



PRESS STATEMENT/ SIARAN AKHBAR
(FOR IMMEDIATE RELEASE)

**BWYS GROUP BERHAD TO RAISE RM56.4 MILLION IN
ACE MARKET IPO FOR STRATEGIC EXPANSION**

George Town, 18 June 2024 – Sheet metal products manufacturer and scaffoldings supplier, BWYS Group Berhad (“BWYS”) (“億成集团”), has successfully launched its prospectus today in conjunction with its initial public offering (“IPO”) exercise on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”).

BWYS and its subsidiaries (“BWYS Group” or the “Group”) manufacture a wide range of sheet metal products comprising roofing sheets and trusses, industrial racking systems and welded pipes. To enhance product visibility and differentiation, the Group also markets its metal products under their own brands of “BW”, “Metech”, “YS Tube”, “YS” and “Vtruss”. Additionally, BWYS is engaged in the supply of scaffoldings, as well as the trading of steel materials and steel related products.

Backed by a 25-year track record in the sheet metal products industry, BWYS has established strong market coverage across Malaysia through its eight strategically located operational facilities across Penang, Selangor, Johor, Kelantan, Sarawak and Sabah. Moreover, the Group's dedication to quality is demonstrated by its accreditation of Construction Industry Development Board's Certificate of Standards Compliance and conformity to the Malaysian Standard 1462 series for its scaffoldings, thereby permitting their use as construction materials within the Malaysian construction industry.

Managing Director of BWYS, Mr. Kang Beng Hai (江鳴海先生) said, “With 25 years navigating the dynamic metal industry, BWYS is poised for its next chapter of growth. Our meticulous price monitoring, inventory management, and business acumen have seen us through numerous market cycles. Now, our upcoming IPO will serve as a springboard to accelerate expansion and solidify our market presence.”



“Majority of the IPO proceeds will be used to set up a new factory (“New Penang Factory”) to expand our manufacturing facilities for sheet metal products. This will also address our existing Penang facility’s space limitations and accommodate a new continuous production line. Upon completion, our warehouse capacity will increase by more than 11-fold from 13,183 sq ft to 150,231 sq ft, allowing us to store higher inventory levels of raw materials and finished goods. In addition, we are purchasing new machinery and equipment including a new automated powder coating line as well as roll forming machines and related equipment to improve our manufacturing capabilities for roof trusses and industrial racking systems.”

“To capture new growth opportunities in the roofing market, we are expanding our product range by venturing into the manufacture of Polyurethane (“PU”) foam sandwich panels, which offers insulation from heat and noise. We will also implement information and communications technology (“ICT”) systems to digitalise our production and inventory management processes to improve our production workflow,” Mr. Kang concluded.

BWYS has gained market access to United States and other countries including Singapore, Indonesia, Australia, Bangladesh, the Philippines, United Arab Emirates, Brunei and Kuwait. Moving forward, the Group is strategising to further expand its geographical reach to Southeast Asia, the Middle East and South America.

Looking ahead, BWYS is poised to capitalise on Malaysia’s economic growth, notably in the construction sector which will lead to increased demand for roofing sheets, trusses, welded pipes and scaffoldings. Furthermore, anticipated growth in other key user industries such as manufacturing, and wholesale and retail trade sectors, strengthens this positive outlook. The New Industrial Master Plan 2030, which supports manufacturing and related service sectors, including the metal sector, will further support demand for sheet metal products. This aligns well with BWYS’s strategic growth initiatives.



The upcoming IPO exercise is set to raise RM56.4 million, which will be utilised in the following manner:

Utilisation of Proceeds	RM'000	%
Capital expenditure:		
Construction of New Penang Factory	22,840	40.4%
Purchase of new machinery and equipment	7,716	13.7%
Implementation of new Enterprise Resource Planning ("ERP") system, production and inventory management systems	10,831	19.2%
Repayment of bank borrowings	4,000	7.1%
Working capital	5,500	9.8%
Estimated listing expenses	5,500	9.8%
Total	56,387	100.0%

BWYS's IPO exercise encompasses a public issuance of 256.3 million new ordinary shares ("Issue Shares"), representing 25.0% of its enlarged share capital, as well as an offer for sale of 100.0 million existing shares, or 9.8% of its enlarged share capital, by way of private placement to selected investors.

Out of the 256.3 million Issue Shares, 51.3 million Issue Shares will be made available to the Malaysian Public via balloting process; 61.5 million Issue Shares to its eligible directors, employees and persons who have contributed to the success of BWYS ("Pink Form Allocations"); 128.2 million Issue Shares by way of private placement to Bumiputera investors approved by the Ministry of Investment, Trade and Industry; while the remaining portion of 15.4 million Issue Shares are reserved for private placement to selected investors.

Based on the IPO price of RM0.22 per share and its enlarged issued shares of 1,025.2 million shares, BWYS' market capitalisation upon listing is approximately RM225.5 million.



On financial performance, the Group's revenue grew from RM130.9 million in the financial year ended 31 December 2020 ("FYE 2020") to RM246.1 million in the financial year ended 31 December 2023 ("FYE 2023"), representing a 3-year compound annual growth rate ("CAGR") of 23.4%. Meanwhile, profit after tax ("net profit") also grew from RM3.4 million in FYE 2020 to RM17.6 million in FYE 2023, translating into a 3-year CAGR of 73.0%.

In FYE 2023, the manufacture of sheet metal products segment stood as the Group's primary revenue contributor at 73.0%, followed by the supply of scaffoldings at 24.9%, and trading of steel materials and steel related products at 2.1%.

Following the prospectus launch, applications for the public issue are open from today and will be closed on 5 July 2024 at 5:00 pm. The Group is scheduled to be listed on the ACE Market of Bursa Securities on 22 July 2024.

M & A Securities Sdn Bhd ("合盈证券私人有限公司") is the Principal Adviser, Sponsor, Underwriter and Placement Agent for the IPO exercise.

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Photo caption (from left to the right)

- **Ms. Kang Yi Ki** (江宇绮女士), Executive Director of BWYS Group Berhad
- **Mr. Kang Beng Hai** (江鳴海先生), Managing Director of BWYS Group Berhad
- **Dato' Saidi bin Ismail**, Independent Non-Executive Chairman of BWYS Group Berhad
- **Datuk Bill Tan** (拿督陈俊嫻), Managing Director of M & A Securities Sdn Bhd
- **Mr. Danny Wong** (黄荣良先生), Deputy Head of Corporate Finance of M & A Securities Sdn Bhd



About BWYS Group Berhad

BWYS, via its subsidiaries, is principally involved in the manufacturing of sheet metal products and supply of scaffoldings. It also engages in the trading of steel materials and steel related products. This diverse product portfolio enables BWYS to serve the building construction as well as warehousing and storage industries. BWYS has eight operational facilities throughout Malaysia, with its head office, warehouse and manufacturing facility in Penang, and other operational facilities in Penang, Selangor, Johor, Kelantan, Sarawak and Sabah. BWYS' geographical reach extends beyond the domestic market, with exports to the United States and other countries including Singapore, Indonesia, Australia, Bangladesh, the Philippines, United Arab Emirates, Brunei, and Kuwait.

For more information, please visit <https://bwysgroup.com/>

Released on behalf of BWYS Group Berhad by Capital Front Investor Relations.

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