



SUNMOW HOLDING BERHAD
(Registration No. 202001024626 (1380946-V))
(Incorporated in Malaysia under the Companies Act 2016)

**ADDITIONAL INFORMATION ACCOMPANYING THE AUDITED FINANCIAL STATEMENTS FOR
THE FINANCIAL YEAR ENDED (“FYE”) 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 SUNMOW HOLDING BERHAD (“SUNMOW” 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.

This Additional Information is dated 29 April 2024

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

1. REVIEW OF PERFORMANCE

The Group recorded a revenue of RM115.16 million for the financial year ended 31 December (“**FYE**”) 2023 which represents an increase of RM27.25 million or 31.00% as compared to RM87.91 million for the FYE 2022. The increase in the revenue is mainly attributable from the property development segment, which had contributed approximately RM41.90 million or 36.39% of the total revenue of the Group.

The Group recorded a gross profit of RM18.70 million which represents an increase of RM3.75 million or 25.08% as compared to RM14.95 million for the FYE 2022.

In view of the above, the profit before tax of the Group increased by 40.15% or RM3.28 million and the profit after tax of the Group increased by 49.91% or RM2.84 million in FYE 2023 as compared to FYE 2022.

2. PROSPECTS

The Board is of the opinion that the stable political environment and continuous pro-business policies in Sarawak will instil confidence to investors for investment in Sarawak.

Furthermore, Sarawak is experiencing a fundamental transformation in its economic activities. Improvement in basic infrastructure such as highway, ports, tele-communication etc will bring tremendous opportunity and additional prospects to its economy. Therefore, the Group will continue to focus in growing the construction and construction related services and to execute and deliver the construction projects that have been secured. The Group will continue to look for opportunities to secure more construction projects and construction related services as well as to identify landbank with development potential.

Barring any unforeseen circumstances, the Board is optimistic for the Group’s financial performance for the FYE 2024.

PART B – OTHER INFORMATION

1. STATUS OF CORPORATE PROPOSALS

On 12 April 2024, the Company made an announcement on Bursa Malaysia Securities Berhad (“**Bursa Securities**”) that the Company proposes to undertake the following proposals:-

- (a) proposed non-renounceable rights issue of up to 15,596,000 new redeemable preference shares (“**RPS**”) (“**Right RPS**”) at an issue price of RM0.50 per Rights RPS together with up to 15,596,000 free detachable warrants;
- (b) proposed placement of 15,000,000 new RPS (“**Placement RPS**”) at an issue price of RM1.00 per Placement RPS to sophisticated investor(s) to be identified later; and
- (c) proposed amendments to the Constitution of the Company to facilitate the creation and issuance of the Rights RPS and Placement RPS.

Save as disclosed, there were no other corporate proposals announced but pending completion as at the date of this report.

2. UTILISATION OF PROCEEDS

The subscription of Sunmow shares by pre-listing investors of RM12.00 million has been fully utilised in FYE 2023 as follows:

Details of utilisation	Proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000	Estimated timeframe for utilisation upon Listing
Purchase of new construction machineries and equipment	3,026	3,026	-	Within 24 months
Working capital for construction projects	4,000	4,000	-	Within 24 months
Working capital for the Group	4,274	4,274	-	Within 12 months
Listing expenses	700	700	-	Immediate
Total	12,000	12,000	-	

3. MATERIAL LITIGATION

On 3 April 2024, Sunmow Construction Sdn. Bhd., a wholly-owned subsidiary of Sunmow (“**Plaintiff**”) had filed Writ of Summons and Statements of Claim at the Sessions Court at Bintulu, Sarawak against Kong Choon Wei and Ting Yu Kwong on trade debt recovery. The case is fixed for mention on 6 May 2024.

PART B – OTHER INFORMATION

4. DIVIDENDS

The Board of Directors had on 4 December 2023 declared a single tier dividend of 1.65 sen per ordinary share in respect of the FYE 2023. The interim dividend amounted to RM3,860,010 was paid on 22 December 2023.