



BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2026**

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2026

	Note	Quarter Ended		Year-To-Date Ended	
		31.03.2026 Unaudited RM'000	31.03.2025 Unaudited RM'000	31.03.2026 Unaudited RM'000	31.03.2025 Unaudited RM'000
Revenue	A9	63,112	57,329	63,112	57,329
Cost of sales		<u>(53,077)</u>	<u>(44,890)</u>	<u>(53,077)</u>	<u>(44,890)</u>
Gross profit		10,035	12,439	10,035	12,439
Other operating income		40,696	2,290	40,696	2,290
Impairment losses on trade and other receivables, net		(3,219)	-	(3,219)	-
Administrative and distribution expenses		<u>(16,813)</u>	<u>(8,882)</u>	<u>(16,813)</u>	<u>(8,882)</u>
Operating profit		30,699	5,847	30,699	5,847
Finance costs		<u>(1,623)</u>	<u>(1,644)</u>	<u>(1,623)</u>	<u>(1,644)</u>
Profit before tax	B12	29,076	4,203	29,076	4,203
Income tax expense	B5	<u>(4,430)</u>	<u>(1,575)</u>	<u>(4,430)</u>	<u>(1,575)</u>
Profit after tax/ Total comprehensive income		<u>24,646</u>	<u>2,628</u>	<u>24,646</u>	<u>2,628</u>
Profit attributable to:					
- Owners of the Company		<u>24,646</u>	<u>2,628</u>	<u>24,646</u>	<u>2,628</u>
Total comprehensive profit attributable to:					
- Owners of the Company		<u>24,646</u>	<u>2,628</u>	<u>24,646</u>	<u>2,628</u>
Basic and diluted earnings per share ("EPS") (sen)	B11	2.40	0.26	2.40	0.26

The above Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	Unaudited As at 31.03.2026 RM'000	Audited As at 31.12.2025 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		157,374	150,170
Right-of-use assets		12,614	13,058
		<u>169,988</u>	<u>163,228</u>
Current assets			
Inventories		96,632	98,837
Trade and other receivables		65,951	72,376
Current tax assets		2,565	5,506
Cash and bank balances		91,067	62,226
		<u>256,215</u>	<u>238,945</u>
Assets held for sale		-	27,691
Total assets		<u>426,203</u>	<u>429,864</u>
Equity attributable to owners of the Company			
Share capital		200,540	200,540
Merger reserve		(115,735)	(115,735)
Retained earnings		172,204	147,558
Total equity		<u>257,009</u>	<u>232,363</u>
LIABILITIES			
Non-current liabilities			
Borrowings	B8	57,773	77,978
Lease liabilities		4,553	4,478
Deferred tax liabilities		4,500	4,500
		<u>66,826</u>	<u>86,956</u>
Current liabilities			
Trade and other payables		23,661	28,026
Borrowings	B8	73,282	75,810
Lease liabilities		5,075	5,748
Current tax liabilities		350	961
		<u>102,368</u>	<u>110,545</u>
Total liabilities		<u>169,194</u>	<u>197,501</u>
Total equity and liabilities		<u>426,203</u>	<u>429,864</u>
Net assets per share (RM) ⁽²⁾		<u>0.25</u>	<u>0.23</u>

The above Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2026

	Share capital RM'000	Merger reserve RM'000	Retained earnings RM'000	Total Equity RM'000
<u>Unaudited</u>				
Balance as at 1 January 2026	200,540	(115,735)	147,558	223,363
Profit after Tax/Total comprehensive income for the financial period	-	-	24,646	24,646
Balance as at 31 March 2026	200,540	(115,735)	172,204	257,009
<u>Unaudited</u>				
Balance as at 1 January 2025	200,540	(115,735)	133,021	217,826
Profit after Tax/Total comprehensive income for the financial period	-	-	2,628	2,628
Balance as at 31 March 2025	200,540	(115,735)	133,649	220,454

The above Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2026

	<u>Year-To-Date Ended</u>	
	Unaudited 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	29,076	4,203
Adjustments for:		
Allowance for impairment loss on inventories	6,291	-
Bad debts recovered	(9)	(33)
Depreciation of:		
- property, plant and equipment	2,616	2,209
- right-of-use assets	1,412	1,115
Gain on disposal of asset held for sale	(38,387)	-
(Gain)/loss on disposals of property, plant and equipment	(612)	115
Gain on fair value adjustment on short term fund	-	(249)
Income distribution on short term fund	(80)	(35)
Impairment losses on trade and other receivables	3,219	-
Interest expenses	1,623	1,644
Interest income	(415)	(213)
Property, plant and equipment written off	226	209
Unrealised gain on foreign exchange	(152)	(72)
Operating profit before changes in working capital	4,808	8,893
Changes in working capital:		
Inventories	(1,341)	(9,713)
Trade and other receivables	3,236	(4,934)
Trade and other payables	(4,234)	9,396
Cash generated from operations	2,469	3,642
Tax paid	(5,166)	(2,617)
Tax refunded	3,066	180
Net cash from operating activities	369	1,205
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	415	213
Net withdrawals from short term fund	80	284
Proceeds from disposals of property, plant and equipment	3,416	952
Proceeds from disposal of asset held for sale	67,000	-
Purchase of property, plant and equipment	(16,518)	(816)
Net cash from investing activities	54,393	633

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIOD ENDED
31 MARCH 2026 (CONT'D)**

	Year-To-Date Ended	
	Unaudited 31.03.2026 RM'000	Unaudited 31.03.2025 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of term loans	-	1,446
Interest paid	(1,477)	(1,471)
Net changes in deposits pledged to licensed banks	(10,073)	463
Net repayment of bankers' acceptances	(924)	(20,254)
Repayments of:		
- term loans	(21,164)	(1,316)
- lease liabilities	(1,712)	(1,525)
Net cash used in financing activities	(35,350)	(22,657)
Net changes in cash and cash equivalents	19,412	(20,819)
Cash and cash equivalents at beginning of financial period	42,485	53,043
Cash and cash equivalents at end of financial period	61,897	32,224
Cash and cash equivalents comprised of:		
Cash and bank balances	32,496	35,216
Deposits with licensed banks	28,490	20,444
Short term fund	30,081	1,284
	91,067	56,944
<u>Less:</u>		
Deposits pledged to licensed banks	(28,490)	(20,445)
Bank overdrafts	(680)	(4,275)
	61,897	32,224

The above Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying explanatory notes attached to this interim financial report.

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING

A1. BASIS OF PREPARATION

The interim financial report of BWYS Group Berhad (“**BWYS**” or “**Company**”) and its subsidiaries (“**Group**”) are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards (“**MFRSs**”) No. 134: *Interim Financial Reporting* and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2025 and the accompanying notes attached to this interim financial report.

A2. ACCOUNTING POLICIES

(i) Adoption of amendments to Standards

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2025, except for the following which were adopted at the beginning of the current financial period.

These pronouncements do not have any material impact on the Group's financial statements for the current financial period.

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments:
Disclosures - Amendments to the Classification and Measurement of Financial Instruments and Contracts Referencing Nature-dependent Electricity
Annual Improvements to MFRS Accounting Standards - Volume 11

(ii) Standards and amendments issued but not yet effective

As at the date of authorisation of this Condensed Report, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board (“MASB”), but are not yet effective to the Group.

Effective for financial periods beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 and Amendments to MFRS 19 Subsidiaries without Public Accountability:
Disclosures

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates –
Translation to a Hyperinflationary Presentation Currency.

Effective date of these Amendments to Standards has been deferred, and yet to be announced

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128
Investments in Associates and Joint Ventures - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The above pronouncements are either not relevant or do not have any material impact to the Group's financial statements.

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)

A3. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

There were no qualifications on the audited financial statements of the Group for the financial year ended 31 December 2025.

A4. SEASONAL OR CYCLICAL FACTORS

The Group’s operation was not significantly affected by any unusual seasonal or cyclical factors.

A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the current quarter and financial period-to-date under review.

A6. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates in the current quarter and financial period-to-date under review.

A7. DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

A8. DIVIDEND PAID

There was no dividend paid by the Company during the current financial quarter under review.

A9. REVENUE

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
	Unaudited	Unaudited	Unaudited	Unaudited
Business segments	RM’000	RM’000	RM’000	RM’000
Manufacturing of sheet metal products	43,215	37,002	43,215	37,002
Supply of scaffoldings	14,256	16,092	14,256	16,092
Trading of steel and related products	5,641	4,235	5,641	4,235
Total	63,112	57,329	63,112	57,329

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)

A10. SEGMENTAL INFORMATION

The Group operates predominantly in a single operating segment, namely the manufacturing, sale and rental of steel and metal related products.

Management monitors the operating results of the Group as a whole for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the information by operating segments has not been reported separately.

Segmental information is provided based on contribution by geographical factors.

Majority of the assets and liabilities of the Group are derived from Malaysia. Hence, no additional disclosure is made on geographical breakdown/detail of the segment assets of the Group.

Revenue contribution by geographical factors

Countries	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	31.03.2026 Unaudited RM'000	31.03.2025 Unaudited RM'000	31.03.2026 Unaudited RM'000	31.03.2025 Unaudited RM'000
Malaysia	62,893	55,102	62,893	55,102
United States of America	-	1,139	-	1,139
Others	219	1,088	219	1,088
Total	63,112	57,329	63,112	57,329

Note:

(1) Other countries include Singapore, Australia, Canada and India for the current financial period-to-date under review. For the corresponding quarter and financial period of the preceding year, other countries included Singapore and Bangladesh.

A11. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of property, plant and equipment in the current financial quarter under review, where the revaluation surplus or deficit will be incorporated in the financial statements of the Group.

[The remainder of this page is intentionally left blank]

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)

A12. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (i) On 18 September 2025, the Board announced that its indirect wholly-owned subsidiary, YS Global Industries Sdn Bhd (“**YSGI**”) had entered into 5 cooperation agreements with Runwin International (HK) Holding Group Co., Limited (“**Runwin**”) for the purpose of setting up a colour coating production line for the commercial production of colour coated steel coils.

In conjunction with the cooperation agreements, YSGI together with BWYS Metech Sdn Bhd (formerly known as YS Success Industries Sdn Bhd), a wholly-owned subsidiary of the Company, had on the same date entered into a shareholders’ agreement and a first supplemental agreement thereto (“**SHA**”) with Lionwise Holding Group Pte Ltd (“**LHG**”), an 81.48%-owned subsidiary of Runwin and FXD Group Sdn Bhd (“**FXD**”), to establish a joint venture and regulate their relationship inter se as shareholders of YSGI for the purposes of undertaking the business of manufacturing and sale of pre-painted ferrous and non-ferrous coils/sheets, as well as paint and liquid coating products.

On 18 May 2026, the Board further announced that the SHA had been mutually terminated by all parties. The termination of the SHA was undertaken as part of the Group’s internal restructuring and rationalisation exercise, pursuant to which the Group has incorporated a new special purpose vehicle, BWYS Colour Sdn Bhd (“**BWYS Colour**”), a wholly-owned subsidiary of the Company, to undertake the business of pre-painting process for metal coils and metal sheets including wet paint and liquid coating products (“**Proposed JV**”).

Following the termination of the SHA, the Company had on the same date, entered into a new shareholders’ agreement (“**New SHA**”) with LHG, FXD and BWYS Colour to regulate their relationship inter se as shareholders of BWYS Colour in relation to the undertaking of the Proposed JV.

- (ii) On 21 May 2026, BWYS Colour Sdn Bhd (“**BWYS Colour**”), a wholly-owned subsidiary of the Company, had incorporated a wholly-owned subsidiary known as BWYS ColMet Sdn Bhd (“**BWYS Colmet**”) and became an indirect wholly-owned subsidiary of the Company.

A13. CHANGES IN COMPOSITION OF THE GROUP

On 13 February 2026, BWYS Plastic Sdn Bhd (“**BWYSP**”) was incorporated as a wholly-owned subsidiary of the Company.

Saved for above, there were no other material changes in the composition of the Group for the current financial quarter under review.

A14. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or contingent assets in the Group as at the date of this interim report.

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART A – EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134, INTERIM FINANCIAL REPORTING (CONT’D)**A15. CAPITAL COMMITMENTS**

Saved as disclosed below, there is no material commitment for capital expenditure, which upon becoming enforceable, may have a material effect on the Group’s financial position as at the date of this interim financial report.

	Unaudited 31.03.2026 RM’000	Unaudited 31.03.2025 RM’000
Capital expenditure in respect of purchase of property, plant and equipment		
- contracted but not provided for	112,539	29,891

A16. RELATED PARTY TRANSACTIONS DISCLOSURES

The Group has carried out the following transactions with related parties during the financial period:

	Quarter Ended		Year-To-Date Ended	
	31.03.2026 Unaudited RM’000	31.03.2025 Unaudited RM’000	31.03.2026 Unaudited RM’000	31.03.2025 Unaudited RM’000
Sales	50	-	50	-
Lease payment	(264)	(116)	(264)	(116)
Rental expenses - short term leases	(32)	(124)	(32)	(124)

[The remainder of this page is intentionally left blank]

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. REVIEW OF PERFORMANCE

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>31.03.2026</u>	<u>31.03.2025</u>	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	63,112	57,329	63,112	57,329
Profit before tax	29,076	4,203	29,076	4,203

Current Quarter and Year-To-Date Ended

Revenue

The Group recorded revenue of RM63.11 million for the current quarter ended 31 March 2026 (“Q1FY2026”), representing an increase of RM5.78 million or 10.09% as compared to RM57.33 million recorded in the corresponding quarter ended 31 March 2025 (“Q1FY2025”).

The increase in revenue was mainly attributable to higher contribution from the manufacturing of sheet metal products segment and trading of steel and related products segment, which increased by RM6.21 million and RM1.41 million respectively as compared to the corresponding quarter last year. The improvement was mainly driven by higher sales demand and increase in business activities during the current quarter.

Revenue from the manufacturing of sheet metal products segment increased from RM37.00 million in Q1FY2025 to RM43.22 million in Q1FY2026, contributing approximately 68.47% of the Group’s total revenue for the current quarter.

The trading of steel and related products segment also recorded an increase in revenue from RM4.24 million in Q1FY2025 to RM5.64 million in Q1FY2026, mainly due to higher trading activities and customers’ demand.

However, revenue from the supply of scaffoldings segment decreased from RM16.09 million in Q1FY2025 to RM14.26 million in Q1FY2026, mainly due to lower project deliveries and slower demand during the current quarter.

In addition, the Group’s overall business operations during the current quarter were partially affected by the festive holiday season in Malaysia, particularly the Chinese New Year and Hari Raya celebrations. The factory operations were temporarily halted for approximately one week during the Chinese New Year festive period, which resulted in lower production days and affected operational efficiency during the quarter.

Malaysia remains the Group’s largest market, contributing revenue of RM62.89 million, representing 99.65% of total Group revenue for the current financial quarter (2025: RM55.10 million or 96.12%).

Profit before tax (“PBT”)

The Group recorded a PBT of RM29.08 million for the current financial quarter and financial period-to-date, representing an increase of RM24.87 million compared to the corresponding quarter and financial period of the preceding year.

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B1. REVIEW OF PERFORMANCE (CONT'D)

Profit before tax (“PBT”) (cont'd)

The surge in PBT was primarily attributable to higher other operating income, mainly arising from the gain on disposal of asset held for sale amounting to RM38.39 million. However, this gain was partially offset by the followings:

- (i) Gross profit decreased by RM2.40 million to RM10.04 million during the current quarter from RM12.44 million in the corresponding quarter of the preceding year, mainly attributable to lower contribution from the scaffolding business segment following the decrease in revenue;
- (ii) Impairment losses on trade and other receivables amounting to RM3.22 million were recognised during the current quarter; and
- (iii) Higher administrative expenses and distribution expenses mainly arising from allowance for impairment loss on inventories amounting to RM6.29 million and one-off non-recurring real estate agency fee of RM1.34 million incurred in relation to the disposal of asset held for sale during the period under review.

B2. COMPARISON WITH IMMEDIATE-PRECEDING QUARTER'S RESULTS

	Individual Quarter Ended			
	31.03.2026 Unaudited RM'000	31.12.2025 Audited RM'000	Variance	
			RM'000	%
Revenue	63,112	74,932	(11,820)	(15.77)
Profit before tax	29,076	5,322	23,754	446.34

The Group recorded revenue of RM63.11 million for the current financial quarter, representing a decrease of RM11.82 million or 15.77% compared to RM74.93 million in the immediate preceding quarter. The decrease in revenue was mainly attributable to lower business activities during the current quarter, which was affected by the festive holiday season in Malaysia, particularly the Chinese New Year and Hari Raya celebrations. In addition, the Group's manufacturing operations were temporarily halted for approximately one week during the Chinese New Year festive period, resulting in lower production output and fewer operating days during the quarter under review.

Gross profit increased by RM0.97 million to RM10.04 million during the current quarter from RM9.06 million in the preceding quarter mainly attributable to supply of scaffoldings segment.

PBT for the current financial quarter stood at RM29.08 million, reflecting an increase of RM23.75 million or 446.34% from RM5.32 million recorded in the preceding quarter. The surge in PBT was primarily attributable to higher other operating income, mainly arising from the gain on disposal of asset held for sale amounting to RM38.39 million. However, this gain was partially offset by the followings:

- (i) Increase in impairment losses on trade and other receivables by RM3.03 million during the current quarter;

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B2. COMPARISON WITH IMMEDIATE-PRECEDING QUARTER'S RESULTS (CONT'D)

- (ii) Decrease in other operating income (excluded gain on disposal of asset held for sale) by RM3.88 million mainly arising from gain on disposal of leasehold land of RM2.61 million in preceding quarter, reduce in sale of scrap of RM0.64 million and reduce in rental of factory of RM0.88 million during the current quarter; and
- (iii) Higher administrative expenses and distribution expenses mainly arising from allowance for impairment loss on inventories amounting to RM6.29 million and one-off non-recurring real estate agency fee of RM1.34 million incurred in relation to the disposal of asset held for sale during the current quarter.

B3. PROSPECTS OF THE GROUP

The Malaysian construction sector is expected to remain supported by ongoing public and private sector project execution, particularly across infrastructure, industrial, logistics and building developments. The RM430 billion development expenditure allocation under the Thirteenth Malaysia Plan 2026 to 2030 provides the medium-term policy backdrop, while the RM81 billion development expenditure under Budget 2026 is expected to spur nearer-term construction activity. Collectively, these initiatives are expected to sustain demand for steel-based building materials.

Against this backdrop, demand for the Group's roofing sheets, structural components, racking systems and related solutions is expected to remain resilient, supported by ongoing activity across the construction, warehousing and industrial sectors. While global steel markets may continue to face price volatility and uneven demand amid macroeconomic uncertainties, sustained domestic project activity is expected to provide a degree of stability to the Group's business prospects.

The Group's new production facility in Penang is expected to be completed in the second quarter of 2026. Together with the new colour coating production line, the facility is expected to strengthen the Group's production capabilities, improve operating efficiency and broaden its product offerings to better serve customer requirements.

Moving forward, the Group will continue to maintain a disciplined approach towards cost management, inventory planning and operational efficiency to manage raw material price movements and competitive market conditions.

Barring any unforeseen circumstances, the Board remains cautiously optimistic that the Group's performance for the financial year ending 31 December 2026 will remain satisfactory.

B4. VARIANCE OF ACTUAL PROFITS FROM FORECAST PROFITS

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B5. INCOME TAX EXPENSES**

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	<u>31.03.2026</u>	<u>31.03.2025</u>	<u>31.03.2026</u>	<u>31.03.2025</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>	<u>Unaudited</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Income tax expenses				
- Current tax	898	1,576	898	1,576
- Deferred tax	*	(1)	*	(1)
Total income tax expense	898	1,575	898	1,575
Real Property Gains Tax	3,532	-	3,532	-
	4,430	1,575	4,430	1,575
Effective tax rate (%)	15.24	37.47	15.24	37.47
Statutory tax rate (%)	24.00	24.00	24.00	24.00

Note:

* Less than RM1,000.

The Group's effective tax rate for the current period was lower than the statutory tax rate, principally due to the Real Property Gains Tax rate of 10% applied to the total taxable gain on disposal of the asset held for sale. Conversely, the higher effective tax rate in the corresponding quarter and financial period of the preceding year was mainly attributable to certain non-deductible expenses for tax purposes.

B6. STATUS OF CORPORATE PROPOSALS

Save as disclosed in Note A12 and as disclosed below, there were no corporate proposals announced but not completed as at the date of this interim report.

- (i) On 22 October 2025, M & A Securities Sdn Bhd had, on behalf of the Board, announced that BW Scaffold Industries Sdn Bhd, a wholly-owned subsidiary had entered into a sale and purchase agreement with Compass IP Sdn Bhd, for the acquisition of a parcel of freehold industrial land held under H.S.(D) 50254, PT 53925, Mukim Tanjong Duabelas, District of Kuala Langat, State of Selangor Darul Ehsan for a cash consideration of RM94,479,631.50, subject to the terms and conditions stipulated in the Duabelas Land SPA ("Duabelas Land Acquisition").

The Company had on 22 January 2026 at its extraordinary general meeting, obtained the shareholders' approval to undertake the Duabelas Land Acquisition and is pending completion.

[The remainder of this page is intentionally left blank]

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B7. UTILISATION OF PROCEEDS****IPO proceeds**

The status of utilisation of gross proceeds of RM56.39 million from Public Issue are as follows:

Utilisation of proceeds⁽¹⁾	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Utilisation RM'000	Estimated timeframe for utilisation from Listing⁽²⁾
Capital expenditure:				
- Construction of new Penang factory	22,840	22,840	-	Within 36 months
- Purchase of new machinery and equipment	7,716	3,320	4,396	Within 36 months
- Implementation of new ERP system, production and inventory management systems	10,831	847	9,984	Within 36 months
Repayment of bank borrowings	4,000	4,000	-	Within 12 months
Working capital	5,500	5,500	-	Within 12 months
Estimated listing expenses	5,500	5,500	-	Within 3 months
Total	56,387	42,007	14,380	

Notes:

- (1) The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus dated 18 June 2024.
- (2) From the date of Listing of the Company on 22 July 2024.

[The remainder of this page is intentionally left blank]

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

B7. UTILISATION OF PROCEEDS (CONT'D)

Changgang Property Disposal

On 6 February 2026, BW Scaffold Industries Sdn Bhd, a wholly-owned subsidiary of the Company, had completed the disposal of a parcel of leasehold industrial land with three (3) blocks of four storey office buildings, three (3) blocks of single storey detached factory buildings and ancillary building held under H.S.(M) 20681, PT404, Seksyen 2, Pekan Bukit Changgang, Tempat Olak Lempit, Daerah Kuala Langat, Negeri Selangor Darul Ehsan for a total cash consideration of RM67,000,000.00 (“**Changgang Property Disposal**”).

The status of utilisation of proceeds of RM67.00 million from the Changgang Property Disposal are as follows:

Utilisation of proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Utilisation RM'000	Estimated timeframe for utilisation ⁽¹⁾
Repayment of bank borrowings	34,546	33,907	639	Within 9 months
Working capital requirement	7,059	5,653	1,406	Within 12 months
Estimated expenses for the Changgang Property Disposal	5,100	5,100	-	Immediately
Duabelas Land Purchase Consideration	20,000	9,448	10,552	Within 12 months
Estimated expenses for the Duabelas Land Acquisition	295	235	60	Immediately
Total	67,000	54,343	12,657	

(1) From the date of completion of the Changgang Property Disposal on 6 February 2026.

B8. GROUP BORROWINGS AND DEBTS SECURITIES

The Group's bank borrowings were as follows:

	<u>Unaudited</u> As at 31.03.2026 RM'000	<u>Audited</u> As at 31.12.2025 RM'000
<u>Current Liabilities:</u>		
<i>Secured:</i>		
Bank overdrafts	680	1,324
Bankers' acceptances	66,734	67,658
Revolving credit	1,000	1,000
Term loans	4,868	5,828
	<u>73,282</u>	<u>75,810</u>
<u>Non-current Liability:</u>		
<i>Secured:</i>		
Term loans	<u>57,773</u>	<u>77,978</u>
Total	<u>131,055</u>	<u>153,788</u>

The bank borrowings are secured and denominated in Ringgit Malaysia.

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B9. MATERIAL LITIGATION**

There was no material litigation against the Group as at the date of this interim report.

B10. DIVIDENDS

No dividend has been proposed or declared for the current financial quarter under review.

B11. EARNINGS PER SHARE (“EPS”)

The basic and diluted EPS for the current quarter and financial period-to-date are computed as follows:

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	31.03.2026 Unaudited	31.03.2025 Unaudited	31.03.2026 Unaudited	31.03.2025 Unaudited
Profit attributable to the Owners of the Company (RM'000)	24,646	2,628	24,646	2,628
Weighted average Number of ordinary shares in issue ('000)	1,025,213	1,025,213	1,025,213	1,025,213
Basic and diluted EPS (sen)	2.40	0.26	2.40	0.26

Basic and diluted EPS is calculated based on profit attributable to owners of the Company divided by weighted average number of ordinary shares of 1,025,213,000 shares as at 31 December 2025. Diluted EPS is equivalent to the basic EPS as there were no potential dilutive securities in issue during the financial quarter under review.

[The remainder of this page is intentionally left blank]

BWYS GROUP BERHAD

Registration No. 202301000310 (1494229-W)

(Incorporated in Malaysia)

PART B – ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)**B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

Profit for the period was derived after taking into consideration of the following:

	<u>Quarter Ended</u>		<u>Year-To-Date Ended</u>	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
	Unaudited	Unaudited	Unaudited	Unaudited
	RM'000	RM'000	RM'000	RM'000
Interest income	(415)	(213)	(415)	(213)
Interest expense	1,623	1,644	1,623	1,644
Income distribution on short term fund	(80)	(35)	(80)	(35)
Depreciation expenses	4,028	3,324	4,028	3,324
Bad debts recovered	(9)	(33)	(9)	(33)
Gain on fair value adjustment on short term fund	-	(249)	-	(249)
Gain on disposal of asset held for sale	(38,387)	-	(38,387)	-
(Gain)/loss on disposals of property, plant and equipment	(612)	115	(612)	115
Property, plant and equipment written off	226	209	226	209
Allowance for impairment loss on inventories	6,291	-	6,291	-
Impairment losses on trade and other receivables	3,219	-	3,219	-
Unrealised gain on foreign exchange	(152)	(72)	(152)	(72)

Save as disclosed above, the other disclosure items as required under paragraph 16 of Appendix 9B of the Listing Requirements are not applicable.

B13. AUTHORISATION FOR ISSUE

The interim financial report was authorised for issue by the Board of Directors of the Company on 22 May 2026.

BY ORDER OF THE BOARD
BWYS GROUP BERHAD