



ENEST GROUP BERHAD
(Company No. 1275638-T)
(Incorporated in Malaysia under the Companies Act, 2016)

**ADDITIONAL INFORMATION ACCOMPANYING
THE AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

**(APPENDIX 6A, PART B OF THE LEAP MARKET LISTING REQUIREMENTS OF BURSA
MALAYSIA SECURITIES BERHAD)**

**CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA
SECURITIES BERHAD (“BURSA SECURITIES”)**

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY ENEST GROUP BERHAD (“ENEST” OR THE “COMPANY”). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.



SECTION A – ADDITIONAL INFORMATION REQUIRED UNDER PART B OF APPENDIX 6A OF THE LEAP MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

A1. REVIEW OF PERFORMANCE

1. Revenue

By Business segment

	Audited		Audited	
	12 months ended 31 December 2023 ("FYE 2023")		12 months ended 31 December 2022 ("FYE 2022")	
	RM'000	%	RM'000	%
Edible bird's nest	118,888	98.80	108,474	96.02
Pharmacy	1,437	1.20	4,498	3.98
Total	120,325	100.00	112,972	100.00

Commentaries

Our Group recorded total revenue of approximately RM120.33 million and RM112.97 million for the FYE 2023 and the FYE 2022 respectively, representing an increase of approximately RM7.35 million as compared to the FYE 2022. This was primarily due to additional revenue contribution from our edible bird's nest business segment.

2. Profitability level

	Audited		Audited	
	12 months ended 31 December 2023 ("FYE 2023")		12 months ended 31 December 2022 ("FYE 2022")	
GP (RM'000)		14,752		14,939
GP margin (%)		12.26		13.22
PBT (RM'000)		8,737		8,572
PBT margin (%)		7.26		7.59
PAT		7,000		6,464
PAT margin (%)		5.82		5.72

Commentaries

Backed by the revenue growth, our Group recorded improved GP for the FYE 2023 as compared to the FYE 2022.

Our Group's PBT stood at approximately RM8.74 million and RM8.57 million for FYE 2023 and 2022 respectively, whilst our Group's PAT stood at approximately RM7.00 million and RM6.46 million respectively for the FYE 2023 and FYE 2022; the increase is mainly due to overall increase in processing and selling bird's nest products.



A2. PROSPECTS

Our business objectives are to maintain sustainable growth in our business and create long-term shareholder value.

The Group's overall positive performance for the financial year ended 31 December 2023 was largely supported by the growing demand for our edible bird's nest.

Apart from our existing operations in the supply of edible bird's nest, we have commenced our pharmacy business segment since 2022, whereby we currently operate physical pharmacy outlets and online pharmacy marketplaces via our online platform and e-commerce marketplaces. We plan to expand our chain of pharmacies retail outlets to increase our market presence.

Barring any unforeseen circumstances, the Board of Directors is cautiously optimistic and expects that the Group's performance for the financial year ending 31 December 2024 will remain stable and healthy.

SECTION B - OTHER INFORMATION

B1. STATUS OF CORPORATE PROPOSAL

There was no corporate proposal announced but pending completion as at the date of this report.

B2. UTILISATION OF PROCEEDS

The status of the utilisation of proceeds from the Excluded Issue of RM4 million as at 31 December 2023:

Purpose	Proposed utilisation	Actual utilisation	Variance
	RM'000	RM'000	RM'000
R&D expenditure	500	101	399 ^(a)
Capital expenditure	501	501	-
Brand development expenditure	406	102	304 ^(b)
Working capital	1,593	2,596	-
Estimated listing expenses	1,000	700 ^(c)	-
Total	4,000	4,000	703

Note

^(a) RM0.50 million was earmarked to develop products containing bird's nest essence. The development process commenced in April 2022 and the new product (i.e. mixed collagen, bird nest peptide and pomegranate drink) was commercialised under the name of "Rejuvnest" in August 2022 at a cost of RM0.10 million. The remaining unutilised amount was reallocated to working capital.

^(b) RM0.41 million was earmarked to strengthen the branding of edible bird's nest under the Bai Leng Yan[®] brand by providing convenience to customers for product viewing at the new office and product showroom. The rental and renovation for the new office and product showroom was completed at a cost of RM0.10 million. The remaining unutilised amount was reallocated to working capital.

^(c) As disclosed in the Company's Information Memorandum, any excess amount of the Listing Proceeds earmarked for estimated listing expenses will be reallocated to working capital.



B3. MATERIAL LIGATION

There is no material litigation pending as at the date of this report.

B4. DIVIDEND

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

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