017, the Concessions and Maintenance segment contributed RM10.5 million to our overall revenue and imputed interest income amounted to RM43.7 million.

The success of UiTM's BLMT project has helped elevate our performance in the PPP segment and this in turn will enhance our ability to secure more projects in the near future. In Malaysia, the increase in the total value of construction projects will also see the number of PPP projects in transportation, road, communications, health, energy and education sectors undertaken by the government to rise further. Coming from a position of strength, we believe that we are working from a position of strength to capture the PPP projects under the Private Finance Initiative ("**PFI**") programme which will widen our customer base and at the same time, strengthen our reputation in the construction landscape of both Malaysia and the region.

FUTURE PROSPECT

The future promises to be filled with exciting times for BGMC. The Malaysian construction industry is expected to grow following the introduction of the Construction Industry Transformation Programme (2016–2020) and the 11th Malaysian Plan.

Further to this, the number of PPP projects in transportation, road, communications, healthcare, energy and education sectors of the Malaysian government alone is also expected to increase and drive both construction and BLMT project businesses for BGMC. Taking advantage of this uptrend, we believe this presents an opportunity for BGMC to grow its businesses and strengthen its order book.

Moving forward, BGMC will continue to invest in initiatives that will give it a solid competitive advantage over the long term. To adapt to this dynamically evolving landscape, BGMC will diversify its construction services portfolio given the greater demand for residential, commercial and industrial properties as well as infrastructure development projects under the Economic Transformation Programme, 11th Malaysia Plan and Malaysian Budget 2017. The Construction Services and Concession and Maintenance segments will continue to shape its activities as BGMC continues to focus on large scale and complex projects as well as high-rise building construction projects given its proven track record as an integrated construction solutions provider.

In this regard, the Energy Transmission and Distribution segment has been identified as one of its key growth drivers as BGMC works towards securing more tenders in the power, energy efficiency and renewable energy ("**RE**") sector, given the rising demand for reliable electricity supply, especially in the rural areas of Malaysia. Additionally, more transmission and distribution networks expected to be developed and upgraded to meet current and future needs, coupled with the increasing demand for power-related infrastructure to ensure the reliability of electricity supply nationwide, will not only build a strong project pipeline, but also create new growth platforms for this segment.

BGMC will optimise productivity and achieve a robust order book in the next 12 months, tendering for projects in the corporate sector, property (residential and commercial), industrial sector, government-linked projects and supporting infrastructure projects in Malaysia as well as seize opportunities available elsewhere in the region where members of the Association of Southeast Asia Nations ("**ASEAN**") are located. At the same time, BGMC will be seeking possible opportunities via strategic partnerships to extend its construction services portfolio and footprint across the region, thereby increasing its market share in the near future.

On that note, growing its business portfolio in the region will be a critical growth driver in the future. Hence, PPP projects will be an important factor in realising BGMC's regional growth potential. Cognisant that PPP and PFI model projects are expected to increase in the region to address the various infrastructure gaps across the Asian region, and coupled with the One Belt One Road Initiative which attracts foreign direct investments, BGMC will accelerate growth by creating strong partnerships and collaboration with business partners who/which have local in-depth knowledge and strong connections for PPP tenders or proposals from governments across the region. In fact, due to its listing in Hong Kong and the island's position as the fundraising centre for the One Belt One Road Initiative, BGMC is well-positioned to grow its construction footprint regionally.

To amplify this further, BGMC is also pursuing growth opportunities by entering into investments in government concession projects based on the BLMT model or other PPP models via collaboration, partnerships or even merger and acquisitions locally and abroad. In the next 12 months, it will focus on the Malaysian market where BGMC believes it can win high quality contracts and achieve its targets while at the same time, explore opportunities within the member nations of ASEAN.

Indeed, BGMC has come a long way since its humble beginnings over 20 years ago. Today, it is in the midst of moving into its next chapter of growth and listing on the Stock Exchange is just the beginning of this exciting journey. BGMC has made a good start.

As BGMC moves into the second year as a listed entity, it constantly asks itself, "how far it can push itself" and "has it done enough?" Based on its unwavering commitment to excellence, adherence to prudent financial management and strong track record to compete effectively, BGMC is uniquely-positioned to benefit from the growth experienced in the construction industry in Malaysia and the region.

BGMC is optimistic about the future and remains resilient in its pursuit to drive performance and deliver long-term shareholder value.

FINANCIAL REVIEW

REVENUE

BGMC's strategies to create further income stream from the Construction Services segment bore fruit in FY2017 as we experienced a 34.4% increase in revenue from RM516.9 million in FY2016 to RM694.9 million in FY2017, despite a decrease in revenue in the Earthworks and Infrastructure segment. The increase in the revenue was mainly due to robust growth experienced in the following segments:

- The Building and Structures segment increased by 42.8% from RM371.3 million in FY2016 to RM530.0 million in FY2017 following the increase in construction progress for the Group's ongoing projects such as D'Pristine @ Medini, V-Residency 2 and Serini. The refurbishment works of the Bukit Jalil National Sports Complex into the Kuala Lumpur Sports City also contributed RM44.1 million in revenue during the year under review.

- The Energy Transmission and Distribution segment saw a substantial jump of 141.9% from RM23.2 million in FY2016 to RM56.2 million in FY2017 following its success in securing new projects such as power substation works at PMU 132KV Damansara Heights and underground cabling works from PMU Tanjung Kupang to SSU Forest City, from PMU Damansara City to PMU Brickfield,

- The Mechanical and Electrical segment revenue increased twofold from RM18.5 million in FY2016 to RM37.5 million in FY2017 due to a significant increase in construction progress in Melawati and Sendayan projects. BGMC's newly secured project, "The Henge" in Kepong also contributed to higher revenue recognised in FY2017.

GROSS MARGIN

Gross margin dropped to 18.4% in FY2017 from 20.2% in FY2016 owing to the decrease in the Building and Structures segment's gross margin from 20.7% to 17.3%. This was a result of the increase in the construction cost of D'Pristine @ Medini project which was affected by changes in design and acceleration of construction activities to speed up the works progress to ensure prompt delivery of the project to the client.

Another factor which contributed to the decrease in the gross margin of construction projects was the sharp increase in steel bar prices. Additional provision for defect works for certain completed projects also contributed to the decline in the Company's gross margin.

ADMINISTRATIVE EXPENSES

Administrative expenses increased from RM38.3 million in FY2016 to RM75.1 million in FY2017, mainly due to increases in staff costs, depreciation and listing expenses. The increase in headcount from 329 to 398 contributed to a substantial increase in staff costs as more headcount was required to cope with higher business volume arising from significant progress in construction activities. The staff costs increased from RM19.5 million in FY2016 to RM28.8 million in FY2017. Higher depreciation charges of RM8.0 million were recorded in FY2017 as compared to RM5.1 million recognised in FY2016 due to acquisition of more construction machineries and equipment during the year under review. The one-off listing expenses of RM15.7 million also contributed to higher administrative expenses recorded in FY2017.

FINANCE COSTS

Finance costs decreased by 20.9% from RM23.9 million in FY2016 to RM18.9 million in FY2017 due to a one-off reduction in the bank borrowing interest rates for UiTM BLMT project from 7.75% to 6.85%.

INCOME TAX

Effective income tax in FY2017 was 27.8% compared with 25.0% in FY2016. Higher effective income tax was due to the non-deductable listing expenses incurred in FY2017 and the underprovision of income tax in prior year.

PROFIT ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

Based on the above factors, profit attributable to the owners of the Company decreased by RM8.1 million or 12.9% from RM62.9 million in FY2016 to RM54.8 million in FY2017.

The profit attributable to the owners of the Company would have increased to RM70.6 million in FY2017 from RM65.1 million recorded in FY2016 if the one-off listing expenses of RM15.7 million and RM2.2 million incurred during FY2017 and FY2016, respectively, were excluded.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Total bank borrowing was reduced from RM274.7 million in FY2016 to RM254.8 million in FY2017. The reduction of bank borrowing was due to the repayment of term loan instalment for our UiTM BLMT project. While the obligations under finance leases increased from RM16.3 million in FY2016 to RM31.8 million in FY2017. The increase of financial leases was the result of an increase in the acquisition of plant and machinery such as tower cranes, concrete pumps and aluminium formworks.

Our gearing ratios improved drastically from 415.1% as at 30 September 2016 to 82.2% recorded as at 30 September 2017 mainly due to an increase in equity attributable to the higher accumulated retained earnings and new shares issued from the Global Offering.

Our cash and cash equivalents as at 30 September 2017 amounted to RM136.6 million compared to RM70.8 million recorded as at 30 September 2016. The increase was due to funds raised from the Global Offering.

Treasury Policies

The Company's financing and treasury activities are centrally managed and controlled at the corporate level. The Company's bank borrowings are all denominated in RM and have been arranged on a floating-rate basis. It is the Company's policy not to enter into derivative transactions for speculative purposes.

NET CURRENT ASSETS

As at 30 September 2017, our net current assets amounted to RM241.6 million compared to net current liabilities of RM23.3 million recorded as at 30 September 2016.

The Board regularly reviewed the maturity analysis of the Group's contractual liabilities and concluded that we have no liquidity issue that may cast significant doubt on the Company's ability to continue as a going concern.

CAPITAL EXPENDITURES

Our capital expenditures mainly consist of procurement of construction machineries such as tower cranes, concrete pumps and aluminium formworks which were financed by hire purchase, the IPO proceeds and internally generated funds. For FY2017, our acquisition of property, plant and equipment amounted to RM32.0 million which mainly comprised construction machineries and equipment.

FOREIGN EXCHANGE EXPOSURE

The functional currencies of our operations, assets and liabilities are mostly denominated in RM. Therefore, we are not exposed to any significant foreign exchange risk and have not employed any financial instrument for hedging.

EMPLOYEES AND REMUNERATION

As at 30 September 2017, the Group had a work force of 398 employees compared with 329 employees as at 30 September 2016. Total staff costs incurred in FY2017 were RM28.8 million as compared to RM19.5 million recorded in FY2016.

USE OF NET PROCEEDS FROM THE LISTING

The shares of the Company were successfully listed on the Main Board of Stock Exchange on the Listing Date at HK$0.70 per share. The proceeds (net of listing expenses) were approximately RM143.1 million. In accordance with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus, the net proceeds received were applied by the Group from the Listing Date up to 30 September 2017 as follows:

Use of net proceeds	**Net proceeds** *(RM million)*	**Use of proceeds from the Listing Date up to 30 September 2017** *(RM million)*	**Unused amount** *(RM million)*	**Unused amount** *(Percentage)*
Financing for new projects	93.0	3.5	89.5	96.2%
Acquisition of additional machineries and equipment	35.8	8.2	27.6	77.1%
Working capital	14.3	14.3	—	0%
Total	**143.1**	**26.0**	**117.1**	**81.8%**

The unutilised net proceeds will be applied in the manner consistent with that mentioned in the Prospectus. The Directors are not aware of any material change to the planned use of proceeds as at the date of this announcement.

GENERAL INFORMATION

PROPOSED FINAL DIVIDEND

After reviewing the annual results and performance of the Group for FY2017 together with its working capital requirement, the Board has resolved to propose the payment of a final dividend of HK1.5 cents per ordinary share (the "**Share**") for FY2017 (the "**Final Dividend**") to the shareholders of the Company (the "**Shareholders**") whose names will appear on register of the members of the Company (the "**Register of Members**") on Friday, 9 March 2018. The proposed dividend will pay out from the share premium account of the Company.

The proposed Final Dividend is subject to the approval by the Shareholders at the forthcoming AGM. It is expected that the Final Dividend will be paid to the Shareholders on or about Tuesday, 27 March 2018.

AGM

The AGM will be held at Tactic Room, Strategic Financial Relations Limited, 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Monday, 26 February 2018 at 2:00 p.m.. The notice of the AGM will be published on the respective websites of the Stock Exchange and the Company and despatched to the Shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

In relation to AGM

The Register of Members will be closed from Wednesday, 21 February 2018 to Monday, 26 February 2018, both dates inclusive, during which period no transfer of Shares will be effected. In order to be eligible for attending and voting at the forthcoming AGM, non-registered Shareholders must lodge all completed transfer documents accompanied by the relevant shares certificates with the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 20 February 2018.

In relation to proposed Final Dividend

In order to determine the Shareholder's entitlements to the proposed Final Dividend, the Register of Members will be closed from Tuesday, 6 March 2018 to Friday, 9 March 2018, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the Final Dividend, non-registered Shareholders must lodge all completed transfer documents accompanied by the relevant share certificates with the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, for registration not later than 4:30 p.m. on Monday, 5 March 2018.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As at 30 September 2017, the interests 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 Future Ordinance, Chapter 571 of the laws of Hong Kong (the "**SFO**"), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer (the "**Model Code**') set out in Appendix 10 to Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") were as follows:

Interests in the Shares

Name of Directors	Capacity/Nature of interest	Interests in shares *(Note 1)*	Percentage of shareholding *(Note 3)*
Tan Sri Barry Goh *(Note 1)*	Interest of controlled corporation and interests held jointly with another person	1,269,000,000(L)	70.5%
Dato' Michael Teh *(Note 1)*	Interest of controlled corporation and interests held jointly with another person	1,269,000,000(L)	70.5%
Dato' Arifin *(Note 2)*	Interest of a controlled corporation	81,000,000(L)	4.5%

"L" denotes long position

Notes:

1. *On 15 December 2016, 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 Builder and would continue to act in concert after the signing of the Concert Party Confirmatory Deed.*

   The aggregate 1,269,000,000 Shares interested by them in aggregate consist of (i) 864,000,000 Shares beneficially owned by Prosper International which in turn is beneficially wholly-owned by Tan Sri Barry Goh; and (ii) 405,000,000 Shares beneficially owned by Seeva International which in turn is beneficially 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 entire issued share capital of Kingdom Base Holdings Limited is owned by Dato' Arifin, therefore, Dato' Arifin is deemed to be interested in all the 81,000,000 Shares held by Kingdom Based Holdings Limited under provisions of SFO.*

3. *These percentages are calculated on the basis of 1,800,000,000 Shares in issue as at 30 September 2017.*

Interest in the shares of the associated corporations

Name of Directors	Name of associated corporations	Capacity/Nature of interest	Interests in ordinary shares	Percentage of shareholding
Tan Sri Barry Goh	Prosper International	Beneficial owner	100	100%
Dato' Michael Teh	Seeva International	Beneficial owner	100	100%

Save as disclosed above, as at 30 September 2017, none of the Directors or the chief executive of the Company had any interests and short positions in the Shares, underlying shares and debentures of the Company or any associated corporation (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

The Shares were initially listed on the Stock Exchange on the Listing Date.

During the period from the Listing Date to 30 September 2017 and thereafter up to the date of this announcement, the Company did not redeem any of its listed securities nor did the Company or any members of the Group purchase or sell such securities.

CORPORATE GOVERNANCE CODE COMPLIANCE

The Company focuses on 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.

The Company has adopted the code provisions as set out in the Corporate Governance Code (the "**CG Code**") set out in Appendix 14 to the Listing Rules as its own code of corporate governance. During the period from the Listing Date to 30 September 2017, the Company has complied with the applicable code provisions of the CG Code.

EVENTS AFTER THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

Since 30 September 2017, being the end of the financial year under review and up to the date of this announcement, no important event has occurred affecting the Group.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct governing securities transactions by the Directors. Following a specific enquiry made by the Company with each of them, all Directors confirmed that they had complied with the required dealing standards set out in the Model Code during the period from the Listing Date to 30 September 2017.

REVIEW OF RESULTS BY AUDIT COMMITTEE

The Audit Committee was established on 3 July 2017 with written terms of reference in compliance with code provision C.3 of the CG Code and Rule 3.22 of the Listing Rules. The Audit Committee has reviewed the audited consolidated financial statements of the Group for FY2017 and is of the view that the preparation of such statements complied with the applicable accounting standards, the Listing Rules and other applicable legal requirements and that adequate disclosure has been made.

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 FY2017 containing all the information required by the Listing Rules will be published on the aforesaid websites and will be despatched to the Shareholders in due course.

By order of the Board of
BGMC International Limited
Tan Sri Dato' Sri Goh Ming Choon
Chairman and Executive Director

Hong Kong, 28 December 2017

As at the date of this announcement, the Board comprises Tan Sri Dato' Sri Goh Ming Choon (Chairman), Dato' Mohd Arifin bin Mohd Arif (Vice-chairman), Dato' Teh Kok Lee (Chief Executive Officer) and Ir. Azham Malik bin Mohd Hashim as executive Directors; and Tan Sri Dato' Seri Kong Cho Ha, Chan May May and Ng Yuk Yeung as independent non-executive Directors.