BGMC International Limited
璋 利 國 際 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1693)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 28 FEBRUARY 2026

FINANCIAL HIGHLIGHTS

- Revenue of the Group from continuing operations increased from RM100.5 million in the Corresponding Period to RM177.1 million for the Period.
- The Group's gross loss from continuing operations was RM17.3 million for the Period as compared with a gross profit of RM5.3 million in the Corresponding Period.
- Loss attributable to owners of the Company was RM24.3 million for the Period as compared with a loss of RM6.9 million in the Corresponding Period.
- Basic loss per share was RM0.60 for the Period and loss per share was RM0.19 in the Corresponding Period.

The board of directors of BGMC International Limited ("**Company**", "**Directors**" and "**Board**", respectively) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, "**Group**" or "**BGMC**" "**we**" or "**us**") for the six months ended 28 February 2026 ("**Period**"), together with the unaudited comparative figures covering the six months period from 1 September 2024 to 28 February 2025 ("**Corresponding Period**") and certain comparative figures as at 31 August 2025 ("**FPE2025**"). The unaudited condensed consolidated financial results of the Group for the Period have been reviewed by the Company's audit committee ("**Audit Committee**") and approved by the Board on 27 April 2026. All amounts set out in this announcement are presented in Malaysian Ringgit ("**RM**") unless otherwise indicated.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 28 FEBRUARY 2026

	Notes	**For the six months ended 28 February 2026** *RM'000* **(Unaudited)**	For the six months ended 28 February 2025 *RM'000* (Unaudited)
Continuing operations			
Revenue	*5*	**177,119**	100,513
Cost of sales		**(194,465)**	(95,258)
Gross (loss)/profit		**(17,346)**	5,255
Other income		**467**	652
Reversal of impairment losses of financial assets and contract assets, net		**668**	400
Administrative and other expenses		**(7,909)**	(8,242)
Other losses, net		**(100)**	(5,085)
Finance costs		**(124)**	(428)
Loss before tax from continuing operations	*6*	**(24,344)**	(7,448)
Income tax expense		**–**	–
Loss for the period from continuing operations		**(24,344)**	(7,448)
Discontinued operations			
Profit for the period from discontinued operations	*7*	**–**	492
Loss and total comprehensive loss for the period		**(24,344)**	(6,956)
(Loss)/profit and total comprehensive (loss)/ income for the period attributable to:			
Owners of the Company			
Loss from continuing operations		**(24,290)**	(7,354)
Profit from discontinued operations		**–**	494
Loss attributable to owners of the Company		**(24,290)**	(6,860)
Non-controlling interests			
Loss from continuing operations		**(54)**	(94)
Loss from discontinued operations		**–**	(2)
Loss attributable to non-controlling interests		**(54)**	(96)
		(24,344)	(6,956)

	Notes	**For the six months ended 28 February 2026** ***RM'000*** **(Unaudited)**	For the six months ended 28 February 2025 *RM'000* (Unaudited)
Loss per share			
From continuing and discontinued operations			
Basic and diluted *(RM)*	*8*	**(0.60)**	(0.19)
From continuing operations			
Basic and diluted *(RM)*	*8*	**(0.60)**	(0.20)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2026

	Notes	**As at 28 February 2026 *RM'000* (Unaudited)**	As at 31 August 2025 *RM'000* (Audited)
Non-current assets			
Property, plant and equipment		**107**	132
Right-of-use assets		**238**	123
Investment properties		**49,875**	49,875
Intangible assets		**617**	683
		50,837	50,813
Current assets			
Trade and other receivables, deposits and prepaid expenses	*9*	**62,973**	105,909
Income tax recoverable		**10**	23
Contract assets		**75,770**	77,775
Fixed deposits		**8,590**	8,484
Cash and bank balances		**12,641**	29,279
		159,984	221,470
Current liabilities			
Contract liabilities		**44,528**	68,933
Trade and other payables	*11*	**148,720**	165,533
Redeemable secured loan stocks		**48,497**	48,497
Lease liabilities		**134**	103
Tax liabilities		**158**	95
		242,037	283,161
Net current liabilities		**(82,053)**	(61,691)
Total assets less current liabilities		**(31,216)**	(10,878)
Non-current liabilities			
Lease liabilities		**104**	19
		104	19
NET LIABILITIES		**(31,320)**	(10,897)

	Notes	As at 28 February 2026 RM'000 (Unaudited)	As at 31 August 2025 RM'000 (Audited)
(Deficiency)/equity			
(Deficiency)/equity attributable to owners of the Company			
Share capital	*10*	**11,770**	10,851
Reserves		**(41,663)**	(20,375)
		(29,893)	(9,524)
Non-controlling interests		**(1,427)**	(1,373)
TOTAL DEFICIENCY		**(31,320)**	(10,897)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

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

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

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

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

2. BASIS OF PREPARATION

This unaudited condensed consolidated interim financial information on pages 2 to 21 for the six months ended 28 February 2026 ("**Period**") have been prepared in accordance with the International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**") and Appendix D2 of the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**").

Going concern assumption

The Group incurred a loss attributable to owners of the Company of approximately RM24.3 million during the Period and recorded net current liabilities of approximately RM82.1 million as at 28 February 2026. The condition indicates the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The Directors of the Group are of the opinion that the preparation of the condensed consolidated financial statements of the Group on a going concern basis remains appropriate based on the following plans and measures are being undertaken:

(i) the Group plans to raise funds through the issuance of new shares, providing immediate capital to support operations;

(ii) successful implementation of a debt-equity swap exercise, through the conversion of redeemable secured loan stocks ("**RSLS**") into shares of the Group listed on The Stock Exchange of Hong Kong, which will reduce financial obligations and improve the Group's equity base. The exercise was completed on 31 March 2026;

(iii) the Group expects the release of a performance bond amounting to approximately RM11.1 million upon obtaining the Certificate of Practical Completion ("**CPC**") from the client for one of the construction project; and

(iv) continuous repayments from the debtors within the next twelve months.

Based on the Group's cash flow projections, taking into account of effectiveness and feasibility of the above measures covering a period of twelve months from the end of the 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 condensed consolidated financial statements have been prepared on a going concern basis.

3. COMPARATIVE FIGURES

As a result of the change of financial year end date of the Company from 31 March to 31 August as announced on 28 February 2025, the figures as per the unaudited interim results for the six months ended 30 September 2024 are not adopted as the comparative figures. Thus, the unaudited condensed consolidated interim financial statements of the Group will cover the Period, with comparative figures covering the six months period from 1 September 2024 to 28 February 2025.

4. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL ACCOUNTING STANDARDS

New and amended standards and interpretations adopted by the Group

In the current period, the Company has adopted the following IAS and International Financial Reporting Standards ("**IFRS**") that are relevant to the operations to the Group and are effective for accounting periods beginning on or after 1 September 2025:

Standards and amendments	Effective Date	Key requirements
Amendments to IAS 21	1 January 2025	Lack of Exchangeability

The amendments listed above did not have material impact on the Group's financial performance for the Period and financial position as at 28 February 2026.

New standards and interpretations not yet effective

Standards and amendments	Effective for accounting periods beginning or after	Key requirements
Amendments to IFRS 9 and IFRS 7	1 January 2026	Classification and Measurement of financial instrument
Amendments to IAS 9 and IFRS 7	1 January 2026	Contracts Referencing nature – dependent electricity
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 January 2026	Annual Improvements to IFRS Accounting Standards – Volume 11
IFRS 18	1 January 2027	Presentation and Disclosures in Financial Statement
IFRS 19 and Amendments to IFRS 19	1 January 2027	Subsidiaries without Public Accountability: Disclosures
Amendment to IFRS 21	1 January 2027	Translation to a Hyperinflationary Presentation Currency
Amendments to IFRS 10 and IAS 28	to be announced	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The above new and amended accounting standards have been issued but are not effective for the financial period beginning on 1 September 2025 and have not been early adopted by the Group.

5. REVENUE, INCOME FROM CONCESSION AGREEMENTS AND SEGMENTAL INFORMATION

(a) Revenue

	For the six months ended 28 February 2026 *RM'000* **(Unaudited)**	For the six month ended 28 February 2025 *RM'000* (Unaudited)
Building construction revenue	**177,119**	100,513
Representing: Continuing operations	**177,119**	100,513
Timing of revenue recognition: Over time	**177,119**	100,513

(b) 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; and

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

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

Segment revenue

For the six months ended 28 February 2026 (unaudited)

Continuing operations	Building and structures *RM'000*	Mechanical and electrical *RM'000*	Others *RM'000*	Sub-total *RM'000*	Elimination *RM'000*	Consolidated *RM'000*
SEGMENT REVENUE						
External revenue	**177,866**	**(747)**	**–**	**177,119**	**–**	**177,119**
Inter-segment revenue	**–**	**(713)**	**1,694**	**981**	**(981)**	**–**
Total	**177,866**	**(1,460)**	**1,694**	**178,100**	**(981)**	**177,119**
RESULT						
Segment results	**(21,641)**	**(285)**	**(1,164)**	**(23,090)**	**–**	**(23,090)**
Unallocated corporate expenses						**(1,154)**
Other losses, net						**(100)**
Loss before tax from continuing operations						**(24,344)**

Other entity-wide segment information

For the six months ended 28 February 2026 (unaudited)

Continuing operations	Building and structures *RM'000*	Energy infrastructure *RM'000*	Mechanical and electrical *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	**23**	**–**	**–**	**–**	**23**	**6**	**29**
Addition of property, plant and equipment	**–**	**–**	**–**	**–**	**–**	**5**	**5**
Addition of intangible asset	**–**	**–**	**–**	**–**	**–**	**5**	**5**
Depreciation of right-of-use-assets	**134**	**–**	**–**	**–**	**134**	**–**	**134**
Amortisation of intangible assets	**66**	**–**	**–**	**–**	**66**	**6**	**72**
Reversal of impairment:							
Trade and retention receivables	**–**	**(235)**	**–**	**–**	**(235)**	**–**	**(235)**
Other receivables	**(202)**	**–**	**–**	**–**	**(202)**	**–**	**(202)**
Contract assets	**(231)**	**–**	**–**	**–**	**(231)**	**–**	**(231)**

Segment revenue

For the six month ended 28 February 2025 (unaudited)

Continuing operations	Building and structures *RM'000*	Mechanical and electrical *RM'000*	Others *RM'000*	Sub-total *RM'000*	Elimination *RM'000*	Consolidated *RM'000*
SEGMENT REVENUE						
External revenue	100,535	(22)	–	100,513	–	100,513
Inter-segment revenue	–	–	1,702	1,702	(1,702)	–
Total	100,535	(22)	1,702	102,215	(1,702)	100,513
RESULT						
Segment results	(540)	(448)	(447)	(1,435)	–	(1,435)
Unallocated corporate expenses						(928)
Other losses, net						(5,085)
Loss before tax from continuing operations						(7,448)

Other entity-wide segment information

For the six month ended 28 February 2025 (unaudited)

Continuing operations	Building and structures *RM'000*	Energy infrastructure *RM'000*	Mechanical and electrical *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	13	–	3	–	16	8	24
Depreciation of right-of-use-assets	128	–	–	–	128	–	128
Amortisation of intangible assets	23	–	–	–	23	4	27
Impairment/(reversal of impairment) of:							
Trade and retention receivables	–	(693)	(14)	–	(707)	–	(707)
Other receivables	(100)	–	407	–	307	–	307
Gain on disposal of property, plant and equipment	(15)	–	–	–	(15)	–	(15)

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

6. LOSS BEFORE TAX FROM CONTINUING OPERATIONS

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

	For the six months ended 28 February 2026 *RM'000* **(Unaudited)**	For the six month ended 28 February 2025 *RM'000* (Unaudited)
Amortisation of intangible assets	**72**	27
Auditor's remuneration		
Audit services	**326**	294
Cost of sales and services	**194,465**	95,258
Depreciation charge of:		
Property, plant and equipment	**29**	24
Right-of-use assets	**134**	128
Legal and professional fees	**328**	858
Gain on disposal of property, plant and equipment	**–**	(15)
Invoked performance bond *(Note)*	**–**	5,086
Staff costs including directors' emoluments		
– Wages and salaries	**5,042**	4,770
– Employee Provident Fund	**545**	537

Note:

The expense for invoked performance bonds of RM5,086,000 recognised during the Corresponding Period related to payments made pursuant to performance guarantees called on one of the construction projects. The Group disputes the validity of this payment and has initiated arbitration proceedings against the customer to seek recovery of the said sum, as further detailed in Note 13(d).

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

(a) Headway Construction Sdn. Bhd.

On 19 November 2024, the Company received the sealed winding-up order which was applied by a creditor for outstanding debt and approved by the High Court of Malaya against Headway Construction Sdn. Bhd. ("**Headway Construction**", an indirect non-wholly owned subsidiary of the Company) pursuant to the Companies Act 2016 of Malaysia and the Official Receiver of the State of Malaya has been appointed as the Liquidator of Headway Construction. As such, Headway Construction would be deconsolidated from the Group's consolidation results with effect from 19 November 2024.

The operation is classified as discontinued operations for the period from 1 September 2024 to 18 November 2024 and its results are as follows:

	For the six month ended 28 February 2026 *RM'000* **(Unaudited)**	For the six month ended 28 February 2025 *RM'000* (Unaudited)
Loss of Headway Construction	**–**	(4)
Gain on deconsolidation of Headway Construction	**–**	496
Profit for the period from discontinued operation	**–**	492
Profit/(Loss) for the period from discontinued operations attributable to:		
Owners of the Company	**–**	494
Non-controlling interests	**–**	(2)
	–	492

8. LOSS PER SHARE

From continuing and discontinued operations

(a) Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the Period attributable to owners of the Company approximately RM24,290,000 (Corresponding Period: RM6,860,000) and the weighted average number of ordinary shares of 40,268,122 (Corresponding Period: 36,000,000) in issue during the Period. The weighted average number of shares for the six months ended 28 February 2026 was adjusted according to (i) the completion of issuance 3,590,000 ordinary shares of the Company to subscribers at HK$1.20 per share on 2 May 2025 and (ii) the completion of issuance 3,610,000 ordinary share of the Company to subscribers at HK$2.20 per share on 26 January 2026.

Diluted loss per share

Diluted loss per share for the Period and the Corresponding Period are the same as the basic loss per share.

(b) From continuing operations

Basic loss per share

The calculation of basic loss per share from continuing operations attributable to owners of the Company is based on the loss for the Period from continuing operations attributable to owners of the Company of approximately RM24,290,000 (Corresponding Period: RM7,354,000) and the denominator used is the same as that detailed above for basic loss per share.

(c) From discontinued operations

Basic earnings per share

Basic earnings per share from the discontinued operations is NIL per share (Corresponding Period: RM0.01 per share), based on the profit for the Period from discontinued operations attributable to owners of the Company of approximately NIL (Corresponding Period: RM494,000) and the denominator used are the same as those detailed above for both basic and diluted loss per share.

Diluted earnings per share

Diluted earnings per share from discontinued operations is the same as the basic earnings per share.

9. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	As at 28 February 2026 *RM'000* (Unaudited)	As at 31 August 2025 *RM'000* (Audited)
Trade receivables:		
Third parties	**20,747**	26,235
Less: Provision for expected credit loss	**(6,431)**	(6,666)
	14,316	19,569
Other receivables:		
Third parties	**7,386**	10,707
Less: Provision for expected credit loss	**(4,093)**	(4,295)
	3,293	6,412
Refundable deposits	**222**	219
Building construction related deposits	**1,568**	1,581
Prepaid expenses	**411**	270
Prepaid expenses to suppliers and sub-contractors	**43,163**	77,858
	62,973	105,909

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

	As at 28 February 2026 *RM'000* (Unaudited)	As at 31 August 2025 *RM'000* (Audited)
0 to 30 days	**7,184**	13,703
31 to 90 days	**5,232**	3,913
Over 90 days	**1,900**	1,953
	14,316	19,569

Reconciliation of loss allowance for trade receivables:

	RM'000
At 1 April 2024	10,200
Deconsolidation of subsidiary	(27)
Written-off as uncollectible during the period	(2,930)
Reversal of impairment loss for the period	(2,250)
Increase in loss allowance for the period	1,673
At 31 August 2025	6,666
Reversal of impairment loss for the Period	(235)
At 28 February 2026	6,431

Reconciliation of loss allowance for other receivables:

	RM'000
At 1 April 2024	5,961
Written-off as uncollectible during the period	(4,727)
Reversal of impairment loss for the period	(155)
Increase in loss allowance for the period	3,216
At 31 August 2025	4,295
Reversal of impairment loss for the Period	(202)
At 28 February 2026	4,093

10. SHARE CAPITAL

The share capital as at 31 August 2025 and 28 February 2026 represents the share capital of the Company with details as follows:

	Number of shares *'000*	Amount *HK$'000*	Amount *RM'000*
Ordinary shares of HK$0.01 each			
Authorised:			
As at 1 April 2023 and 31 March 2024	5,000,000	50,000	
Less: Shares consolidation *(Note a)*	(4,900,000)	–	
As at 31 August 2025 and 28 February 2026	100,000	50,000	
Issued and fully paid:			
As at 1 April 2023 and 31 March 2024	1,800,000	18,000	9,862
Less: Shares consolidation *(Note a)*	(1,764,000)	–	–
As at 28 February 2025	36,000	18,000	9,862
Add: Issue of shares by way of share subscription *(Note b)*	3,590	1,795	989
As at 31 August 2025	39,590	19,795	10,851
Add: Issue of shares by way of share subscription *(Note c)*	3,610	1,805	919
As at 28 February 2026	43,200	21,600	11,770

Notes:

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

Following the Share Consolidation, the authorised share capital of the Company is HK$50,000,000 divided into 100,000,000 shares of the Company with par value of HK$0.50 each. As at 28 February 2025, the number of issued shares of the Company became 36,000,000.

(b) On 2 May 2025, the Company has placed out 3,590,000 ordinary shares at HK$1.20 per share. The proceeds of approximately HK$4,308,000 (equivalent to RM2,374,000) were used for general working capital of the Group. This transaction resulted in an increase of the issued share capital and share premium account of RM989,000 and RM1,385,000, respectively. Share issuance expenses of RM75,000 were charged to the share premium account accordingly.

(c) On 26 January 2026, the Company has placed out 3,610,000 ordinary shares at HK$2.20 per share. The proceeds of approximately HK$7,942,000 (equivalent to RM4,043,000) were used for general working capital of the Group. This transaction resulted in an increase of the issued share capital and share premium account of RM919,000 and RM3,124,000, respectively. Share issuance expenses of RM118,000 were charged to the share premium account accordingly.

11. TRADE AND OTHER PAYABLES

	As at 28 February 2026 *RM'000* **(Unaudited)**	As at 31 August 2025 *RM'000* (Audited)
Trade payables:		
Third parties	**57,210**	65,590
Retention sum payables:		
Third parties	**35,720**	26,166
Other payables:		
Third parties	**2,389**	3,368
Amount owing to related parties	**537**	812
Accrued staff costs	**676**	548
Accrued building construction related expenses	**49,106**	65,344
Other accrued expenses	**1,035**	1,701
Goods and services tax payable	**2,047**	2,004
	148,720	165,533

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

	As at 28 February 2026 *RM'000* **(Unaudited)**	As at 31 August 2025 *RM'000* (Audited)
0 to 30 days	**10,685**	35,660
31 to 90 days	**13,958**	8,860
Over 90 days	**32,567**	21,070
	57,210	65,590

12. DIVIDENDS

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

13. CONTINGENT LIABILITIES

(a) On 9 June 2025, 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 RM10,000,000, and unless the Beneficiary withdraws its demand or the Bank is restrained from performing its obligations, the Bank would affect payment of the sum demanded to the Beneficiary on 13 June 2025.

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 committed a breach of its obligations under the contract.

On 10 June 2025, through its solicitors, BGMC Corporation has filed an injunction application ("**Application**") to the Shah Alam High Court against the Beneficiary, which restrains the Beneficiary from receiving the sum demanded by the Beneficiary.

On 12 June 2025, the Shah Alam 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 28 October 2025, the Shah Alam High Court had dismissed BGMC Corporation's Application. BGMC Corporation has informed the court that the Company will be appealing against the decision. The Notice of Appeal to the Court of Appeal was filed on 29 October 2025.

At the same time, BGMC applied for an ad interim injunction pending the hearing of the Erinford Injunction (injunction pending the conclusion of the appeal to the Court of Appeal). The Court had allowed the ad interim injunction pending the disposal of the Erinford Injunction application. On 31 October 2025, BGMC Corporation had filed Erinford Injunction with Shah Alam High Court.

On 2 December 2025, the Court dismissed the Erinford Injunction application. BGMC then immediately filed a similar Erinford Injunction application at the Court of Appeal. The Court of Appeal had on 7 January 2026 allowed the Erinford Injunction application pending the disposal of the appeal. The appeal is now set to be heard on 21 May 2026.

Based on advice from the Group's legal counsel, the Directors are of the opinion that BGMC Corporation has a good chance of success in the appeal. Accordingly, as at 28 February 2026, no provision has been made in the consolidated financial statements in respect of this claim.

(b) On 29 May 2025, BGMC Corporation received a payment claim under the Construction Industry Payment and Adjudication Act 2012 ("**CIPAA 2012**") from a subcontractor for a purported amount of approximately RM522,000, comprising an alleged outstanding sum of approximately RM268,000 (including a 2.5% first moiety of approximately RM44,000) and RM254,000 for alleged abseiling costs. BGMC Corporation disputed the claim in its payment response on 12 June 2025 and submitted a cross claim amounting to approximately RM185,000 for liquidated ascertained damages and performance bond.

The adjudication was registered with the Asian International Arbitration Centre ("**AIAC**"), and an adjudicator was appointed to preside over the matter. The subcontractor filed its adjudication claim on 8 August 2025, followed by BGMC Corporation's adjudication response on 25 August 2025, which included its cross claim. The subcontractor subsequently filed its reply to the adjudication response on 11 September 2025. Pursuant to Section 12(2) of CIPAA 2012, the adjudication decision was due to be delivered on 18 November 2025. However, as the decision was neither delivered nor deposited with the AIAC within the prescribed timeframe, it is deemed void under Section 12(3), as informed by the AIAC to the Group's legal counsel on 13 April 2026.

(c) On 17 June 2025, BGMC Corporation received a payment claim under CIPAA 2012 from a subcontractor for a purported amount of approximately RM1,252,000. The claim comprises approximately RM276,000 for alleged unpaid payment certificates, approximately RM814,000 for the alleged final account claim, and approximately RM162,000 for the alleged retention sum. BGMC Corporation disputed the claim through its payment response on 4 July 2025 and submitted a cross claim amounting to approximately RM1,202,000 for liquidated ascertained damages and approximately RM323,000 in respect of the subcontractor's failure to provide a performance bond.

The adjudication was registered with the AIAC, and an adjudicator was appointed to preside over the matter. The subcontractor filed its adjudication claim on 10 September 2025, followed by BGMC Corporation's adjudication response on 1 October 2025, which included its cross claim. The subcontractor later filed its reply to the adjudication response on 13 October 2025.

On 8 December 2025, the adjudicator delivered its decision to the parties and found in favour of the subcontractor in the adjudication proceedings. Pursuant to the decision, BGMC Corporation was ordered to pay the subcontractor an adjudicated sum of RM991,000 and costs of the adjudication proceedings amounting to RM77,000 within twenty-one (21) days from the date of receipt of the adjudication decision by way of cheque or other financial instruments. In the event of non-payment or partial payment within the stipulated period, interest at the rate of 5% per annum shall be payable on the outstanding amount from the due date until full and final settlement. In addition, the sum of RM1,000.00 paid by the subcontractor to AIAC for the adjudicator's expenses is to be refunded to the subcontractor.

The Group has duly taken the above amounts into account in the preparation of the condensed consolidated financial statements, where appropriate.

(d) On 5 December 2024, BGMC Corporation filed a notice of arbitration against a customer (the "**Respondent**" in the arbitration proceeding), among others, demanding (i) a declaration that the Respondent is in breach of the contract; (ii) a declaration that the Respondent's purported demand on the bank guarantee was unlawful, wrongful and/or unconscionable; (iii) the sum of RM5,086,000 paid out under the performance bond to be returned; (iv) the sum of RM3,822,000 claimed by the Respondent as purported liquidated ascertained damages to be released; (v) the sum of RM4,474,000 as second moiety to be released; (vi) the sum of RM231,000 due and owing to be returned; (vii) the sum of RM261,000 to be paid by Respondent for loss of profit; and (viii) a sum to be assessed to be paid by Respondent in respect of loss and expense.

The Respondent is seeking a counterclaim against BGMC Corporation in the ongoing arbitration proceedings. The counterclaim comprises (i) RM3,822,000 in liquidated damages arising from the alleged failure to complete the works by the extended date of completion until the issuance of the certificate of practical completion, and (ii) RM9,559,000 in third-party rectification costs incurred by the Respondent for rectifying alleged defective works which BGMC Corporation had purportedly failed, refused, or neglected to rectify, or such other sums as may be assessed by the Tribunal in respect of these rectification costs.

The arbitration proceeding is still ongoing and the evidentiary hearing is fixed from 7-24 September 2026.

Based on the advice from the Group's legal counsel, the Directors are of the opinion that BGMC Corporation has a good chance of success in the arbitration and to resist the counterclaim.

(e) On 1 December 2025, BGMC Corporation commenced arbitration proceedings against Customer A pursuant to the dispute resolution provisions contained in the relevant contractual documents, seeking determination of disputes arising from the project. Under the Notice of Arbitration received by Pertubuhan Arkitek Malaysia ("**PAM**") on 19 January 2026, BGMC Corporation seeks, among others, (i) a declaration that Customer A's call on the performance bond was unlawful and/or unconscionable; (ii) an order for the release of the retention sum of RM7,489,000 to BGMC Corporation within fourteen (14) days from the date of the arbitral award; (iii) general damages to be assessed by the arbitrator; (iv) interest on all sums awarded at such rate and for such period as the arbitrator may determine; (v) SST, where applicable, on the sums awarded; and (vi) legal costs and the costs of the arbitration to be borne by Customer A. In addition, BGMC Corporation's outstanding claims currently comprise RM2,769,000 in respect of pending variation orders and RM900,000 being balance sums due under the main contract.

On 10 April 2026, PAM informed BGMC Corporation's legal counsel that an arbitrator had been appointed. The arbitration is at a preliminary stage and BGMC Corporation is awaiting directions from the arbitrator, following which it expects to file its statement of claim.

Based on the information currently available and having considered the advice from the Group's legal counsel, the Directors are of the view that no additional provision is required in respect of this matter as at the date of this interim results announcement, save for amounts already recognised in the condensed consolidated financial statements where appropriate.

(f) On 4 December 2024, the BGMC Corporation received a payment claim under CIPAA 2012 from a subcontractor for a purported amount of approximately RM488,000. BGMC Corporation, through its solicitor served a payment response on 17 December 2024 by disputing the claim in its entirety.

Subsequently, on 29 October 2025, the BGMC Corporation was served with a fresh payment claim dated 28 October 2025 for the sum of RM346,000, seeking recovery of, among others, two unpaid payment certificates, maintenance fees under LCU maintenance agreements, standby technician services and rectification work. Thereafter, on 2 April 2026, BGMC Corporation received a further revised payment claim dated 30 March 2026 for a total claimed amount of RM1,349,000.

Based on the information currently available and having considered the advice from the Group's legal counsel, the Directors are of the view that no additional provision is required in respect of this matter as at the date of this interim results announcement.

The Directors will continue to monitor the progress of the matter and assess the need for any provision or further disclosure as and when appropriate.

14. EVENT AFTER THE REPORTING PERIOD

(a) On 31 March 2026, the Board announced that the redeemable secured loan stocks capitalisation ("**RSLS Capitalisation**") and the capitalisation of the outstanding trade payables owed by subsidiaries to the trade creditors ("**AP Capitalisation**") (collectively, the "**Debts Capitalisation**") were duly approved by the shareholders at the extraordinary general meeting ("**EGM**") of the Company held on 27 March 2026.

Pursuant to the RSLS Capitalisation, an aggregate of 29,588,744 RSLS Capitalisation shares have been allotted and issued at the issue price of HK$2.32 per share to 326 independent third parties, being suppliers and contractors of the Group, for the settlement of the outstanding RSLS due to them. Following completion of the RSLS Capitalisation, approximately RM35.9 million of the RSLS has been fully redeemed and cancelled, thereby completing the debt-to-equity swap.

Pursuant to the AP Capitalisation, an aggregate of 7,489,496 AP Capitalisation shares have been allotted and issued at the issue price of HK$2.35 per share to 44 independent third parties, being suppliers, contractors and service providers of the Group, for the settlement of the outstanding trade payables due to them. Following completion of the AP Capitalisation, approximately RM8.9 million of the outstanding trade payables has been fully set off.

The subscription monies payable under the RSLS Capitalisation and the AP Capitalisation have been fully satisfied by way of set-off against the outstanding RSLS and the outstanding trade payables, respectively. Accordingly, no cash proceeds have been raised by the Company from the Debts Capitalisation.

Upon completion of the Debts Capitalisation on 31 March 2026, the total number of issued shares of the Company increased from 43,200,000 shares to 80,278,240 shares, representing an increase of approximately 85.83% in the issued share capital of the Company.

For details of the RSLS Capitalisation and the AP Capitalisation, please refer to the announcements of the Company dated 31 December 2025, 6 January 2026, 27 March 2026, and 31 March 2026, and the circular of the Company dated 10 March 2026.

(b) On 10 March 2026, the Group's wholly owned subsidiary, BGMC Energy Holdings Sdn. Bhd., had entered into a strategic term sheet with Computility Technology (Malaysia) Sdn. Bhd. ("**CTDC**") and reNIKOLA for a large-scale, long-term green energy supply programme in Malaysia. Under the agreement, renewable energy ("**RE**") generated from the solar farm assets will be supplied to power CTDC's first artificial intelligence data centre in Gelang Patah, with commercial operations targeted to commence in year 2028 and an estimated annual supply capacity of approximately 630,000 MWh.

The Directors consider the signing of the strategic term sheet to be a non-adjusting subsequent event which does not have any material financial impact on the Group's condensed consolidated financial statements as at the date of this interim results announcement. However, the collaboration is expected to strengthen the Group's RE business segment and enhance its long-term earnings visibility upon successful implementation of the project.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

BGMC is a full-fledged, integrated solutions provider in Construction Services sector (comprising Building and Structures segment, Energy Infrastructure segment, and Mechanical and Electrical segment), which undertakes primarily construction service contracts not exceeding five 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: (a) design and construction of medium and high voltage power substations; and (b) installation of medium and high voltage underground cabling systems. BGMC 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.

CONSTRUCTION SERVICES SECTOR

The Construction Services sector contributed RM177.1 million, or 100.0%, to the consolidated revenue of the Group for the Period, as compared with RM100.5 million, or 100.0%, recorded in the Corresponding Period.

The Construction Services sector continues to face numerous challenges during the Period. These challenges included project delays, increased operational costs, labour shortages, supply chain disruptions, inflationary pressure on construction materials, volatility in fuel and diesel prices, regulatory and approval bottlenecks, as well as a highly competitive market environment, all of which impacted the overall performance. Global pricing volatility of key building materials, as well as fluctuations in diesel and fuel costs, continues to exert pressure on project margins and overall cost structures. Despite these headwinds, the sector remains focused on maintaining quality service delivery, strengthening operational efficiency, improving workforce productivity, and exploring strategic opportunities to enhance resilience and long-term growth.

In view of the challenges mentioned above, the completion timelines of all ongoing projects have been revised accordingly. For projects experiencing delays where extensions of time ("**EOT**") have yet to be granted, the Group has prudently recognised and provided for liquidated ascertained damages ("**LAD**") in the condensed consolidated financial statements. Such provisions are expected to be recoverable upon the Group obtaining the relevant EOT approvals from the clients. The Group has submitted the necessary EOT applications, which are currently under review and pending approval by the respective clients.

As at 28 February 2026, we have an outstanding order book of RM176.4 million as compared to RM458.9 million as at 28 February 2025. 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 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 of the Group as a whole with sizeable contracts on hand, Building and Structures segment contributed RM177.9 million, or 100.0%, to the Group's consolidated revenue for the Period, as compared to RM100.5 million, or 100.0% in the Corresponding Period.

The Group's primary focus was on ensuring the timely and quality completion of its ongoing projects. In light of these headwinds, and in line with the Group's commitment to fulfilling its existing contractual obligations, the management has adopted a prudent and disciplined strategy by prioritising the execution and delivery of current projects over aggressive tendering for new contracts. Accordingly, the Group remains relatively cautious in its tendering activities, allowing its resources and technical capacity to be focused on project completion, maintaining quality standards, enhancing clients' satisfaction, and securing pending EOT.

Looking ahead, the Group will continue to closely monitor market conditions, including cost trends, policy developments and overall demand in the construction sector. The Group intends to resume selective tendering activities when its existing projects are substantially completed, margins stabilise, and operational capacity permits, while maintaining a disciplined approach to risk management and project selection.

As at 28 February 2026, the Building and Structures segment has an outstanding order book of RM176.4 million, as compared to RM458.9 million as at 28 February 2025. The decrease was mainly due to the progressive completion of ongoing projects during the Period.

Other Segments

During the Period, the Energy Infrastructure segment has not recorded any revenue (Corresponding Period: Nil). The Mechanical and Electrical ("**M&E**") segment recorded a negative revenue of RM0.8 million in the Period, as compared to negative RM0.02 million in the Corresponding Period. The negative revenue was primarily attributable to certain work undertaken during Period that were not recognised as paid work during the finalisation of accounts with clients.

Both segments recorded a lower order book position, reflecting the absence of new project procurements during the Period and the Corresponding Period. This was in line with the Group's cautious and disciplined approach amid the current economic environment, which continues to be characterised by cost inflation, margin compression, tighter financing conditions and heightened execution risks within the construction and infrastructure sectors. Notwithstanding the Group's established track record in delivering energy infrastructure and M&E projects, procurement activities were deliberately kept minimal to preserve resources and safeguard project margins.

Notwithstanding the above, the Group remains strategically optimistic on the outlook of the Energy Infrastructure segment. The rapid expansion of the data centre industry in Malaysia, driven by increasing digitalisation, cloud adoption and artificial intelligence-related demand, has led to a significant surge in requirements for power infrastructure. In particular, there is growing demand for reliable and sustainable energy solutions, including RE, to support the high energy consumption of data centres and to meet environmental, social and governance ("**ESG**") expectations of global operators.

In this regard, the Group recognises substantial opportunities to participate in power supply systems, substations, grid connectivity and RE-related infrastructure works supporting data centre developments. The Group is actively exploring potential collaborations, strategic partnerships and tender opportunities in this space, leveraging its technical expertise and industry experience to position itself as a capable and competitive player in the evolving data centre and energy infrastructure market.

FUTURE PROSPECT

During the Period, the Group remains committed to strengthening its core construction business while pursuing sustainable growth through strategic diversification. The management continues to prioritise the timely delivery of current projects with a strong emphasis on quality, cost control, and safety standards. This approach reflects the Group's continued focus on operational excellence and prudent risk management.

At the same time, the Group remains mindful over aggressive tendering for new contracts due to external challenges that may impact the construction landscape. Global pricing volatility of key building materials, as well as fluctuations in diesel and fuel costs, continues to exert pressure on project margins and overall cost structures. In addition, geopolitical tensions, including conflicts in the Middle East, have contributed to disruptions in global supply chains, energy markets, and transportation costs. These factors may lead to further uncertainty in material pricing and logistics, requiring the Group to adopt proactive procurement strategies, cost mitigation measures, and dynamic project planning to manage associated risks effectively.

In addition to its traditional construction activities, the Group is actively exploring adjacent growth areas, including technology-enabled infrastructure driven by the rapid rise of artificial intelligence ("**AI**"), cloud computing and high-performance computing. The accelerated expansion of data centre developments in Malaysia and the broader region has led to a significant increase in demand for reliable and sustainable power solutions. In particular, RE is now in strong demand to support the substantial energy requirements of data centres, as operators increasingly prioritise green energy adoption to meet ESG commitments. This trend presents compelling opportunities for the Group to participate in energy infrastructure and RE-related projects supporting the data centre ecosystem.

The Group is also evaluating the participation in RE initiatives, particularly in solar power projects under the Corporate Renewable Energy Supply Scheme ("**CRESS**"). By participating in CRESS solar projects, the Group aims to contribute to Malaysia's RE transition, support corporate decarbonisation goals, and develop recurring income streams from sustainable energy solutions.

Sustainability and ESG considerations remain integral to the Group's strategy. Continuous efforts will be made to improve environmental performance across project sites, enhance workplace safety, and uphold robust governance practices. These initiatives are intended to support responsible business growth while meeting the expectations of stakeholders.

Moving forward, the Group will adopt a balanced approach in navigating future prospects by maintaining a strong foundation in construction while progressively expanding into energy, technology, and renewable infrastructure. This diversified and forward-looking strategy is expected to enhance resilience, support long-term growth, and create sustainable value for shareholders.

FINANCIAL REVIEW

Revenue

The Group recorded total revenue of RM177.1 million for the Period, representing a significant increase from RM100.5 million in the Corresponding Period. The growth in revenue was primarily attributable to substantial progress achieved in one of the Group's major Building and Structures projects.

The increase also reflects higher recognition of work progress across the Group's ongoing projects during the Period, leading to increased billings and revenue recognised in accordance with the percentage-of-completion method. This improvement underscores the Group's continued ability to effectively execute its projects notwithstanding the challenging operating environment.

Gross (Loss)/Profit

The Group recorded a total gross loss of RM17.3 million during the Period as compared to a gross profit of RM5.3 million in the Corresponding Period. The deterioration from a gross profit position to a gross loss position was mainly attributable to, (i) the additional LAD charges incurred for the projects; and (ii) reduced gross margins from a major Building and Structures project due to additional rectification costs incurred and cost overrun.

Loss Attributable to Owners of the Company

The Group recorded a net loss attributable to owners of the Company of approximately RM24.3 million for the Period, as compared to a net loss of approximately RM6.9 million in the Corresponding Period. The increase in net loss was primarily attributable to several factors, including: (i) the additional LAD charges incurred for the projects; (ii) reduced gross margins from a major Building and Structures project due to additional rectification costs incurred and cost overrun; (iii) a reduction in other income, primarily attributable to lower interest income recognised during the Period arising from reduced placement of funds with financial institutions as compared to the Corresponding Period; and (iv) no profit was recorded from discontinued operations in the Period, as compared to a profit of RM0.5 million recorded in the Corresponding Period.

Other Income

Other income from continuing operations decreased to RM0.5 million in the Period, as compared to RM0.7 million recorded in the Corresponding Period. The decrease was primarily attributable to lower interest income, which declined from RM0.3 million in the Corresponding Period to RM0.1 million in the Period. This was mainly due to reduced placement of funds with financial institutions during the Period.

Administrative and Other Expenses

Administrative and other expenses from continuing operations decreased from RM8.2 million in the Corresponding Period to RM7.9 million for the Period, mainly due to lower legal and professional fees incurred. The reduction in legal expenses was primarily attributable to the absence of one-off or non-recurring legal engagements undertaken in the Corresponding Period, including advisory and compliance-related matters, which were substantially completed and did not recur during the current Period.

Other Losses

Other losses from continuing operations decreased to RM0.1 million for the Period, as compared to RM5.1 million in the Corresponding Period. The decline was mainly due to customers' encashment of RM5.1 million performance bonds in the Corresponding Period.

Finance Costs

Finance costs from continuing operations for the Period amounted to RM0.1 million, as compared to RM0.4 million in the Corresponding Period, mainly attributable to the suspension of interest accrual on RSLS as the settlement remained pending and has yet to be finalised as at 28 February 2026.

Liquidity, Financial Resources and Capital Structure

The Group's net gearing ratio (calculated by dividing net debts by equity attributable to owners of the Company) decreased from 3.07 times as at 31 August 2025 to 0.42 times during the Period. The Group has no interest-bearing borrowings in both the current Period and the Corresponding Period. The net debt movement was mainly driven by the decrease in cash and bank balances, which reflected higher net cash outflows during the Period. The Group maintained a zero-borrowing position, resulting in a lower net debt level as compared to the Corresponding Period.

Total shareholders' equity, however, further declined from a deficit of approximately RM9.5 million to RM29.9 million, mainly due to the accumulation of losses during the Period. Notwithstanding the deterioration in shareholders' equity, the gearing ratio improved as the reduction in net debt outweighed the movement in shareholders' equity. As the Group remains in a net equity deficit position, the gearing ratio may not be a meaningful indicator of leverage and is presented for continuity purposes only.

The Group remains focused on strengthening its liquidity position, improving operational performance, and restoring its capital base over the medium to long term.

Placing of New Shares Under General Mandate

On 12 January 2026, the Company entered into a placing agreement with a placing agent, pursuant to which the placing agent conditionally agreed to procure, on a best-efforts basis, the placing of up to 3,610,000 placing shares to not less than six (6) placees at a price of HK$2.20 per placing share. The placing shares were to be allotted and issued pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 24 September 2024. Completion of the placing was conditional upon, among others, the Listing Committee granting approval for the listing of, and permission to deal in, the placing shares.

On 26 January 2026, all conditions set out in the placing agreement were fulfilled, and the placing was completed in accordance with the terms and conditions of the placing agreement. A total of 3,610,000 placing shares were successfully placed, representing approximately 8.36% of the enlarged issued share capital of the Company immediately upon completion, to not less than six (6) placees at the placing price of HK$2.20 per placing share.

The proceeds from the placing amounted to approximately HK$7.9 million (equivalent to RM4.0 million), which will be used for the Group's general working capital. Further details of the placing are set out in the Company's announcements dated 12 January 2026 and 26 January 2026.

Net Current Liabilities

As at 28 February 2026, the Group recorded net current liabilities of RM82.1 million, as compared to RM61.7 million as at 31 August 2025, representing an increase of RM20.4 million.

The increase in net current liabilities was primarily attributable to a reduction in current assets during the Period. Trade and other receivables decreased from RM105.9 million in the Corresponding Period to RM63.0 million as at 28 February 2026, mainly due to the recognition of revenue following the conversion of advance payments into work performed as projects progressed.

In addition, cash and cash equivalents decreased from RM29.3 million in FPE2025 to RM12.6 million as at 28 February 2026. The reduction in cash balances was mainly utilised to finance ongoing project operations and meet working capital requirements during the Period.

As a result of the above, the Group's net current liabilities position widened during the Period.

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, computer equipment, furniture and fittings, and renovation, which was funded by internally generated funds. During the Period, the Group incurred capital expenditure of RM0.01 million, primarily for the acquisition of computer equipment, as compared with RM0.13 million in FPE2025, which mainly related to acquisition of computer equipment, additions of furniture and fittings and renovation work.

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 significant investment during the Period and in the Corresponding Period.

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 the Period and in the Corresponding Period.

Employees and Remuneration Policies

As at 28 February 2026, the Group has 87 employees as compared to 93 employees as at 28 February 2025. Total staff costs incurred in the Period were RM5.6 million as compared to RM5.3 million recorded in the Corresponding Period. The Group has implemented continuous measures to review and adjust the workforce required to run the operation and projects more efficiently.

The Group's remuneration policy is designed to attract, retain and motivate employees. Remuneration packages are determined with reference to individual performance, qualifications, experience and prevailing market conditions. The Group provides employees with salaries, discretionary bonuses, medical benefits and retirement benefit schemes in accordance with applicable laws and regulations. The Group also emphasises continuous professional development and provides external training programs conducted by qualified personnel to the employees to enhance their skills set and industry knowledge.

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 interim results announcement, there was no outstanding share option granted under the Share Option Scheme.

Contingent Liabilities

Details of the Group's contingent liabilities up to the date of this interim results announcement are set out in Note 13 to the announcement.

Prepaid Expenses to Suppliers and Subcontractors

During the Period, the Group's prepaid expenses to suppliers and subcontractors decreased from RM77.9 million as at 31 August 2025 to RM43.2 million as at 28 February 2026. The decrease was mainly due to the progressive utilisation and recognition of advances previously paid to suppliers and subcontractors against work performed, materials supplied and services rendered during the Period. These prepayments were mainly related to payments made in connection with WAKL project. The prepayments were made under contracts for specific goods and services, represent contractual deposits made in the ordinary course of business to secure the timely supply of materials, equipment and specialised subcontractors services, including but not limited to constructions works and interior design works.

The Board has assessed the prepayments and confirms that: (i) all such transactions were conducted with independent third-party suppliers and subcontractors on normal commercial terms, and no transactions involve connected persons as defined under Chapter 14A of the Listing Rules; (ii) the construction business, do not constitute notifiable transactions under Chapter 14 of the Listing Rules; and (iii) the prepayments represent contractual prepayments for goods and services and do not constitute advances to entities under Chapter 13 of the Listing Rules.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

As at 28 February 2026, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong ("**SFO**")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO), or as recorded in the register of the Company required to be kept under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuer set out in Appendix C3 to the Listing Rules ("**Model Code**") were as follows:

Interests in the Shares

Name of Director	Capacity/Nature of interest	Interests in shares of the Company *(Note 1)*	Approximate percentage of shareholding *(Note 2)*
Dato' Teh Kok Lee ("**Dato' Michael Teh**") *(Note 1)*	Interest of a controlled corporation and interests held jointly with another person	24,885,000 (L)	57.60%

"L" denotes long position

Notes:

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

As at 28 February 2026, the 24,885,000 shares interested by them in aggregate consisted of (i) 18,000,000 shares beneficially owned by Prosper International Business Limited ("**Prosper International**") which in turn is beneficially and wholly owned by Tan Sri Barry Goh; and (ii) 6,885,000 shares beneficially and wholly owned by Seeva International Limited ("**Seeva International**") which in turn is beneficially and wholly owned by Dato' Michael Teh. Each of Tan Sri Barry Goh and Dato' Michael Teh is deemed to be interested in all the shares held or deemed to be held by them in aggregate by virtue of the SFO.

(2) On 26 January 2026, the Company had completed the placing of 3,610,000 ordinary shares, for a total consideration of approximately RM4.0 million. As such, the total number of shares were increased from 39,590,000 shares to 43,200,000 shares, and therefore the percentage of the shareholding has changed to 57.60%.

Interest in the Shares of Associated Corporations

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

Save as disclosed above, as at 28 February 2026, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have taken under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

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

As at 28 February 2026, so far as is known to the Directors, the following corporations or persons (other than a Director or the chief executive) had interests or short positions in the Shares or underlying Shares, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholders	Capacity/Nature of interest	Number of shares of the Company held	Percentage of shareholding *(Note 2)*
Prosper International *(Note 1)*	Beneficial owner and interests held jointly with another person	24,885,000 (L)	57.60%
Seeva International *(Note 1)*	Beneficial owner and interests held jointly with another person	24,885,000 (L)	57.60%

"L" denotes long position

Notes:

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

As at 28 February 2026, the 24,885,000 shares interested by them in aggregate consisted of (i) 18,000,000 Shares beneficially owned by Prosper International which in turn is beneficially and wholly owned by Tan Sri Barry Goh; and (ii) 6,885,000 Shares beneficially owned by Seeva International which in turn is beneficially and wholly owned by Dato' Michael Teh. Each of Prosper International and Seeva International is deemed to be interested in all the Shares held or deemed to be held by Tan Sri Barry Goh and Dato' Michael Teh in aggregate by virtue of the SFO.

(2) On 26 January 2026, the Company had completed the placing of 3,610,000 ordinary shares, for a total consideration of approximately RM4.0 million. As such, the total number of shares were increased from 39,590,000 shares to 43,200,000 shares, and therefore the percentage of the shareholding has changed to 57.60%.

Save as disclosed above, so far as the Directors or the chief executive are aware of, as at 28 February 2026, no corporation or person (not being a Director or the chief executive) had any interests or short position in the Shares or underlying Shares, which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company under Section 336 of the SFO.

PLEDGE OF ASSETS

Investment properties of RM49.9 million were pledged to RSLS as at 28 February 2026 (FPE2025: RM49.9 million). Certain banking facilities of the Group were secured by the Group's fixed bank deposits of RM8.6 million as at 28 February 2026, as compared to RM8.5 million in FPE2025.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

Save as disclosed below, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Period and thereafter up to the date of this interim results announcement.

On 26 January 2026, the Company had completed the placing of 3,610,000 ordinary shares, for a total consideration of approximately RM4.0 million. As such, the total number of shares were increased from 39,590,000 shares to 43,200,000 shares.

On 31 March 2026, the Board announced that the Debts Capitalisation was duly approved by the shareholders of the Company at the EGM held on 27 March 2026. The subscription monies payable under the RSLS Capitalisation and the AP Capitalisation have been fully satisfied by way of set-off against the outstanding RSLS and the outstanding trade payables, approximately RM35.9 million and RM8.9 million respectively. Accordingly, no cash proceeds have been raised by the Company from the Debts Capitalisation.

Upon completion of the Debts Capitalisation on 31 March 2026, the total number of issued Shares of the Company increased from 43,200,000 Shares to 80,278,240 Shares, representing an increase of approximately 85.83% in the issued share capital of the Company. The total number of issued Shares of the Company is 80,278,240 Shares as at the date of this announcement.

CORPORATE GOVERNANCE CODE COMPLIANCE

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

The Company has adopted the code provisions as set out in the Corporate Governance Code set out in Appendix C1 to the Listing Rules ("**CG Code**") as its own code of corporate governance and will continue to practice the principles of good corporate governance as set out in the CG Code.

The Company reviews its organisational structure regularly to ensure its operations are in line with the good corporate governance practices as set out in the CG Code and align with the latest developments. During the Period, the Company has complied with the applicable code provisions of the CG Code.

DIVIDEND

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

EVENT AFTER THE REPORTING PERIOD

Details of the Group's event after the reporting period up to the date of this interim results announcement are set out in Note 14 to the condensed consolidated financial statements.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct governing securities transactions by the Directors. Following a specific enquiry made by the Company with each of them, all Directors confirmed that they had complied with the required dealing standards set out in the Model Code throughout the Period.

REVIEW OF RESULTS BY THE AUDIT COMMITTEE

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

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.bgmc.asia. The interim report containing all the information required by the Listing Rules will be published on the aforesaid websites and will be despatched to the Shareholders (if requested) and made available for review on the aforesaid websites in due course.

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

Malaysia, 27 April 2026

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), Mr. Kua Choh Leang and Ms. Koong Hui Jiun as independent non-executive Directors.