CREST BUILDER HOLDINGS BERHAD

200201005719 (573382-P)

ANNUAL REPORT 2024

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CORPORATE PROFILE

Building Excellence, Creating Value

Crest Builder Holdings Berhad ("**CBHB**") was incorporated on 9 March 2002 as a public limited company under the Companies Act 1965. The Group successfully undertook a Corporate and Debt Restructuring Scheme, acquiring the listing status of MGR Corporation Berhad. Following this strategic move, CBHB was officially listed on the Main Board of Bursa Malaysia Securities Berhad on 12 June 2003.

Founded in 1983 by the late Mr. Yong Soon Chow, CBHB began as a small construction firm with fewer than ten employees. Through decades of strategic growth, it has transformed into a dynamic and diversified corporation with a workforce of over 300 professionals. Today, CBHB is widely recognized as a leader in the construction industry, with an extensive portfolio that spans high-rise developments, mixed-use projects, transit-oriented developments, and commercial buildings. The Group's commitment to quality and precision has earned the trust of Malaysia's most prestigious developers as well as international property players, further strengthening its reputation in the industry.

With a strong foundation built on experience and an innovative approach, CBHB has successfully expanded beyond its core construction expertise into property development, mechanical and electrical (M&E) services, and project management. This diversification allows the Group to offer comprehensive and customized solutions that emphasize sustainability, efficiency, and cutting-edge technology. In 2007, CBHB marked a significant milestone with the completion of its maiden property development, 3 Two Square, which paved the way for the Group's entry into property management and car park management. Since then, the Group has continuously expanded its footprint, delivering landmark projects that have reshaped urban landscapes.

Over the years, CBHB has completed a diverse range of projects, including the UNITAR Campus at Tierra Crest and the UiTM Tapah campus, where the Group manages a 23-year concession for the 5,000-student capacity facility. Other key developments include Alam Idaman, Avenue Crest, Alam Sanjung, and Residensi Hijauan in Shah Alam. Most recently, CBHB launched Interpoint at Bandar Bukit Tinggi, an integrated development with a gross development value of RM650 million, marking another significant milestone in its growth journey.

At the core of CBHB's operations is a vision to be the preferred organization of choice for partners, clients, and stakeholders. The Group is driven by a steadfast commitment to prudent cost management, the highest standards of quality, and a relentless pursuit of customer satisfaction. Its dedication to excellence is evident in its consistently high scores in CIDB's QLASSIC assessment, a testament to the superior workmanship delivered across all its projects. CBHB also places a strong emphasis on workplace safety, frequently achieving five-star SHASSIC ratings, setting a benchmark for industry best practices.

With a proven track record, a commitment to innovation, and a strong focus on sustainability, CBHB continues to shape the nation's skyline. More than just constructing buildings, the Group is dedicated to building a lasting legacy of excellence, creating value for generations to come.

NOTICE OF 23RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the 23rd annual general meeting will be held

Venue	Sime Darby Convention Centre 1A, Jalan Bukit Kiara 1 60000 Kuala Lumpur
Day, date and time	Wednesday, 28th May 2025 at 10:00 a.m.

AGENDA

Ordinary business

1. **Laying of audited financial statements and reports**

   To lay the duly audited financial statements consisting of the consolidated statement of comprehensive income, the consolidated statement of financial position, the reports of the directors and auditors for the financial year ended 31st December 2024, in compliance with Section 340(1)(a) and 266(1)(a) of the Companies Act 2016 respectively. **Please refer to Note 2 of the Statement Accompanying Notice of 23rd Annual General Meeting**

2. **Election of director**

   THAT re-election of the Non-Executive Chairman, Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah, who retires in accordance with Article 79 of the Company's Constitution, be hereby approved. **Resolution 1**

3. **Election of director**

   THAT re-election of the Managing Director, Mr Yong Shang Ming, who retires in accordance with Article 79 of the Company's Constitution, be hereby approved. **Resolution 2**

4. **Appointment of auditors**

   THAT the appointment of Messrs Baker Tilly Monteiro Heng PLT, Chartered Accountants, as the auditors in accordance with Article 57 of the Company's Constitution and pursuant to Section 271(4)(a) of the Companies Act 2016 for the ensuing financial year ending 31st December 2025 be confirmed and that the directors be authorised to fix the remuneration of the auditors pursuant to Section 274(1)(a) of the Companies Act 2016 be hereby approved. **Resolution 3**

Special business

5. **Approval for fees for directors pursuant to Section 230(1)(a) of the Companies Act 2016**

   THAT the payment of RM198,000 as fees for directors for the financial year ended 31st December 2024 (2023: RM198,000) and payment of RM198,000 as fees for directors for the financial year ending 31st December 2025 in accordance with Article 88 of the Company's Constitution be hereby approved. **Resolution 4**

NOTICE OF 23RD ANNUAL GENERAL MEETING (CONT'D)

AGENDA (CONT'D)

Special business (Cont'd)

6. Allotment of shares or grant of rights with the Company approval pursuant to Section 76 of the Companies Act 2016

THAT pursuant to Section 76 of the Companies Act 2016 and subject to the approval of all relevant authorities being obtained, the directors be empowered for the purposes of Section 75(1) of the Companies Act 2016 to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the issued and paid-up capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next annual general meeting ("AGM") be hereby approved. **Resolution 5**

By order of the Board

Company Secretary
Heng Chiang Pooh FCIS (CS) (CGP)
(MAICSA 7009923)

Dated: 25th April 2025

Notes

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint anyone to attend and vote in his stead as his proxy without limitation and the provisions of Section 334 of the Companies Act 2016 shall apply.
2. If a corporation is a member of the Company, the corporation may by resolution of its Board or other governing body authorise a person or persons to act as its authorised representative or representatives at any meeting of members of the Company. A certificate of authorisation by a corporate member shall be prima facie evidence of the appointment or the revocation of the appointment, as the case may be, of a representative pursuant to Section 333(5) of the Companies Act 2016.
3. Shareholders' attention is hereby drawn to the Listing Requirements of the Bursa Malaysia Securities Berhad, which allows a member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, to appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities.
4. A member may appoint more than one (1) proxy provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy.
5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
6. In respect to the deposited securities, only members whose name appear in the Record of Depositors on 21st May 2025 shall be eligible to attend the meeting or to appoint proxy to attend and/or vote on his behalf.

STATEMENT ACCOMPANYING NOTICE OF 23RD ANNUAL GENERAL MEETING

1. **VOTING BY WAY OF POLL**

   Pursuant to paragraph 8.29A(1) of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad, all resolutions set out in this notice shall be put to vote by way of poll.

2. **ORDINARY BUSINESS – AGENDA 1**

   The laying of audited financial statements and the reports of the directors and auditors are in compliance with Section 340(1)(a) and 266(1)(a) of the Companies Act 2016 respectively. It is meant for discussion only and does not require voting by shareholders.

3. **ORDINARY BUSINESS – RESOLUTION 1 & 2**

   The Nomination and Remuneration Committee had assessed the retiring directors based on Constitution and the particulars of the retiring directors who are standing for re-election are set out in the relevant pages of the Annual Report as follows.

Name of Directors	Directors' Profile	Directors' Shareholdings
Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah (Non-Executive Chairman)	Page 10	Page 160
Mr Yong Shang Ming (Managing Director)	Page 10	Page 160

   Details of directors' attendance at Board Meetings are set out in the Statement of Overview on Corporate Governance on Page 53 of the Annual Report.

4. **ORDINARY BUSINESS – RESOLUTION 3**

   Pursuant to Section 273(b) of the Companies Act 2016, an auditor shall cease to hold office at the conclusion of the annual general meeting next following his appointment, unless the auditor is re-appointed.

5. **SPECIAL BUSINESS – RESOLUTION 4**

   This authorisation by the general meeting would enable the payment of directors' remuneration in accordance with Article 88 of the Company's Constitution as follows:

   Article 88 - Directors' Remuneration

   The directors shall be paid by way of remuneration for their services such fixed sums (if any) as shall from time to time be determined by the Company in general meeting, and such remuneration shall be divided among the directors in such proportion and manner as the directors may determine. Provided always that:

   (a) fees payable to directors who hold no executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;

   (b) salaries payable to directors who do hold an executive office in the Company may not include a commission on or percentage of turnover;

STATEMENT ACCOMPANYING NOTICE OF 23RD ANNUAL GENERAL MEETING (CONT'D)

5. SPECIAL BUSINESS – RESOLUTION 4 (CONT'D)

(c) *fees payable to directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting;*

(d) *any fee paid to an Alternate Director shall be such as agreed between herself and the director nominating her shall be paid out of the remuneration of the latter.*

6. SPECIAL BUSINESS – RESOLUTION 5

The Company had during its 22nd annual general meeting held on 29 May 2024, obtained its shareholders' approval for the general mandate pursuant to Section 76 of the Companies Act 2016 and subject to the approval of all relevant authorities being obtained, the directors be empowered for the purposes of Section 75(1) of the Companies Act 2016 to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the issued and paid-up capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next annual general meeting be hereby approved. The Company did not issue any shares pursuant to the said mandate.

This Proposed Resolution 5 which is an Ordinary Resolution, if passed, will grant a renewed general mandate and waiver of the statutory pre-emptive rights which will provide flexibility for the Company and will empower the directors to issue new shares in the Company up to an amount not exceeding in total ten percent (10%) of the issued share capital of the Company for the purpose of funding current and/or future investment projects, working capital, and/or strategic development of the Group. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied at a general meeting, will be valid until the conclusion of the next annual general meeting.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company shall make an announcement in respect thereof.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah
Non-Executive Chairman

Yong Shang Ming
Managing Director

Koh Hua Lan (f)
Executive Director

Mahathir bin Mahzan
Independent Non-Executive Director

Lim Boon Teng
Independent Non-Executive Director

Tong Hock Sen
Independent Non-Executive Director

Yong Tiok Keng (f)
Alternate Director to Koh Hua Lan (f)

AUDIT COMMITTEE

Chairman
Mahathir bin Mahzan

Member
Lim Boon Teng
Tong Hock Sen

NOMINATION AND REMUNERATION COMMITTEE

Chairman
Lim Boon Teng

Member
Mahathir bin Mahzan
Tong Hock Sen

COMPANY SECRETARY

Heng Chiang Pooh FCIS (CS) (CGP)
(MAICSA 7009923)

REGISTERED OFFICE

No. 62-2, Jalan 2A/27A
Section 1, Wangsa Maju
53300 Kuala Lumpur

Tel : 03-4148 1888
Fax : n/a

PRINCIPAL PLACE OF BUSINESS

Penthouse, The Crest
3 Two Square, No. 2, Jalan 19/1
46300 Petaling Jaya
Selangor Darul Ehsan

Tel : 03-7841 6000
Fax : 03-7841 6088
Email : corporate@crestbuilder.com.my

SHARE REGISTRAR

ShareWorks Sdn. Bhd.
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas, 50480 Kuala Lumpur

Tel : 03-6201 1120
Fax : 03-6201 3121

AUDITORS

Baker Tilly Monteiro Heng PLT
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur

Tel : 03-2297 1000
Fax : 03-2282 9980

PRINCIPAL BANKERS

AmBank (M) Berhad
Bank Islam Malaysia Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
RHB Bank Berhad

STOCK EXCHANGE LISTING

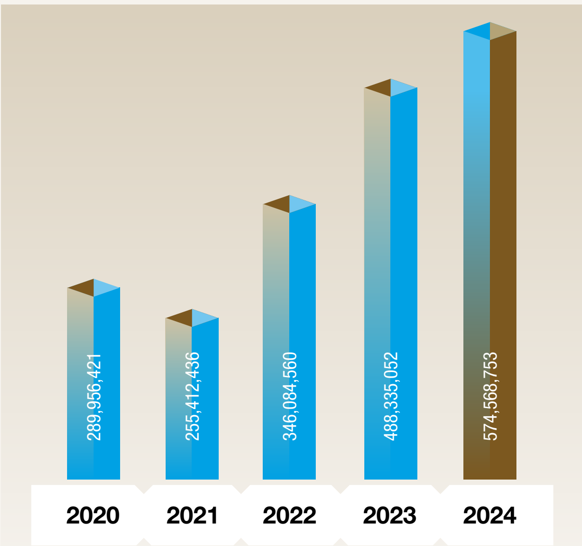
Bursa Malaysia Securities Berhad - Main Market

Sector : Construction

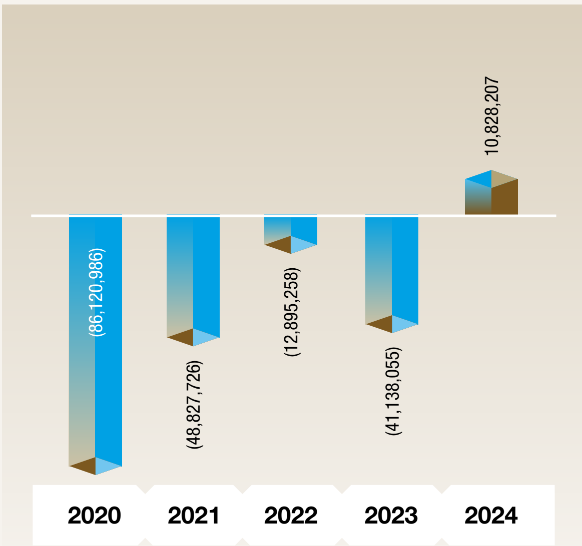
FINANCIAL HIGHLIGHTS

Financial Year Ended	2020 RM	2021 RM	2022 RM	2023 RM	2024 RM
Revenue	289,956,421	255,412,436	346,084,560	488,335,052	574,568,753
(Loss)/Profit Before Tax	(86,120,986)	(48,827,726)	(12,895,258)	(41,138,055)	10,828,207
(Loss)/Profit for the Financial Year	(74,825,827)	(43,554,828)	(12,305,497)	(38,976,654)	5,638,680
(Loss)/Profit attributable to Owners of the Company	(77,110,918)	(44,987,888)	(14,951,889)	(38,944,170)	5,648,194
Total Equity attributable to Owners of the Company	408,995,043	361,195,087	346,243,198	287,726,343	293,374,536
Net Assets per Share (RM)	2.52	2.23	2.14	1.77	1.81
Total Number of Shares (net of Treasury Shares)	162,107,557	162,107,557	162,107,557	162,107,557	162,107,557
Basic (Loss)/Earnings per Share (sen)	(47.53)	(27.75)	(9.22)	(24.02)	3.48
Diluted (Loss)/Earnings per Share (sen)	(47.53)	(27.75)	(9.22)	(24.02)	3.48
Gross Dividend (%)	0.00	0.00	0.00	0.00	0.00

REVENUE
(RM)

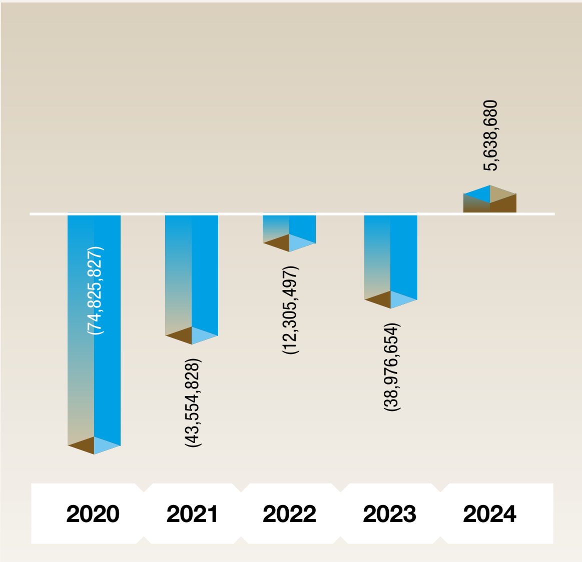


(LOSS)/PROFIT BEFORE TAX
(RM)

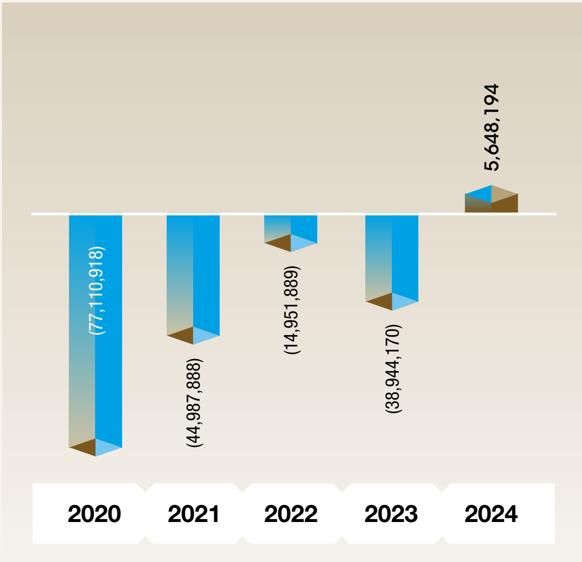


FINANCIAL HIGHLIGHTS (CONT'D)

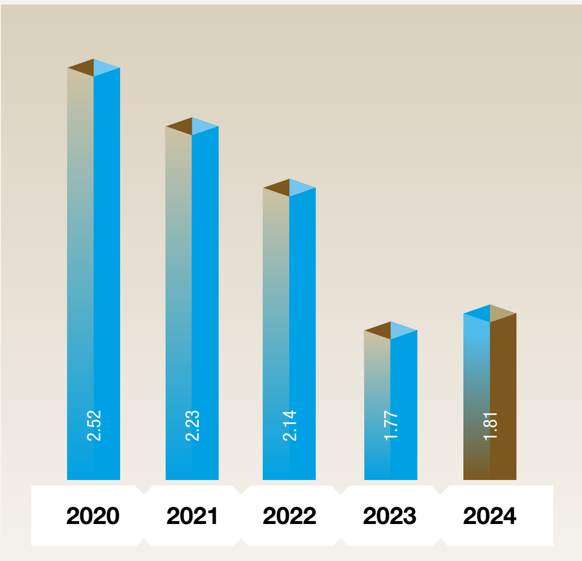
(LOSS)/PROFIT FOR THE FINANCIAL YEAR (RM)



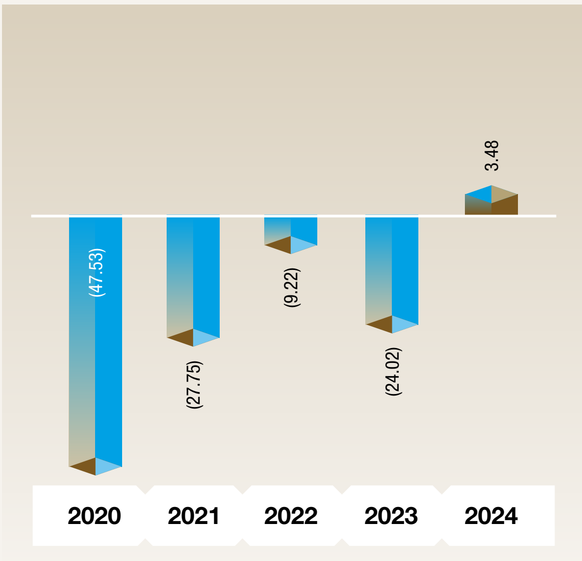
(LOSS)/PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)



NET ASSETS PER SHARE (RM)



BASIC (LOSS)/EARNINGS PER SHARE (SEN)



DIRECTORS' PROFILE

TENGKU DATO' SULAIMAN SHAH BIN TENGKU ABDUL JALIL SHAH

Non-Executive Chairman I Aged 69

Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah * was appointed to the Board on 26 February 2003 as Executive Chairman and he was re-designated as the Non-Executive Chairman with effect from 1 March 2005. Tengku Dato' Sulaiman Shah has over 35 years of experience in the construction, printing, advertising, freight industries and health products. He was appointed as the "Orang Besar Istana" in 1996 with the bestowed title of "Tengku Setia". In 2007, he was awarded "Dato' Sultan Sharafuddin Idris Shah" (D.S.I.S). He is primarily responsible for the orderly conduct and working of the Board and the public relation and communication affairs of the Group.

He attended all of the five (5) Board meetings held during the financial year ended 31 December 2024.

YONG SHANG MING

Managing Director I Aged 42

Yong Shang Ming * was appointed to the Board on 31 January 2008. He graduated his Bachelor's Degree in Civil Engineering from City University London in 2003. He joined the Group in June 2003 as the Special Assistant to the former Group Managing Director, and was promoted to the Board as Executive Director in 2008. He has been the Group Managing Director since 2015, and has been instrumental in the overall operations, business strategies and direction of the Group. With over 20 years of experience in the sector, Eric, as he is fondly known as, is directly involved in the construction tender and business development, whilst overseeing the construction operations. As a driver of quality, he has been constantly pushing the team for higher quality achievements – and this has been demonstrated in recent QLASSIC scorings, whereby the Capri Hotel by Fraser and the South Brooks at Desa ParkCity both achieved the highest QLASSIC scores in their respective segments, putting Crest Builder's name at the pinnacle for two out of the four available categories. He is also an advocate for safety of which he continuously pushes and monitors the safe practices at all the project sites – and this has put Crest Builder amongst the top contractors with the best safety achievements, especially with top 5 star SHASSIC scorings. With his passion and experience in the sector, he is also the brainchild for all the Group's property development projects – being directly involved from the project inception, planning, development and marketing. He has been an active speaker at various seminars and talks, covering topics on construction and property sector as well as motivational and leadership aspects. Further to that, Mr. Eric has been actively involved in and tirelessly champions the rights of the contractors and construction players as an active representative voice in the Master Builders Association Malaysia (MBAM). He is currently the Vice President of MBAM. He is also an active member of the Real Estate and Housing Developers' Association (REHDA). On the global front, he was previously the Secretary General of the ASEAN Constructors Federation (ACF) and is an active member of the International Federation of Asian and Western Pacific Contractors' Associations (IFAWPCA).

He attended all of the five (5) Board meetings held during the financial year ended 31 December 2024.

DIRECTORS' PROFILE (CONT'D)

KOH HUA LAN (F)

Executive Director | Aged 73

Koh Hua Lan (f) was appointed to the Board on 26 February 2003. Madam Koh is the co-founder of Crest Builder Group. With over 40 years of experiences in financial and administration as well as human resource management, she is principally responsible for the administrative and human resources aspects, as well as the management support services of the Group. Her leadership and passion have been an inspiration and a driver for the well-being and teamwork within all the personnel in the Group to continuously strive for improvement and drive for success. Madam Koh is also an active campaigner for the Environmental, Social and Governance (ESG) aspects of the Group, ensuring long-term sustainability of the Group.

She attended all of the five (5) Board meetings held during the financial year ended 31 December 2024.

MAHATHIR BIN MAHZAN

Independent Non-Executive Director | Aged 46

Mahathir bin Mahzan was appointed to the Board on 25 May 2023 and is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee. He graduated from University College London with a Bachelor's Degree in Electronic and Electrical Engineering. He is a Chartered Accountant and a Fellow member of Chartered Accountants Ireland (previously known as the Institute of Chartered Accountants in Ireland), the Malaysian Institute of Accountants (MIA) and the ASEAN Chartered Professional Accountants (ASEAN CPA). He is now the Founding & Managing Partner of Mahzan Sulaiman PLT, a professional firm that focuses primarily on helping micro & small businesses unleash their full potential. Encik Mahathir sits on the Board of three (3) other public listed companies on Bursa Malaysia, namely OCK Group Berhad, Censof Holdings Berhad and Johan Holdings Berhad.

He attended all of the five (5) Board meetings held during the financial year ended 31 December 2024.

LIM BOON TENG

Independent Non-Executive Director | Aged 54

Lim Boon Teng was appointed to the Board on 18 August 2017 and also serves as the Chairman of the Nomination and Remuneration Committee and as a member of the Audit Committee. He graduated from Universiti Malaya with a Bachelor's Degree in Accountancy. He is a member of the Malaysian Institute of Certified Public Accountants and a member of the Malaysian Institute of Accountants. He has more than 25 years of experience in the field of accounting, auditing and corporate finance. He worked in Ernst & Young Malaysia and CIMB Investment Bank Berhad before working in Ernst & Young China for 12 years, of which 3 years he was an audit partner. He joined Deloitte Malaysia in 2012 and worked as audit partner for 4 years. He is currently managing his accounting practices.

He attended all of the five (5) Board meetings held during the financial year ended 31 December 2024.

DIRECTORS' PROFILE (CONT'D)

TONG HOCK SEN

Independent Non-Executive Director I Aged 57

Tong Hock Sen was appointed to the Board on 25 May 2023 and is also a member of the Audit Committee and the Nomination and Remuneration Committee. He obtained Certificate of Legal Practice from Brickfields College in Malaysia, and graduated from University of Warwick, Coventry in UK with a LLB (Hons) Law. He was admitted to the Bar on 1 October 1993. He was part of the core team of the Legal Department in Sunway Group of Companies between 1994 to 2001. Mr Tong has handled complex corporate and commercial matters in a diverse cluster of industries relating to privatization of toll roads, construction, property development, property investment, quarrying, building materials, shopping malls, hotels, theme parks, leisure-related industries, education and IT. He has reviewed/drafted documents related to corporate restructuring exercises, listing exercises, rights and bonus issues, ESOS schemes, concession agreements, construction contracts, acquisition and divestment agreements and issuance of private debt securities in the form of Islamic bonds. He left his position as the Head of the Legal Department of the Sunway Group of companies in early 2001 to return to private practice till now. Mr Tong is the founder of Messrs John Tong, Fahmi & KH Yeoh where he continues to practice in his specialist areas which includes handling shareholders disputes. Aside from private practice, he has been actively involved in the activities of the MBAM as the Honorary Legal Advisor for more than 2 decades. He has also been appointed as the Legal Advisor to the IFAWPCA since 2018.

He attended all of the five (5) Board meetings held during the financial year ended 31 December 2024.

YONG TIOK KENG (F)

Alternate Director to Koh Hua Lan (f) I Aged 46

Yong Tiok Keng (f) was appointed to the Board on 25 May 2009. She graduated with her BSc in Accounting and Finance from London School of Economics, London in 2001. She started her tenure in Crest Builder Group as the Corporate Affairs Manager. With over 20 years of experience in the fields of accounting and corporate finance, she is currently the head of the Accounts, Finance and Corporate departments of the Group, overseeing the overall corporate affairs and financial policies, cashflow and risk management, as well as the daily accounting and finance aspects of the Group.

She attended all of the five (5) Board meetings held during the financial year ended 31 December 2024.

Further information

All of the directors are Malaysian.

Except for certain recurrent related party transactions of revenue nature or trading nature which are necessary for the day-to-day operation of the Group, the recurrent related party transaction for which Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah is deemed to be interested is disclosed in page 63.

Mr. Yong Shang Ming is the son to Madam Koh Hua Lan. Ms Yong Tiok Keng is the daughter to Madam Koh Hua Lan. Saved as disclosed herein, there are no family relationships between the directors and/or major shareholders of the Company, or any personal interest or conflict of interest in any business arrangement involving the Group.

The securities holdings of the directors are disclosed in page 160. By virtue of their interests in shares of the Company and under Section 8 of the Companies Act 2016, Madam Koh Hua Lan, Mr Yong Shang Ming and Ms Yong Tiok Keng is deemed to be interested in the shares of all the subsidiary companies to the extent the Company has an interest.

None of the directors has been convicted of any offence within the past five years other than traffic offences, if any.

Note: **Indicates directors who retire according to the Company's Constitution and are eligible to offer themselves for re-election.*

KEY MANAGEMENT PERSONNELS' PROFILE

TEH HOCK HUA

Chief Executive Officer *(Construction Division)* I Aged 52

Teh Hock Hua, a Malaysian, graduated from Universiti Malaya with a Bachelor's in Civil Engineering with First Class Honours in 1998 and joined Crest Builder Sdn. Bhd. as a Project Engineer. Mr. Teh quickly rose up the ranks – being promoted to Project Manager, General Manager and subsequently Director of Crest Builder Sdn. Bhd. and the overall Head of the Construction Division. In August 2017, he was re-designated and appointed as the Chief Executive Officer of Crest Builder Sdn. Bhd. He has been pivotal in driving the construction division, putting Crest Builder as one of the top high-rise luxury builders in Malaysia. Mr. Teh's immense experience in the sector coupled with his management skills has been able to drive Crest Builder's vision to be the Preferred Organization of choice by its customers and partners.

IR. DR. SIEW WOH HON

Chief Operating Officer *(Construction and M&E Divisions)* I Aged 52

Ir. Dr. Siew Woh Hon, a Malaysian, graduated with his BSc in Electrical Engineering from Western Michigan University, USA (1995), MSc in Construction Management from Heriot-Watt University, UK (2008) and completed his PhD in Construction Management from Central State University, USA (2014). He is currently the Chief Operating Officer of Construction and M&E Divisions. He has over 20 years of experience in the field of M&E and engineering design. Being a registered Professional Engineer with Practicing Certificate (PEPC) from the Board of Engineers Malaysia, Lawrence, as he is fondly known, has vast experience in managing technically complex projects and possesses a forward-thinking approach to the management of clients and assignments. He has a long track record of delivering complex projects with a global reach and is able to manage the project delivery team through entire life-cycle, from clients' enquiries to invoice. He has led the teams on commercial, industrial, education and health projects where the highest standards are routinely demanded.

YONG TIOK NEE

Head of Construction Solutions & Property Management I Aged 37

Yong Tiok Nee, a Malaysian, graduated with her Bachelor's Degree in Planning and Design (Property and Construction) and Bachelor's Degree of Property and Construction (Honours) from University of Melbourne. She was appointed as the Head of Construction Solutions and Property Management of the Crest Builder Group in September 2015 – covering all aspects of building maintenance, building management including financial budgeting and cash flow management, as well as dispute resolution.

MANAGEMENT DISCUSSION AND ANALYSIS

Dear shareholders,

The Board of Directors and management of Crest Builder Holdings Berhad ("**CBHB**" or "**Group**") are pleased to present to you the management discussion and analysis, which provides an insight of CBHB's financial and operational performance for the year under review.

We are especially proud to highlight that the financial year ended 31 December 2024 ("**FYE2024**") marked a significant turning point for the Group. This positive outcome is the result of the successful execution of our strategic initiatives, coupled with the unwavering dedication, hard work, and perseverance of our entire team.

BUSINESS OVERVIEW

Given its over 4 decades of proven track record in the local construction industry, CBHB's principal activities are dictated by its construction division. The Group takes pride in achieving remarkable Quality Assessment System in Construction ("**QLASSIC**") scores, including the 86% for construction works for its South Brooks development in 2021, another similar 86% score for the highly acclaimed 44-storey Capri Hotel and 82% for Plaza @ Kelana Jaya mixed commercial development in 2022, followed by 83% for the established 26-storey Indigo Hotel in 2023. In 2024, CBHB attained an 80% score for its 99 Residence with the most recent accomplishment of an exceptional score of 87% for the Allevia Mont Kiara condominium, highlighting its steadfast commitment to maintain high standards in construction quality. Notably, the Group is proud to highlight that both the 86% and 87% scores were Malaysia's all-time high at the time of assessment. Nevertheless, never resting on its laurels, the Group shall try to achieve all time high scores again. As in previous years, the said division will continue to tender and execute construction contracts, with a particular focus on high rise residential and commercial developments, led by Crest Builder Sdn Bhd ("CBSB"), a wholly owned subsidiary of the Group. CBSB is a registered Class A contractor with Ministry of Entrepreneur and Cooperatives Development and a Category G7 contractor with Construction Industry Development Board.

In complementing its principal activities, the Group is also involved in property development. Being a leading construction player, we are able to channel our vast construction experiences directly down to the property development projects.

Meanwhile, our mechanical & engineering division, continuing its support role, will focus on air conditioning and mechanical ventilation, plumbing and sanitary and electrical works, just to name a few.

Our investment holding division will continue to contribute to our bottom-line via rental collection from commercial units and carparks from the Group's property development projects, namely The Crest and Tierra Crest. The latter is a 17-storey multi-commercial building with two office towers on top of a retail podium. The Crest in turn is a 16-storey commercial development with 1,400 parking bays.

The concession arrangement division provides CBHB with a continuous and steady revenue flow every year, principally from the agreement with the Ministry of Education and Universiti Teknologi MARA involving the management of UiTM Tapah 2 campus.

OBJECTIVES & STRATEGIES

Quality and timely delivery of projects are imperative

CBHB's main objective has always been to provide superior quality products and services for its customers which include adhering to timelines and budgets. Exploring different avenues to enhance operational efficiencies by minimising raw material wastage and maintaining consistent quality control has been a frequent affair. Our focus on quality and timely delivery of the projects has received very strong and positive feedbacks from our customers and consultants

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Enhancing workforce's skills

CBHB firmly believes that organisations thrive when they are supported by a workforce that possesses not only deep job-specific knowledge but also a broad range of skills and talents. As the organisation grows, so too must its people. In line with this, management recognises the importance of continuously equipping employees with relevant training programmes—be it to reskill or upskill—so as to enhance productivity and ultimately reduce employee turnover.

At CBHB, employees are regarded as valuable assets. They are the culmination of years of careful development and training, each becoming an expert in their respective fields. Their continued growth and commitment are vital to ensuring that CBHB remains on track to achieve its strategic goals.

Environmental, Safety and Health

Upskilling and training aside, the continuous well-being of the employees plays a crucial role in staff retention. The core backbone of any organisation will be every single one of its employees. In a dangerous working environment like the construction industry, it is imperative that employees are cushioned in safe working environments. Whilst we have safety policies which focus on employees' wellbeing, we will continue to tweak such policies for the better as we move along and as when deemed required. Our efforts, to ensure safety is of the highest standards, have led to CBHB been evaluated and secured good ratings in safety related assessments conducted at our projects by the relevant authorities.

Innovation and technology

The need for training and upskilling cannot be overemphasised given the dynamism of technologies being used by various industries, including the construction sector, particularly in the name of efficiencies and improving margins, thus leading to enhanced growth.

The pace of technological change has never been more rapid than it is today. Technologies such as artificial intelligence is evolving at an unprecedented pace, far beyond what many could have imagined. It is imperative to explore and harness the potential of these intelligent technologies, particularly in their application to business operations, in our case the construction sector.

CBHB will ensure that it is in tune with the latest technologies that flood into the industry while continue to capitalise on existing ones. Notwithstanding new technologies, continued utilisation of existing practices coupled with automation will ensure higher margins in more ways than one. Enhanced automation will lower labour cost, minimising impact of higher minimum wage on the bottom-line if applicable. In this context, we are pleased to note that our construction workforce is already receiving remuneration that exceeds the new minimum wage threshold—a testament to our commitment to fair compensation and workforce quality.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

GROUP FINANCIAL REVIEW

Financial Performance

The Group recorded a revenue of RM574.6 million for FYE2024, the Group's highest since 2018, a growth of 17.7% from FYE2023. The higher revenue gave a profit before taxation of RM10.8 million, a stark contrast of the RM41.1 million loss 12 months earlier. The profit after taxation in turn was RM5.6 million from a loss of RM39.0 million for FYE2023.

The improvement of the Group's overall performance was primarily fuelled by robust performance across all business segments, supported by enhanced operational efficiency and consistent market demand, coupled with the higher progress in work recognised for on-going construction projects alongside contributions from the property development division during the financial year under review.

As the cornerstone of CBHB's business operations, the construction division represented 80.1% of the Group's total revenue in FYE2024, a slight decrease from 81.6% in FYE2023. The property development segment contributed 10.9%, while the concession arrangement division accounted for 7.2% of the total revenue.

The higher revenue was the result of the construction division's increased progress recognition for its construction projects during the year which saw the division's revenue increase by 15.5% to RM460.3 million. The property development division also recoded higher progress recognition which led to a 57.8% rise in revenue to RM62.6 million.

Segmental Review

Construction

The construction division recorded a 15.5% revenue growth, year-on-year from RM398.5 million to RM460.3 million for FYE2024. This led to a profit before tax of RM0.3 million, a significant turnaround from the loss before tax of RM37.9 million in FYE2023. This improvement was fuelled by accelerated progress in on-going construction projects and the finalisation account for one of the completed projects during the year.

Property Development

The division's revenue leapt by 57.8% to RM62.6 million, up from RM39.7 million a year ago, resulting in a profit before tax of RM5.3 million, compared to a loss before tax of RM11.2 million in the prior year. This significant growth was predominantly supported by contributions from the ongoing development project, Interpoint at Bukit Tinggi, Klang.

Concession Arrangement

CBHB's concession arrangement division recorded a marginal increase of 1.6% in revenue to RM41.6 million, in contrast to FYE2023's RM40.9 million, while profit before tax was RM11.5 million, against FYE2023's RM11.6 million. Despite the higher revenue, profit before tax was slightly lower due to increased maintenance costs during the year.

Investment Holding

The investment holding arm reported a revenue of RM10.1 million, an increase of 8.4% from previous year's RM9.2 million, attributed to higher car park income collected in FYE2024. Nevertheless, loss before tax was 44.79% higher compared to last year.

Consolidated Financial Position for FYE2024

In the year under review, CBHB demonstrated asset growth, with total assets rising by 4.3% to RM1,333.7 million from RM1,278.1 million. This expansion was primarily driven by increases in both current and non-current assets. Non-current assets experienced a modest 2.0% growth, reaching RM659.3 million from RM646.3 million. Similarly, current assets rose by 6.7%, totalling RM674.3 million from the preceding year's RM631.7 million. Out of the total current assets of the Group, short term investments was RM13.5 million, fixed deposits placed with licensed banks was RM31.1 million and cash and bank balances were RM40.5 million, surging by two-fold from RM22.7 million.

Total liabilities were slightly higher at 5.0% to RM1,040.4 million from RM990.4 million, primarily due to the increase in trade and other payables by 10.3%, from RM354.9 million to RM391.5 million. Additionally, total borrowings also increased marginally by 0.2% to RM572.0 million from last year's RM570.7 million.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

GROUP FINANCIAL REVIEW (CONT'D)

Segmental Review (Cont'd)

Consolidated Financial Position for FYE2024 (Cont'd)

Nevertheless, CBHB's debt-to-equity ratio was lower at 1.95 times as compared to FYE2023's 1.98 times due to the 2.0% increase in total equity attributable to the Company's owners reaching RM293.4 million. This was largely attributed to higher retained earnings of RM125.8 million, up 4.7% from RM120.2 million. The current ratio, on the other hand, decreased to 1.05 times from 1.07 times in the preceding year.

LIST OF ONGOING PROJECTS

No.	Project	Description	Contract Value RM'mil	GDV RM'mil	Status
	Construction				
1	Noora Desa Parkcity	2 blocks of 52-storey condominium with car park podium and retail units	478.9	-	48% complete
2	Serasi Putra Heights	3 blocks of 28 to 33-storey serviced apartment with car park podium	250.5	-	77% complete
3	The Connaught One	1 block of 42-storey and 1 block of 43-storey serviced apartment, with 5 levels of car park, 7 levels of podium with 3 levels of car park and 4 level of commercial space, office shops, offices, and residents' facilities	314.5	-	9% complete
4	Sunway Velocity 3	2 Blocks of 52-storey services apartment with car park podium	448.5		13% complete
5	Kiaramas Dedaun	3 blocks of 40-storey serviced apartment with car park podium	486.0		11% complete
6	Serenade	Nominated subcontract for electrical and telecommunication services	6.6		51% complete
	Property Development				
7	Latitud8, Dang Wangi	Retail, SOHO suites and office suites	-^	946.7	Commenced demolition works
8	Interpoint @ Bandar Bukit Tinggi	Retail, office suites and residential	302.5#	641.9	29% complete. 71% units sold.
	Total		**2287.5**	**1588.6**	

This is an internally awarded construction contract and its construction revenue will be eliminated at group level

^ Contact value awarded to third party contractor

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

LIST OF ONGOING PROJECTS (CONT'D)

At as 31 December 2024, our outstanding order book stands at approximately RM1.53 billion which will sustain the Group's income and earnings over the next four years.

CORPORATE DEVELOPMENTS

In 2024, CBSB, a wholly-owned subsidiary of CBHB secured two significant construction contracts. Firstly, in March 2024, the Group was awarded a RM448.5 million contract from Sunway Velocity Three Sdn Bhd for the construction of the Sunway Velocity 3 commercial development (Plot A), consisting of 1,604 units of serviced apartments in two 60-storey blocks, which also comprise one level of basement car park, eight levels of elevated car parks, two levels of mezzanine as well as recreation facilities with completion expected in October 2027 after 43 months of scheduled site possession.

Secondly, in April, the Group won a RM486.0 million contract from Kiaramas Development Sdn Bhd to build three blocks of condominiums with car park podiums in Mont Kiara. This project has a completion timeline of 42 months, anticipated to be completed in November 2027.

ANTICIPATED OR KNOWN RISKS

Be it the global economy or the business world, it will and has always been continuously presented with new veins of issues, be it favourable or otherwise. It is only a matter of the degree of impact each of these issues will have on the business community as a whole.

As we sail further away from an impotent pandemic, which started some five years ago, the business community continues to confront geopolitical challenges, led by the ongoing Russia-Ukraine war and the Israel-Hamas conflicts. A new anticipated issue which is gaining momentum is the series of new tariffs being imposed by the United States led by the Trump administration. Tarriff hike is fast appearing to be the forefront contender for the economic issue of the year title. While this series of tariff hikes is expected to have impact on the global economy, the quantum is still to be determined as the issue is still being played out.

In general, such tariffs will trickle down to impact cost of raw materials for the construction sector in particularly steel price and so forth. CBHB will remain cautious of the potential impact these issues can have on the immediate future's bottom line.

On a brighter note, in contrast to 12 months ago where it was hovering around the US$90 mark, the Brent crude oil price has since shed some weight loitering around the US$70 mark. This should ease inflationary pressure oil price imposes on prices of most raw materials and hopefully counter the negative impact these tariff hikes will have on one's operating cost.

The global pandemic has merely rubber stamped our stance that we must be vigilant on any issues which may crop up at any moment, particularly issues which have a major role in dictating our growth. Thus, in the business world, construction sector included, we must be adaptable at all times.

On the domestic front, the Malaysian construction and property sectors face shared challenges that could impact their growth trajectories. Rising material costs, labour shortages and geopolitical risks pose significant threats to both construction project timelines and property affordability. However, these challenges are cushioned by significant opportunities, such as major infrastructure projects under the Public-Private Partnership Master Plan 2030, including potential revivals of the Kuala Lumpur-Singapore High-Speed Rail and the ongoing MRT 3 development, coupled with growing demand for sustainable developments, which are expected to stimulate property demand and attract foreign investment. Both sectors are advancing through digitalisation and modern construction methods, with Construction Industry Development Board promoting modern construction methods such as the industrialised building system (IBS), building information model (BIM) and modular construction. Notably, CBHB has successfully deployed IBS to enhance efficiency and reduce costs, demonstrating the practical benefits of these modern approaches. While urbanisation drives demand for mixed-use developments, affordability concerns persist, requiring government incentives and proactive cost management to ensure balanced and sustainable growth.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

INDUSTRY AWARDS

In 2024, CBHB demonstrated a strong commitment to excellence, receiving multiple prestigious recognitions. Notably, the Group earned 5-star ratings under the Safety and Health Assessment System in Construction (SHASSIC) for three significant projects.

First, the Allevia Mont Kiara condominium, comprising the construction of a 45-storey condominium and a 40-storey condominium comprising 159 units and 135 units respectively, achieved both a 5-star SHASSIC rating and an impressive QLASSIC score of 87%.

Second, the 99 Residence development for Inter Sky Development Sdn Bhd (JL99 Group), consisting of four 55-storey serviced apartment towers with podium car parks, also received the esteemed 5-star SHASSIC rating. Third, the Maya Ara project for Sime Darby Property, a 27-storey serviced apartment with a 7-storey podium car park and facilities area, was similarly recognized with a 5-star SHASSIC rating.

Further solidifying its commitment to safety, CBHB was also honoured with the HSE Excellence Award for Integrated Development Contractor at the Sime Darby Property Partners Dialogue.

FUTURE PROSPECTS

The macro picture as in the beginning of any calendar year will be peppered with glossy optimisms with the economy projected with commendable growth rates, on the face of it. 2025 will be of no exception. From a growth rate of 5.1% for 2024, various parties have expectedly projected Malaysia's economy to grow by as high as 5.5% in 2025, driven by strategic investments and support from external demand. As we move further into a particular year, it is norm that merits of the essential high frequency data fall back onto more conservative rates. On that note, CBHB prefers to assume a more conservative position on its outlook given the ambiguities of new economic issues surfacing and how the unpredictable outlook can still play out.

Coming down a notch from the macro level, the construction industry in Malaysia is anticipated to encounter various economic issues that hold significant powers as growth determinants. The 2025 narrative is expected to be scripted by the imposition of higher minimum wage, effective February 2025 supported by the outlook of the interest rates. The interest rate, in particularly the overnight policy rate, has not waxed and waned for 2 years now after a sequence of rate increases in the second half of 2022. The jury is still out as to whether the rate will increase or decrease in the near future.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

FUTURE PROSPECTS (CONT'D)

We have been in this business for over 40 years now, having gone through more than a couple of economic cycles. These economic factors may affect the quantum of our growth to some degree, but it is something which is beyond our control. If it is not for this particular issue, it will be some other economic issues which we have to deal with year in, year out. As such, the best way to overcome such issues is to carry on with what we do best which is to focus on enlarging our order book to maximise growth for our stakeholders. In business, the adoption of the ability to be adaptable is something which we can never say has been overstated. Pre-emptive measures will continue to be exercised to combat undesired factors which may stifle our growth. We like to reiterate that these measures have enabled us to overcome challenges in the past thus we do not see any reason why it does not work for us as we surge forward.

As we sail further into 2025, CBHB will continue to expand its primary construction activities to its best abilities with the other divisions continuing to play their crucial support roles. We stress that our growth narrative has remained unchanged since it was first scripted. We acknowledge that the path ahead is unlikely to be a straight one. It will be winding, with its fair share of challenges and uncertainties. However, shareholders can be assured that we remain steadfast in our direction. With resilience and focus, we will continue advancing –steadily and purposefully – towards one milestone after another.

Moving forward, CBHB will continue to focus on strengthening its financial position by implementing cost optimisation measures and effective resource planning. These measures will ensure efficient project execution and timely delivery, reinforcing the Group's reputation for excellence in the construction sector. As of 31 December 2024, CBHB has 6 on-going construction projects with total order book value of RM1.985 billion. This year's performance is expected to be driven by a stronger order book and increased contribution from the property development segment. To secure its position for long-term growth, CBHB is maintaining a steadfast focus on strengthening its strategic position for sustained industry growth and maximise shareholders' value.

DIVIDEND

CBHB did not declare any dividend in respect of FYE2024, holding fast to the fact that funds need to be amassed in order for all of our growth strategies to materialise. These strategies have already been proven that we are on the right track in particularly FYE2024 being a commendable turnaround year for the company. On that note, it is only rational to maintain what has worked and been working for the company's growth, which is to focus on building up the war chest as the foundation of growth.

THANK YOU

Before concluding, we humbly would like to express our deepest gratitude to our dedicated management, employees and members of the Board for their unwavering commitment and loyalty that empower the Group to overcome any challenges.

Our sincere appreciation also goes to our shareholders, stakeholders, business associates, regulatory bodies and agencies, and financial institutions for their continued support, not only during the year under review but also for the past few years. We look forward to a successful future together.

CORPORATE STRUCTURE

CREST BUILDER HOLDINGS BERHAD
200201005719 (573382-P)
Investment Holding

100% **CBTECH (M) Sdn. Bhd.**
200001005781 (508386-M)
Mechanical & Electrical Engineering Services

100% **CB Infrastructure Sdn. Bhd.**
200401020974 (659478-V)
Construction

100% **3 Two Square Sdn. Bhd.**
200301014853 (617273-X)
Property Investment

100% **Vertical Success Sdn. Bhd.**
200501014576 (691623-V)
Property Investment

100% **CB Land Sdn. Bhd.**
200401020215 (658719-D)
Property Investment and Property Development

100% **Crest Builder Sdn. Bhd.**
198301014937 (110330-K)
Construction

- 100% **Crestland Development Sdn. Bhd.**
  199401031170 (316852-A)
  Property Investment
- 51% **Landasan Bayu Sdn. Bhd.**
  201201005233 (978758-T)
  Property Development

100% **Crest Builder International Sdn. Bhd.**
200401005938 (644441-T)
Investment Holding

- 100% **Unitapah Sdn. Bhd.**
  200901003738 (846665-X)
  Concession Holder
- 100% **Intan Sekitar Sdn. Bhd.**
  201201011546 (985063-T)
  Property Development
- 51% **K L Waterfront Development Sdn. Bhd.**
  201601006757 (1177684-V)
  Property Development

100% **CB Vantage Sdn. Bhd.** *
202501013298 (1614712-K)
Property Investment and Property Development

100% **Nepfield Sdn. Bhd.**
200201024593 (592256-M)
Property Development

100% **Damansara One Sdn. Bhd.**
200401030676 (669184-V)
Property Development

100% **Jalur Elit Sdn. Bhd.**
201401010595 (1086674-D)
Property Development

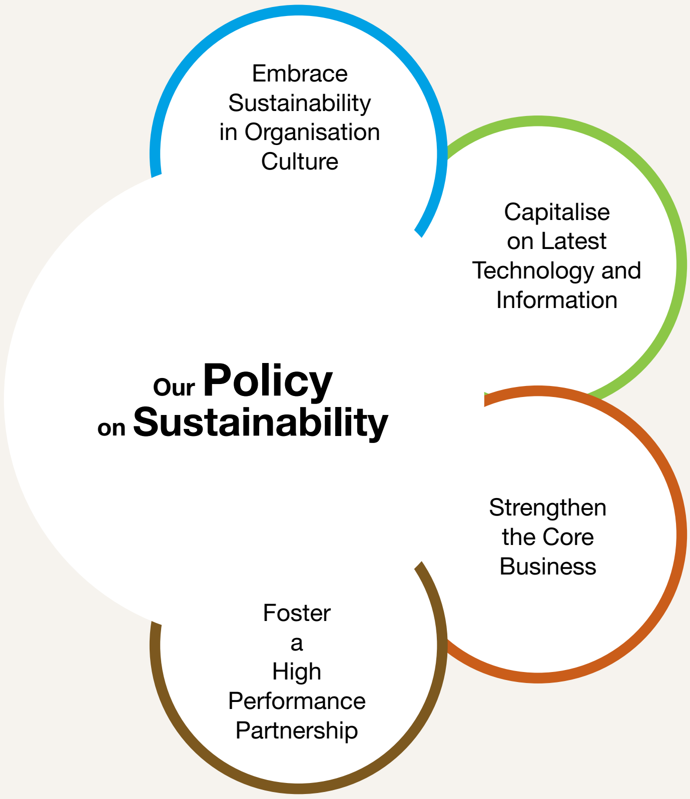
* Incorporated on 27 March 2025

SUSTAINABILITY STATEMENT

SUSTAINABILITY OVERVIEW

Sustainability has always been a pillar of Crest Builder Holdings Berhad ("**CBHB**" or "**the Company**") and its subsidiary companies' ("**CBHB Group**" or "**the Group**") culture as we strive to achieve continuing growth and profitability in a safe, caring and sustainable environment. We recognise that sustainability practices are one of the important criteria in investors' investment decisions.

CBHB continues to build Malaysia's future landscape with efforts to continue embedding sustainability in its business activities. Our mission, as a responsible corporate citizen, is to ensure high standards of governance across our business to promote responsible business practices, manage environmental impacts, and meet the social needs of the community in which we operate, which is in line with our corporate culture.



In line with Bursa Malaysia Securities Berhad's Sustainability Reporting Guide (3rd Edition), the Group's sustainability practices are to ensure that economic, environmental and social ("**EES**") risks and opportunities are tied in with our governance framework and social responsibilities. This enables our corporate success and behaviour to be judged and measured by the public.

The Group's continued success in maintaining a sustainable business and generating long-term shareholder value is influenced by several internal and external factors. Each material factor presents unique risks and opportunities to our organisation and is a key consideration in our approach to strategies formulation and execution as it substantially influences the assessments and decisions of our stakeholders. We regularly review these factors to assess their impacts on our business model over the near, medium and long term.

SUSTAINABILITY STATEMENT (CONT'D)

ECONOMIC

Sustaining our economy

Delivering sustainable returns to our shareholders

Delivering quality products to achieve customers' satisfaction

ENVIRONMENT

Conserving our environment

Protecting our environment and improving our environmental performance

SOCIAL

Building a resilient workforce

Ensuring a positive workplace for our employees

Serving our community

Contributing to the well-being of the community around us

OUR SCOPE OF REPORTING

- Construction
- Property Development
- Mechanical & Electrical Engineering ("M&E") Services
- Property Management
- Car Park Management

Information disclosed in this Report encompasses our core activities related to construction, property development, M&E services, property management as well as car park management. As part of its commitment to enhance sustainability throughout the Group, CBHB continues with the scope of reporting to cover all its active subsidiary companies.

During the financial year ended 31 December 2024 ("**FYE2024**"), the Group remained committed to its core business activities, continuing to operate as a Malaysian-focused construction company. Accordingly, this report concentrates on the Group's project sites located within the Greater Klang Valley. It excludes information on the Group's maiden concession project in Tapah, Perak. In line with the financial disclosures within this Annual Report, this Sustainability Report will cover the Group's activities within the calendar year of 1 January 2024 to 31 December 2024.

SUSTAINABILITY STATEMENT (CONT'D)

THE UNITED NATION SUSTAINABLE DEVELOPMENT GOALS ("UN SDG(S)")

In September 2015, all one hundred and ninety-three (193) United Nation member states adopted "Agenda 2030" - a plan to solve the world's most pressing economic, environmental and social problems over the next fifteen (15) years. It consists seventeen (17) goals and one hundred and sixty-nine (169) targets that cover a broad set of challenges such as economic inclusion, geopolitical instability, depleting natural resources, environmental degradation and climate change. Malaysia is committed to "Agenda 2030" through its UN SDG Roadmap.

We support the UN SDGs, recognise their strategic importance to our business and to the world, hence we are committed to achieve them. The Group has well-established programs to ensure we operate sustainably and responsibly, following our long-standing commitment to ethical corporate citizenship and promoting sustainability in all our activities. All the UN SDGs are relevant to our operations to varying degrees and we are already contributing to many of these goals. We focus on supporting four (4) goals where we can make the greatest contribution:

UN SDG 5 – GENDER EQUALITY

To achieve gender equality and empower all women and girls, as the descriptor of this UN SDG is a fundamental goal that speaks the core of CBHB's policy when it comes to human rights, labour practices and diversity and inclusion at all levels, stemming from the Board of Directors ("the Board") down to the workforce. Although this standalone UN SDG engenders the role, rights and representation of women at work, it does not stand alone in the broader picture of ensuring a business's sustainability.

SUSTAINABILITY STATEMENT (CONT'D)

UN SDG 8 - DECENT WORK AND ECONOMIC GROWTH

To promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all is among one of the chief reasons of being for any company in the world. This includes CBHB, which recognises the role that the major stakeholders play in its success in operations. The 'Economic' and 'Social' pillars in the EES model primarily speaks the contributions of the Group's suppliers and vendors and its employees of which more discussion can be found within the 'Material Sustainability Matters' section of this Report.

UN SDG 12 - RESPONSIBLE CONSUMPTION AND PRODUCTION

To ensure sustainable consumption and production patterns, the Group is well aware of its supply chain management, commitment to reduce consumption and to responsibly use resources available to it. When taken in totality, this UN SDG seeks to embed a sense of responsibility towards resources management, unlocking value for both customers and the shareholders.

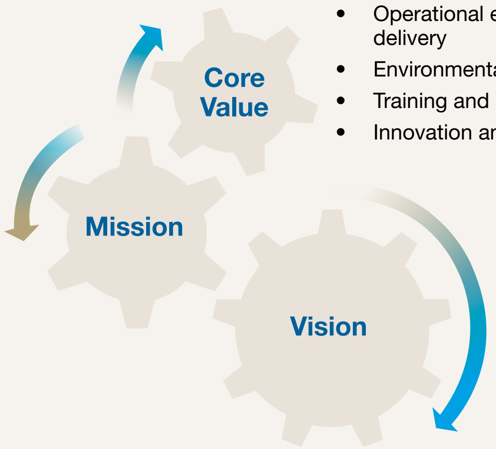
UN SDG 16 - PEACE, JUSTICE AND STRONG INSTITUTIONS

To promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels impacts the Group's main business activity of functioning within the context of government, associations and its own long-term profitability. In line with the Group's practices, this UN SDG is seen most in its Group human resources policies and throughout its value chain.

SUSTAINABILITY GOVERNANCE

Our vision and mission are the cornerstones of our commitment to the sustainability of the Group. Our core values are the guiding principles that we uphold in day-to-day operations and conduct ourselves to support our vision and shape our culture.

- To promote Co-operation - creating a strong network between ourselves and both upwards and downwards of the supply chain
- To achieve High Standards - providing the promised quality and achieving the zero-defect product
- To develop the Human Capital - our People are our most valuable assets
- To enhance Corporate Social Responsibility - believing in giving back to the Community
- To enforce Corporate Governance - upholding the Company's values and protecting the stakeholders' interests
- To create the Brand - showcasing Crest Builder to the world
- To accomplish Market Leadership - to be the leader in the construction and property industry



- Operational excellence and timely delivery
- Environmental, Safety and Health
- Training and upskilling of the workforce
- Innovation and technology

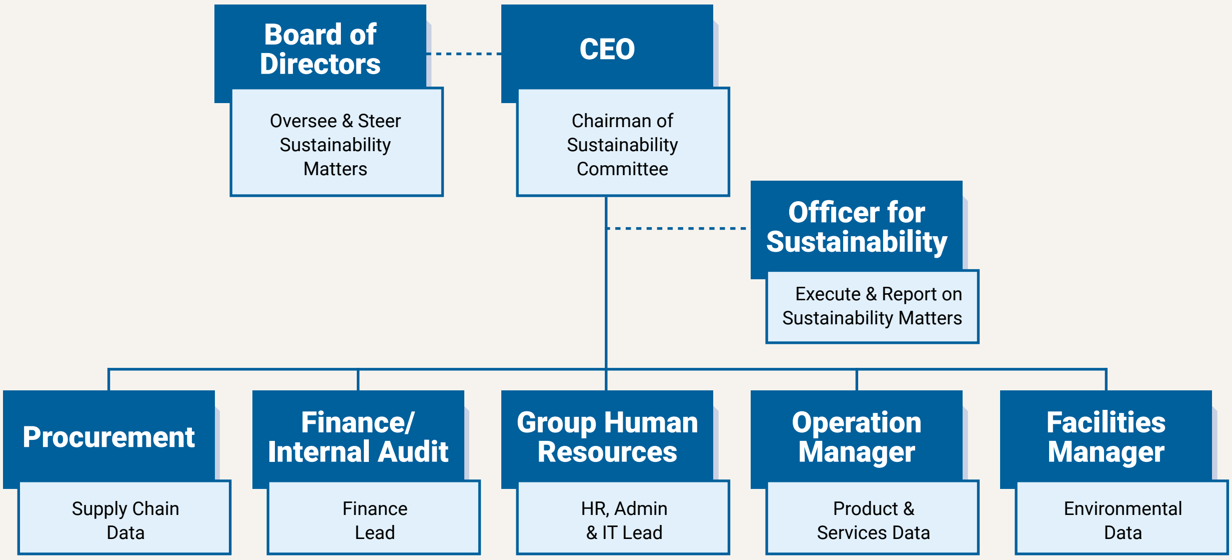
To be the preferred organisation of choice by our partners and customers

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY GOVERNANCE (CONT'D)

Sustainability is embedded in our organisational approach and is led from the top. The Board plays a vital guidance and oversight role in advancing sustainability across the organisation with the assistance from the Heads of Departments to oversee the implementation of the organisation's sustainability approach and ensures that key targets are being met. The Group has formed a Sustainability Committee ("**the Committee**") that is chaired by Chief Executive Officer ("**CEO**") of Construction Division, who has been given the mandate to carry out the Board's sustainability agenda. The Committee in turn reports to the Board on the sustainability activities and developments during the Board meetings, as and when needed.

During the FYE2024, there has been no change to the initial composition of the Sustainability Committee and at the end of the year, the Committee comprises of:



The responsibility of the Committee to promote and embed sustainability in the Group includes overseeing the following:

- Stakeholders' engagement
- Materiality assessment and identification of sustainability risks and opportunities relevant to us
- Management of material sustainability risks and opportunities

The Committee also cascades sustainability matters to their respective teams in the form of policies, internal memos and updates to the Group's Standard Operating Procedures ("**SOPs**") to continue embedding sustainability in every aspect of the Group's daily operation.

The Board also acknowledges that risk management and internal control are integral to our corporate governance and it is responsible for establishing a sound risk management framework and internal control system as well as to ensure their adequacy and effectiveness. The review of the adequacy and effectiveness of the risk management framework and the system of internal control is delegated by the Board to the Audit Committee. The Group's performance is also tracked with the assistance of the Nomination and Remuneration Committee.

SUSTAINABILITY STATEMENT (CONT'D)

Ethical Business Practices and Anti-Corruption & Anti-Bribery Policy

The Board recognises the importance of ethical business conduct across the operations to maintain our stakeholders' trust. Our businesses are conducted with integrity through good governance as mentioned by the Group's Code of Business Conduct and Ethics.

Good governance is the bedrock of our business, led by ethical business practices and integrity. We have embedded the highest standards of governance in our business not only by complying with the law but through processes and directives that continue to reinforce the principles.

The Group has established and adopted Anti-Bribery and Anti-Corruption Policy as we are committed to a zero-tolerance approach in our efforts to prevent corrupt and bribery practices. We are committed to conduct our business ethically, as well as in conformity with all applicable laws. This Anti-Bribery and Anti-Corruption Policy is applicable to the Board, our employees as well as any Third Parties associated with us. Specific mention in the Employee Handbook on the Group's No Gift Policy is strictly adhered to and in place to discourage graft and bribery.

The Group inducts all new employees on the Company's Code of Business Conduct and Ethics, during the dedicated in-house orientation programme. The employees will also be briefed on the Company's polices on confidentiality and conflict of interest, integrity and prevention of staff fraud. Any updates to the Employee Handbook are done through the internal network.

During the Reporting Period, there was no reported legal case regarding corrupt practices brought against the Group or our staff.

STAKEHOLDER ENGAGEMENT

We continued to engage our stakeholders actively throughout the fiscal year as part of our sustainability assessment process. Engagement with stakeholders allows us to gain a more complete understanding of our materiality issues and matters whilst, we are also able to capture the key aspects and impacts of our sustainability journey.

The table below lists our key stakeholder groups and their respective areas of interest as well as methods by which we engage them.

STAKEHOLDERS	ENGAGEMENT METHODS	ENGAGEMENT AREAS
Shareholders	• Annual & Extraordinary General Meetings • Press releases / Corporate presentations • Bursa announcements • Quarterly report • Annual report • Timely update on corporate website	• Financial and operational performance • Dividend policy • Return on investments

SUSTAINABILITY STATEMENT (CONT'D)

STAKEHOLDER ENGAGEMENT (CONT'D)

STAKEHOLDERS	ENGAGEMENT METHODS	ENGAGEMENT AREAS
Government	• Compliances to laws and regulations	• Operation regulations • Bursa listing requirements • Companies Act • Labour law • Taxations • Occupational Safety and Health Act
Board of Directors	• Board meetings	• Corporate strategy • Corporate governance
Employees	• Technical and skills trainings • Performance review • Departmental meetings • In-house newsletters / communications • Dinners, sports and outdoor recreation activities	• Occupational safety & health • Remuneration policy • Career development • Performance review • Fair employment practices • Minimum housing standards
Financial Institutions	• Bursa announcements • Quarterly report • Annual report • Timely update on corporate website	• Financial and operational performance • Funding requirement
Customers	• Customer Relationship Management ("**CRM**") • Facilities management review	• Customer satisfactions • After-sales services • Quality assurance
Suppliers & Vendors	• New Supplier/ Vendor Form • Regular meetings • Supplier/Vendor audit review • Contract negotiation	• Services and products' quality • Legal compliances
Communities	• Charity and welfare programs	• Social contribution • Job opportunities • Donation and financial aid
Analyst / Media	• Annual & Extraordinary General Meetings • Press conferences and media releases	• Financial and operational performance • General announcements

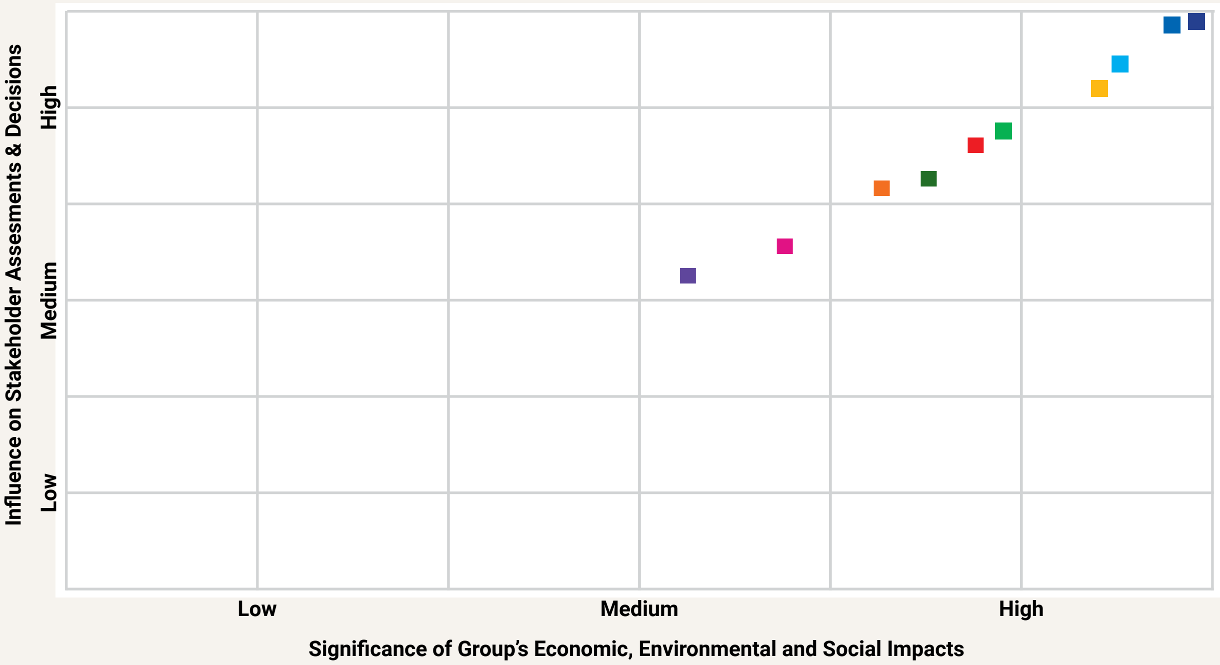
SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL SUSTAINABILITY MATTERS

We conducted a materiality assessment, collecting views from our stakeholders on key material sustainability matters that may have a significant EES impact on our business or substantively influence the assessment and decisions of our stakeholders.

PRIORITISATION & MATERIALITY MATRIX

We assess our material sustainability matters annually to fully understand how to manage the risks and opportunities they present. This ensures that we prioritise the issues that have the greatest impact on the economy, environment and the society.



SUSTAINABILITY STATEMENT (CONT'D)

PRIORITISATION & MATERIALITY MATRIX (CONT'D)

The table below shows key relationships between the Group's Top Ten (10) material sustainability matters, and the related UN SDGs.

Ranking	Material Sustainability Matters	EES Pillars	Related UN SDGs				
1.	Customers & Products		9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS		
2.	Shareholders		8 DECENT WORK AND ECONOMIC GROWTH				
3.	Suppliers & Vendors		8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	
4.	Safe Workplace		8 DECENT WORK AND ECONOMIC GROWTH	3 GOOD HEALTH AND WELL-BEING			
5.	Waste & Effluent		12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND		
6.	Training & Talent Management		8 DECENT WORK AND ECONOMIC GROWTH				
7.	Energy & Water Savings		7 AFFORDABLE AND CLEAN ENERGY	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND	6 CLEAN WATER AND SANITATION
8.	Labour Practices		8 DECENT WORK AND ECONOMIC GROWTH				
9.	Diversity		8 DECENT WORK AND ECONOMIC GROWTH	5 GENDER EQUALITY	10 REDUCED INEQUALITIES		
10.	Community Engagement		8 DECENT WORK AND ECONOMIC GROWTH	11 SUSTAINABLE CITIES AND COMMUNITIES			

SUSTAINABILITY STATEMENT (CONT'D)

ECONOMIC

Shareholders

Our shareholders are the ultimate owners of the Company and as such, they are entitled to timely and quality information on the Group's financial performance and position. Apart from the Annual General Meeting where shareholders are encouraged to ask questions to the Board and Executive Management on business operations, and the financial performance and position of the Group, the Group's corporate website at www.crestbuilder.com.my also provides a link on investor relations where quarterly and annual financial statements, announcements, financial information, annual reports, circulars/statements to shareholders and other pertinent information are uploaded on a timely basis when available.

Although engagement is largely governed by the Malaysian Code of Corporate Governance and the Listing Requirements by Bursa Securities, the Group enjoys indirect economic impacts of a goodwill, trust and loyalty and a mutually beneficial investment relationship.

Customers & Products

The Group is committed to see that not only our shareholders' interests are taken care of but also those of our customers and suppliers. As one of Malaysia's most trusted construction and M&E engineering contractors, CBHB maintains strong trust and working relationships with its customers in a highly competitive market space. The Group's charter to value the customers' well-being, safety and satisfaction are at the core of our commitment to products & services responsibility throughout the products' and services' lifecycle.

CUSTOMERS' SATISFACTION
Internationally recognised best practices and international quality accreditation
Experienced management that equipped with industry knowledge and comprehensive training
Prompt delivery and reliable customer service
Efficient after-sales service, create an integrated and resilient workforce

In order to ensure that our products are of consistent standard and quality, our construction services for building and infrastructure are accredited by ISO 9001:2015 - Quality Management Systems. Additionally, our Group is in compliance with all relevant laws and regulations governing safety and quality.

With over 40 years of industry expertise, we are well-established and are capable of serving a wide spectrum across the construction industry which includes construction works, property development, property management, M&E services, project management and car park management. We possess teams of well-equipped employees with industry knowledge who are able to manage and deliver customers' expectation. To keep abreast with more technological advances and innovations that have besieged the sectors that we are involved in, CBHB advocates technology embracement in our processes. On top of upskilling ourselves, as a move to reduce human error and over reliance on manual labour, we constantly innovate and adopt Industrialised Building System ("**IBS**") to increase operational efficiencies and improve the quality of our final products for our clients

SUSTAINABILITY STATEMENT (CONT'D)

ECONOMIC (CONT'D

Customers & Products (Cont'd)

We have adopted an impartial feedback mechanism to address customer complaints and manage our relationship with them. The Company derives feedback from a specialised CRM matrix, which covers the Property Management business as well. In its main engagement with customers during the annual review, the outcomes of the review are recorded in the CRM Form. This feedback identifies outliners and areas of improvement for the Company to continue providing excellent services. Similarly, the Property Management arm undergoes a monthly Facilities Management Review or when the clients, who lease the property, call the Management for a meeting. Customer complaints will be fielded, answered and managed diligently. At the closure of a case, a report is logged under the CRM system and reviewed annually to give the Company a bigger picture of the building's overall health and maintenance. As part of the Group's consideration, customer satisfaction is an important ingredient in the success and continuation of business for the Group.

Doing business by ensuring a client's peace of mind through data security and privacy is utmost important for the business consideration. The Group views cyberattack risks as something to be reduced, if not eliminated. We outsource our Information Technology ("**IT**") function to a professional IT consulting firm so that we can leverage on the third-party expertise and core competencies in handling cybersecurity issues.

In the year under review, similar to last year, there have been no incidence or breach from malware, ransomware, hacking or other cyberattacks on its database. The IT consultant has conducted routine IT review and has given the Group's assets a clean bill of health, including exposure from unauthorised software usage.

Suppliers & Vendors

To our suppliers and vendors, we are committed to enhance our processes and engage with our suppliers and vendors to identify and manage risks, increase productivity and efficiency within the supply chain, underpinned by values of integrity and transparency. We look to create value, by looking for opportunities to collaborate and to share best practices with our suppliers.

At the start of a new project, identification of suitable suppliers and vendors relating to the quality of service and product output are among the key determinants during the tender or bid call. Selection of new suppliers and vendors are identified by the Procurement Department. Procurement Department issues a New Supplier / Vendor Form after fit assessment is carried out and aligned with the Group's business goals and targets. In step-up reporting, environmental surveillance has been included and retrofitted into the assessment cycles of existing suppliers and vendors.

Existing suppliers and vendors undergo an annual audit where operational issues are addressed. As all suppliers adhere to the Supplier Code of Conduct and the Non-Conformance policy defined under ISO 9001:2015, any breach will result in termination and loss of business opportunity going forward. At the end of the engagement, if the stakeholder is found to have satisfactory performance and improves performance through feedback received, will have their contracts renewed in order to secure services and products delivery.

The nature of business for the construction and property development industry is highly localised and the Group focuses its procurement activities on local vendors to support local job creation and price-competitiveness. As CBHB is a Malaysian-play construction counter, usage of local raw materials and local expertise, where possible, is an important indicator of the Group's robustness of operations.

SUSTAINABILITY STATEMENT (CONT'D)

ECONOMIC (CONT'D

Suppliers & Vendors (Cont'd)

In the period under review, 100% (2023: 100%) (2022: 100%) of the Group's procurement budget is spent on local suppliers, ensuring the Group's control on the quality, cost-effectiveness and timeliness of delivery from suppliers. For parts of the business that engage third party local suppliers for delivery of outsourced goods and services, a strong track record of delivery and practices that are against violation of human rights and any form of environmental violations are prioritised. There is no exposure to foreign sources of suppliers for the Company.

ENVIRONMENT

Energy & Water Savings

As a Group with its foundations in the environment protection, the Group is aware of the interaction and tender balance between the built and natural environments. In this report, the Group detailed its disclosure of energy and water usage within the Group's headquarters in Dataran 3 Two Square

	2022	2023	2024
Electricity (kWh)	123,750	109,748	111,298
Water (m3)	392	297	320

The Group continues its energy management plans in both headquarters and sites and has SOPs in place to encourage energy conservation and efficiency. As part of its ongoing efforts, the Group switches older diesel-fed machines to electricity-driven ones. This move reduces the Group's overall carbon footprint and cost as well as efficiency of operations. Site-wide energy management plans provide for temporary energy supply purchased from the national grid, to allay concerns of blackouts or temporary power disruptions.

While different project sites allocate water usage differently, water consumption, including the drilling and drawing of well water or ground water in sites with a stable water table, supplements its reliance on raw water usage. A strict policy against water waste and loss is one of the water conservation efforts of the Group.

Waste & Effluent

The Group has reduced its carbon footprint by progressively replacing diesel-powered machines with electric alternatives across most of its construction sites. With all sites now equipped with electricity supply, ongoing efforts are being made to minimize the use of power generators wherever feasible.

Among innovations used by the Company is using Construction Industry Development Board (CIDB)'s IBS. This pre-fabricated method reduces wastage by accurate quantity surveying and a construction or development is assessed with the IBS Content Scoring System (IBS Score) based on Construction Industry Standard 18 (2018), (CIS 18:2018).

In line with the Group's Zero Waste policy, initiatives have been introduced to minimize the volume of materials sent to scrapyards. This includes the implementation of efficient waste management strategies, in collaboration with third-party vendors specializing in the disposal of construction waste.

SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENT (CONT'D

Waste & Effluent (Cont'd)

	2022	2023	2024
Diesel consumption (litres)	558,825	933,407	1,610,175
Waste disposal (m3)	n/a	21,704	28,309

Climate-related Risks and Opportunities

CBHB understands sustainability issues related to climate change and its impact on business. Major floods have become a growing concern in Malaysia as they occur regularly almost every year during the monsoon season. The floods have caused significant damage to infrastructure, homes and crops, as well as injuries and loss of life.

CBHB has learned from this natural disaster caused by the climate change. Within our control, there are several measures and plans that we can put in place to minimize the impact of floods for our ongoing and future property development projects, such as enhancing building and layout design, improving infrastructure and drainage systems, planting more trees, careful choosing the future development lands to ensure they are not affected by flooding, etc.

SOCIAL

Safe Workplace

The Group believes that the safety and well-being of its employees are the foundation of its success. Hence, we strive to provide a safe and healthy environment for our employees and to ensure safe practices in all aspects of our business operations. The Group has in place a policy that highlights our commitment to:

- ensure compliance with laws and regulations in relation to occupational safety and health;
- set targets and measures to drive occupational safety and health performance across the organisation; and
- promote a culture where all employees share the commitment to prevent harm to the safety and health of our employees, contractors and the general public.

As such, we strive to provide a safe and healthy environment for our employees and to ensure safe practices in all aspects of our business operations.

Our Safety Officers are registered with Department of Occupational Safety and Health ("**DOSH**"). In this respect, the Group places importance on continuous compliance with all relevant health and safety laws and regulations such as Occupational Safety and Health Act 1994 ("**OSHA**"). In Malaysia, OSHA is the main framework of the Company's Occupational Safety & Health provisions. The Group continues sending its Safety & Health personnel for OSHA-related training, amounting to 928 manhours (2023: 680 manhours) (2022: 760 manhours) across the Group. Safety Induction Training were conducted for all of our newly joined employees in fieldwork. Employees working in high-risk areas are also required to re-train every 3 years. The programme is designed to train employees to become fully aware on the safety and health measures and to meet the OSHA's guidelines. Workers are equipped with safety protective wear and equipment when involving in potentially dangerous works. Furthermore, safety briefings are compulsorily conducted to all visitors or contractors on the awareness of safety before entering to the site.

Following previous disclosure, the Group's target for Occupational Safety & Health was to reach a zero-accident rate for FYE2024. We have recorded no LTI in FYE2024. However, there was 2 work related fatalities involving our sub-contractor's works on site.

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D

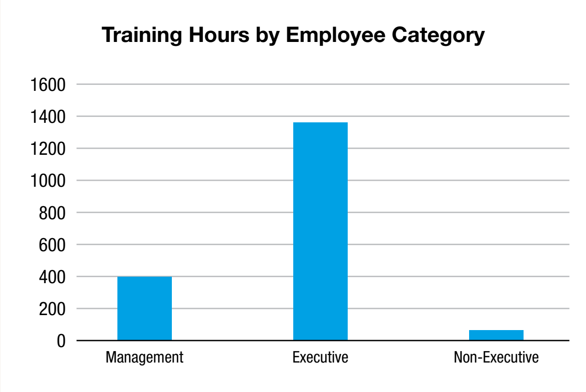
Safe Workplace (Cont'd)

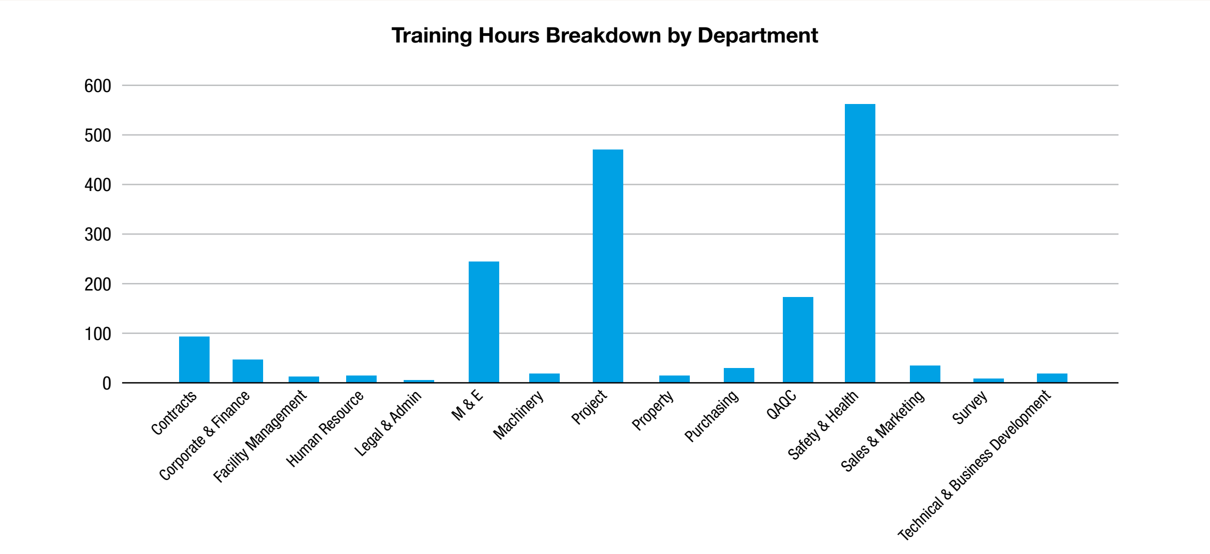
As a construction company, the Group is compliant to all local land codes, both Federal and State as well as local councils concerning site safety, health and management. One of the key aspects the Group is committed to provide is a safe and healthy working environment free from disease-carrying vectors or insects, our Human Resources department is still actively adjusting the SOPs from time to time to ensure that employees and site workers can work in a safe environment.

Training & Talent Management

A good team is a business's surety that the Group grows from strength to strength and on this basis, employees are a valuable business capital or asset and part of the CBHB family. Within the scope of this report are the Group's direct employees under the Group's payroll and will not include those under the minority stake of subsidiary companies in which the Group holds development rights (despite 51% or more ownership).

As an employer, CBHB is a renowned construction firm in Malaysia and instils respect and trust amongst its employees. This enables the Group to retain and attract top talent to its team. The Group also recognises that the Industrial Revolution 4.0 will place pressure in organisations to continuously upskill and reskill our workforce, to stay relevant and productive. Employees are encouraged to attend internal or external training or pursue professional development to enhance their knowledge and skill for career enhancement and personal development, human resource management, technical skills, and others. In FYE2024, our employees underwent 222.5 man-days (1,780 manhours) of training. FYE2023: 404 man-days, 3,232 manhours FYE2022: 257 man-days, 2,056 manhours).



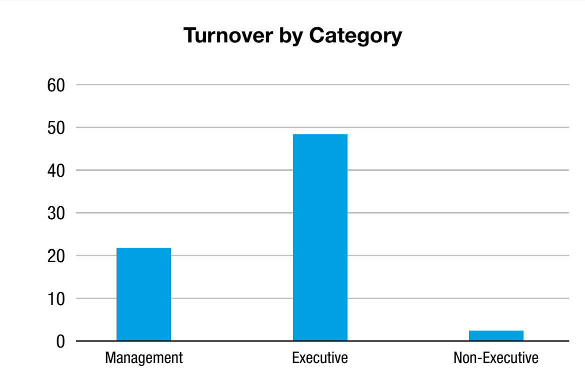


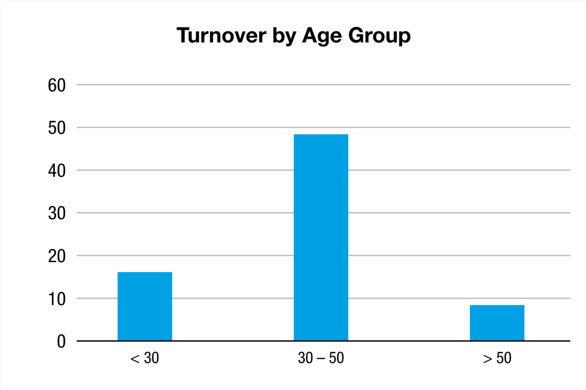
SUSTAINABILITY STATEMENT (CONT'D)

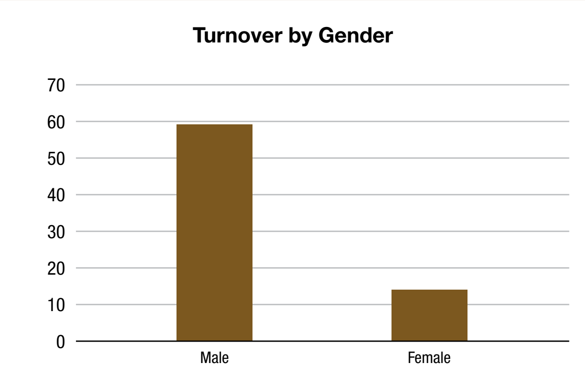
SOCIAL (CONT'D)

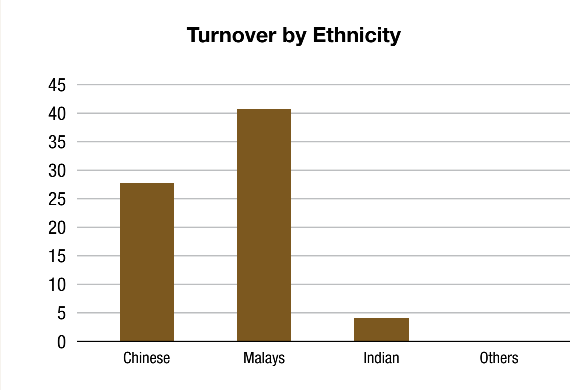
Training & Talent Management (Cont'd)

Besides training, an engaged workforce is updated with company-wide news in the Group's in-house communications, such as internal staff memos. Despite the industry faced strong headwinds in FYE2024, the stable outlook of the Group's activities and order book led to a moderate attrition rate and a successful retention of talent. The movement of the workforce is reflected in the following charts.









Diversity

Diversity refers to the differences in workforce by gender, age, ethnicity and disability. This measure is considered across the Board, from the directors to the management and the rest of the workforce. As at 31 December 2024, the Group's headcount comprised 7 directors, 73 management, 183 executives and 37 non-executives, bringing the Group tally to 297 pax. Out of the 297 pax, 21 pax (7.07%) are contractual employees.

The Board is aware of the initiative to increase female participation in the boardroom, as such, the Group will continue in looking for the right candidate. At the management and administrative levels, there are no foreigners and local talents are hired and sourced from online job platforms and internal recommendations. Most of the Group's pre-dominantly skilled, white-collar workers are graduates or skilled professionals and fill management or administrative roles.

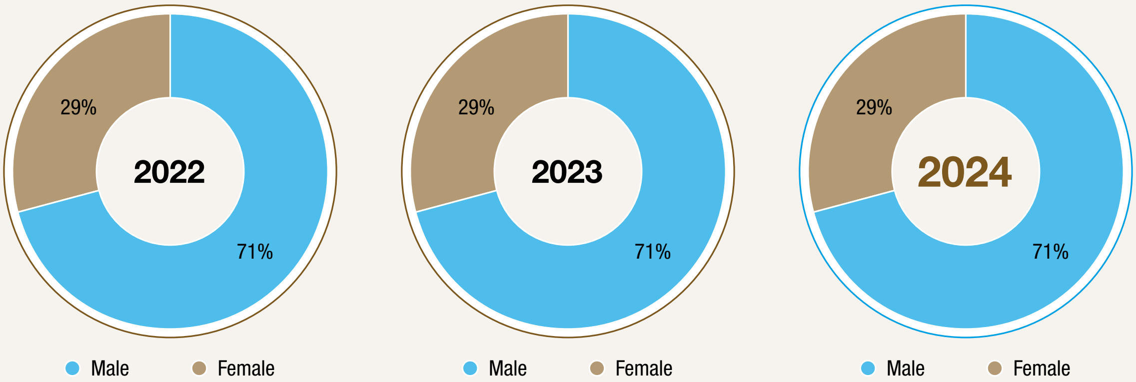
The following charts depict the composition of the Group's human capital in 2024.

SUSTAINABILITY STATEMENT (CONT'D)

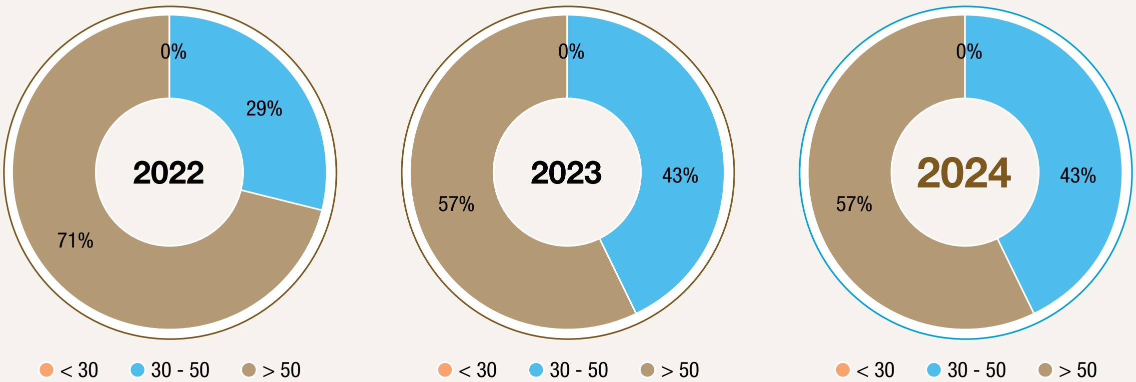
SOCIAL (CONT'D)

Diversity (Cont'd)

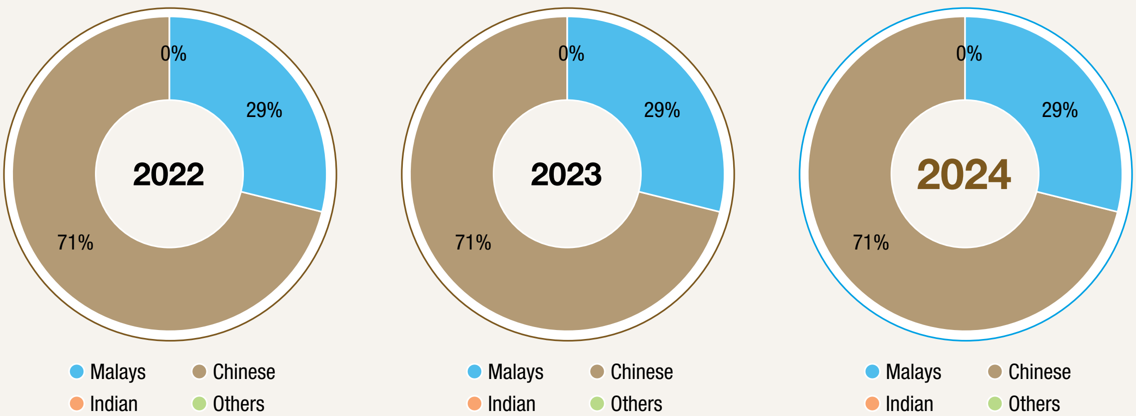
Board Member Breakdown by Gender



Board Member Breakdown by Age Group



Board Member Breakdown by Ethnicity

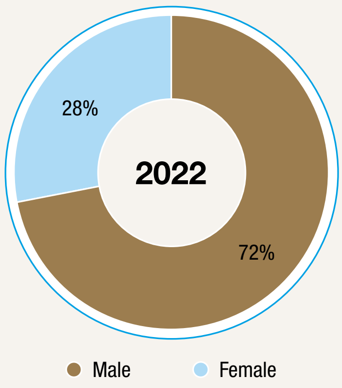


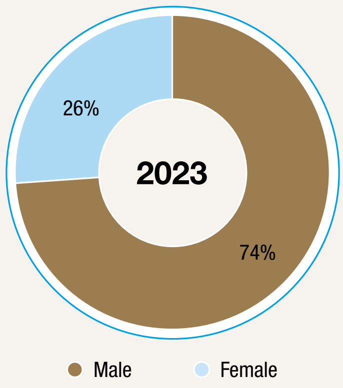
SUSTAINABILITY STATEMENT (CONT'D)

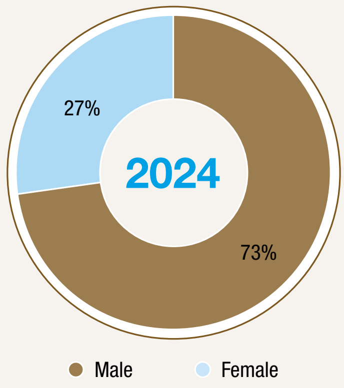
SOCIAL (CONT'D)

<u>Diversity</u> (Cont'd)

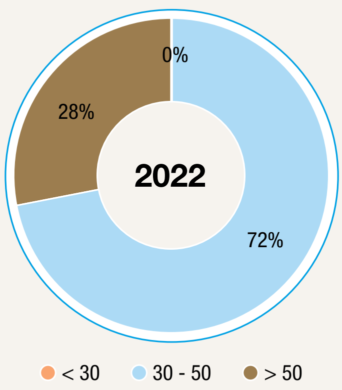
Management Breakdown by Gender

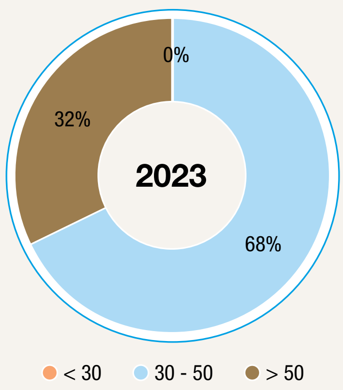


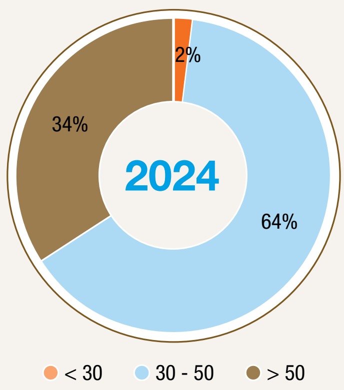




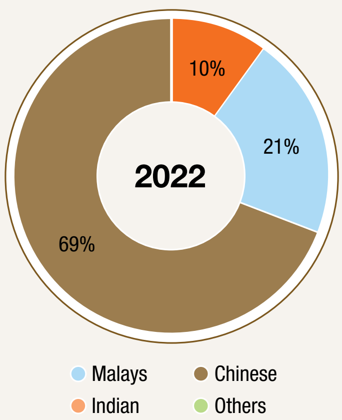
Management Breakdown by Age Group

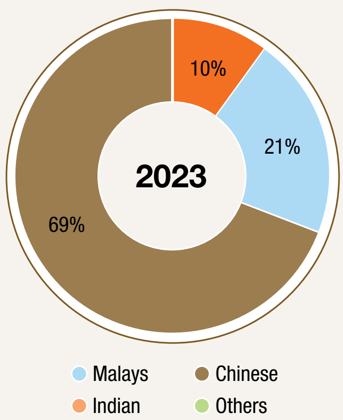


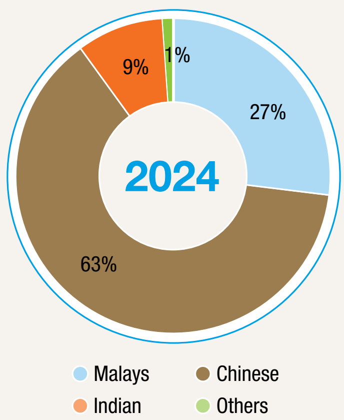




Management Breakdown by Ethnicity





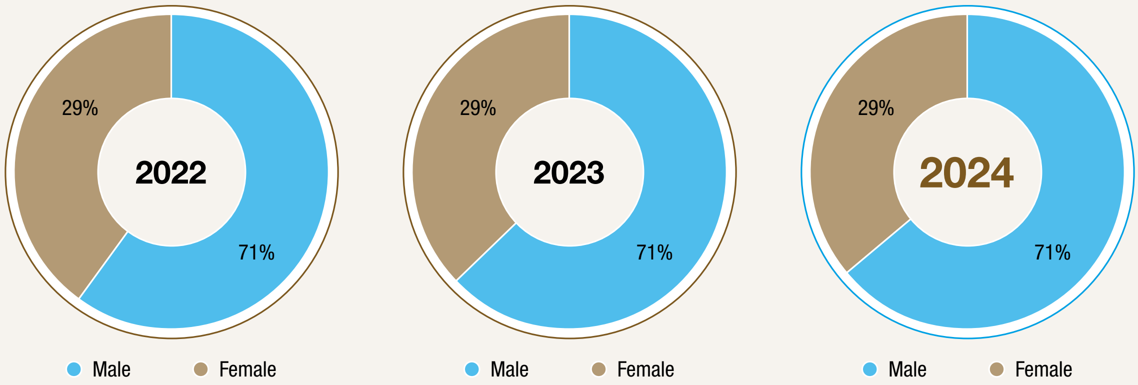


SUSTAINABILITY STATEMENT (CONT'D)

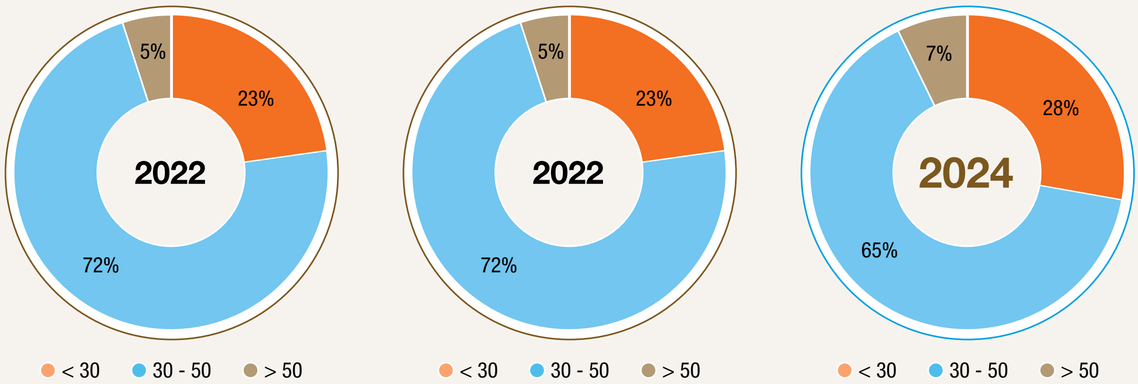
SOCIAL (CONT'D)

Diversity (Cont'd)

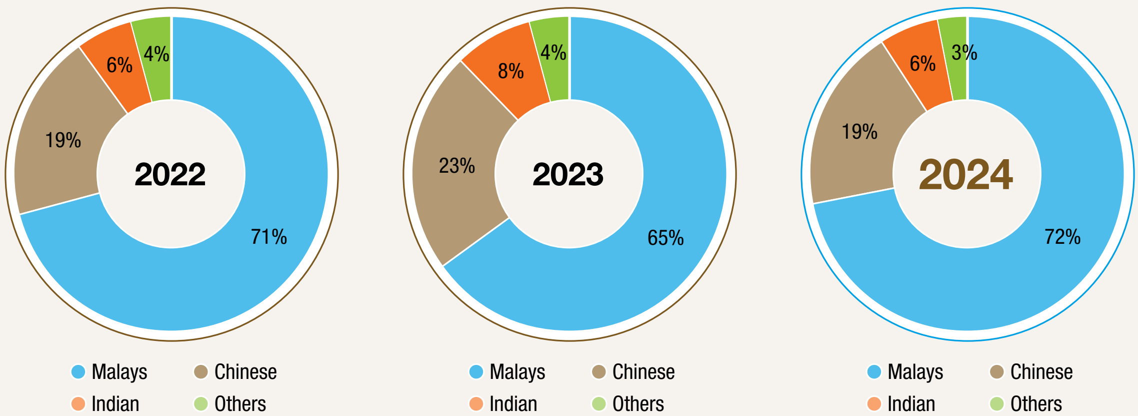
Executive Breakdown by Gender



Executive Breakdown by Age Group



Executive Breakdown by Ethnicity

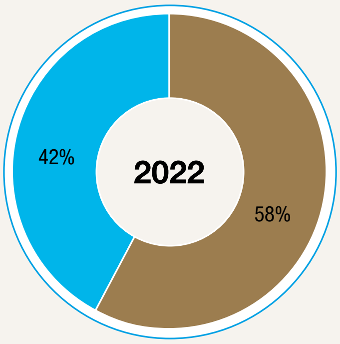


SUSTAINABILITY STATEMENT (CONT'D)

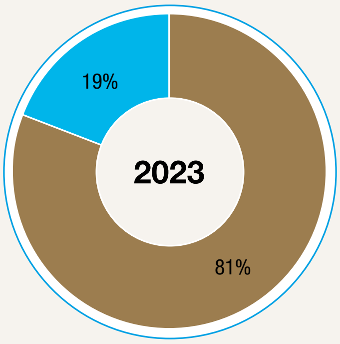
SOCIAL (CONT'D)

<u>Diversity</u> (Cont'd)

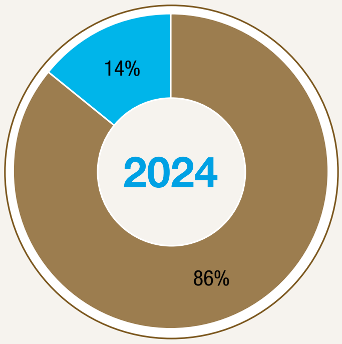
Non-Executive Breakdown by Gender



Male Female

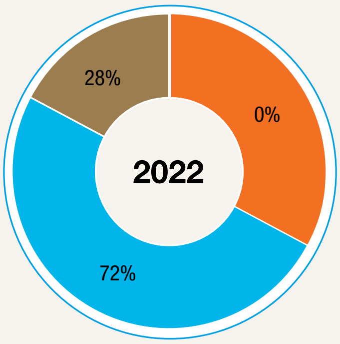


Male Female



Male Female

Non-Executive Breakdown by Age Group



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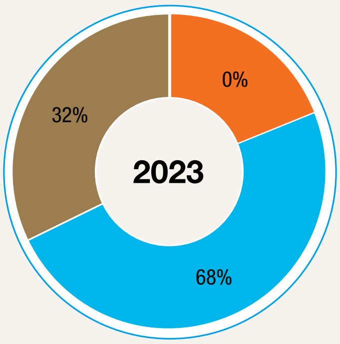

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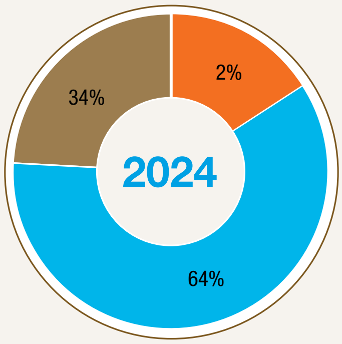

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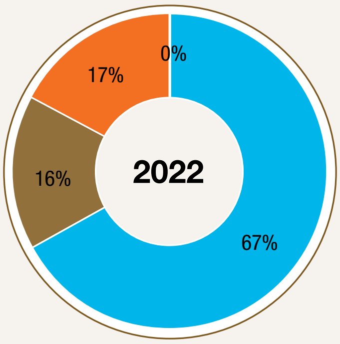
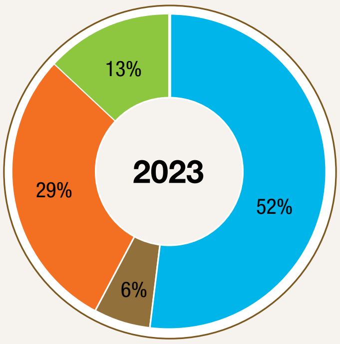
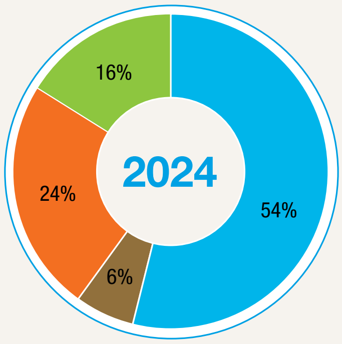
Non-Executive Breakdown by Ethnicity



Malays Chinese
Indian Others



Malays Chinese
Indian Others



Malays Chinese
Indian Others

SUSTAINABILITY STATEMENT (CONT'D)

SOCIAL (CONT'D)

Labour Practices

We are committed to provide and respect fundamental human rights and safeguard against violation of human rights. The freedoms enshrined in this include freedom from forced and child labour, adherence to minimum wages and fair compensation and provision of reasonable working hours per stipulated by Labour Law.

We guarantee an anti-discriminatory and anti-harassment workplace, one that is safe and healthy and above all, ethical in conduct. Employees are not restricted from unionising and are afforded the freedom of association per local laws and practice.

Furthermore, the Group's employee benefits are above minimum statutory requirements and include dental and healthcare benefits, insurance coverage and adequate leaves on a buildable scale based on length of service.

We are committed to the continuous improvement of our workers' accommodation as we understand that this is a key in ensuring our staff welfare and well-being. We are in compliance with the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 (Act 446) whereby we have embarked on the programme to improve the living quarters of our site workers by ensuring reasonable number of workers living in the right size of the space with the required amenities and facilities. Every single site worker is also given an appropriate size and thickness of single bed as well as a cupboard with lock to keep their possessions.

We are also pleased to announce that our Group has been in full compliance with the Employment (Amendment) Act 2022 that came into effect on 1 January 2023. As per the new Act, we have ensured that all our employees are entitled to flexible working arrangements, reducing maximum working hours per week to 45 hours, increasing paid maternity leave to 98 days, increasing paid paternity leave to 7 days and more. We are committed to upholding the standards set by the new Employment Act and ensuring the well-being of our employees.

During the reporting period, there has been no complaints reported concerning human rights violation.

Community Engagement

As we are deeply rooted in the community we operate, we actively engage in community outreach programmes and activities. We are proud of having the privilege to serve various segments of the community towards providing for social empowerment and helping to make a positive difference for people across all walks of life. We have from time to time made various donations and contribution.

Data Privacy and Security

In 2013, The Personal Data Protection Act 2010 was passed by the Parliament of Malaysia. The main objective of this law is to regulate the processing of personal data by the user in a commercial transaction data and protect personal data of common interest.

During the reporting period, there has been no complaints reported concerning breaches of customer privacy and losses of customer data.

SUSTAINABILITY STATEMENT (CONT'D)

OUR COMMITMENT

As a responsible corporate citizen, the Group shall endeavour to undertake sustainable and responsible practices to add value to sustainable business growth, environmental stewardship and social responsibility.

Rewarding our shareholder	Sustaining long term value	Advancing our business	Investing in our human resources	Contributing to society
Dividend	Investment in our resources to ensure long-term benefits to our various stakeholders	Reinvestment in our core business	Competitive remuneration, compensation, benefits and trainings	Continued upliftment of our society's well-being through taxes and donations

STATEMENT ON ASSURANCE

The Group would like to affirm that, as of the current reporting period, a comprehensive review of this Sustainability Statement has not been conducted by the internal auditor. Furthermore, no independent assurance has been undertaken in accordance with recognized assurance standards.

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY PERFORMANCE REPORT

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	55.84
Executive	Percentage	33.80
Non-executive/Technical Staff	Percentage	2.70
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	123,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	5
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	1.43
Management Between 30-50	Percentage	64.29
Management Above 50	Percentage	34.29
Executive Under 30	Percentage	28.42
Executive Between 30-50	Percentage	64.49
Executive Above 50	Percentage	7.10
Non-executive/Technical Staff Under 30	Percentage	16.22
Non-executive/Technical Staff Between 30-50	Percentage	59.46
Non-executive/Technical Staff Above 50	Percentage	24.32
Gender Group by Employee Category		
Management Male	Percentage	72.86
Management Female	Percentage	27.14
Executive Male	Percentage	63.93
Executive Female	Percentage	36.07
Non-executive/Technical Staff Male	Percentage	86.49
Non-executive/Technical Staff Female	Percentage	13.51

Internal assurance External assurance No assurance (*)Restated

SUSTAINABILITY STATEMENT (CONT'D)

Indicator	Measurement Unit	2024
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	71.43
Female	Percentage	28.57
Under 30	Percentage	0.00
Between 30-50	Percentage	42.86
Above 50	Percentage	57.14
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	0.11
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	2
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.82
Bursa C5(c) Number of employees trained on health and safety standards	Number	71
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	396
Executive	Hours	1,352
Non-executive/Technical Staff	Hours	32
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	7.07
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	22
Executive	Number	48
Non-executive/Technical Staff	Number	3
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		

Internal assurance | External assurance | No assurance | (*)Restated

SUSTAINABILITY STATEMENT (CONT'D)

Indicator	Measurement Unit	2024
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	0.320000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	No Data Provided
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	No Data Provided
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	No Data Provided
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	No Data Provided
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	No Data Provided
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	No Data Provided

Internal assurance | External assurance | No assurance | (*)Restated

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY STATEMENT (CONT'D)

REPORT OF THE AUDIT COMMITTEE

COMPOSITION AND MEMBERS

The current Audit Committee ("the Committee") comprises three (3) members of the Board of Directors ("the Board") who are all Independent Non-Executive Directors. Among the Independent Non-Executive Directors, Mahathir bin Mahzan and Lim Boon Teng are members of the Malaysian Institute of Accountants. Below are the members of the Committee during the financial year:

Directors	Status
1. Mahathir bin Mahzan - Chairman	Independent Non-Executive Director
2. Lim Boon Teng	Independent Non-Executive Director
3. Tong Hock Sen	Independent Non-Executive Director

TERMS OF REFERENCE

The Committee is governed by the following terms of reference:

1. Composition

(i) The Committee shall be appointed by the Board from amongst the directors excluding Alternate Directors; shall consist of not less than three members, where all members are Independent Non-Executive Directors; and at least one (1) member of the Committee:

(a) must be a member of the Malaysian Institute of Accountants; or

(b) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:

(aa) he must have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967; or

(bb) he must be a member of one of the associations of accountants specified in Part 11 of the 1st Schedule of the Accountants Act 1967; and

(c) fulfils such other requirements as prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities") or approved by the Securities Commission.

The Chairman shall be an Independent Non-Executive Director elected by the members of the Committee.

(ii) In the event of any vacancy in the Committee resulting in the non-compliance of paragraph (i) above, the Board must fill the vacancy within three (3) months.

(iii) In the event that a former key audit partner is appointed as a member of the Committee, a cooling-off period of at least two (2) years is required to observe prior his/her appointment.

(iv) The term of office and performance of the Committee and each of its members shall be reviewed by the Board at least once every three (3) years to determine whether the Committee and its members have carried out their duties in accordance with their terms of reference.

REPORT OF THE AUDIT COMMITTEE (CONT'D)

TERMS OF REFERENCE (CONT'D)

2. Authority

The Committee is granted the authority to investigate any activity of the Company and its subsidiary companies within its terms of reference, and all employees are directed to co-operate as requested by members of the Committee. The Committee is empowered to obtain independent professional or other advice and retain persons having special competence as necessary to assist the Committee in fulfilling its responsibility.

3. Responsibility

The Committee is to serve as a focal point for communication between non-Committee directors, the external auditors, internal auditors and the management on matters in connection with financial accounting, reporting and controls. The Committee is to assist the Board in fulfilling its fiduciary responsibilities as to accounting policies and reporting practices of the Company and all subsidiary companies and the sufficiency of auditing relative thereto. It is to be the Board's principal agent in assuring the independence of the Company's external auditors, the integrity of the management and the adequacy of disclosures to shareholders.

If the Committee is of the view that a matter reported to the Board has not been satisfactorily resolved resulting in a breach of the Bursa Securities Listing Requirements, the Committee shall promptly report such matter to the Exchange.

4. Functions

The functions of the Committee are as follows:

(i) review with the external auditors, their audit plan;

(ii) review with the external auditors, their evaluation of the system of internal control;

(iii) review with the external auditors, their audit report;

(iv) review the assistance given by the Company's officers to the external auditors;

(v) review the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work;

(vi) review the internal audit programmes, processes, the results of the internal audit programmes, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;

(vii) review the quarterly results and year end financial statements, prior to the approval by the Board, focusing particularly on:

- (a) significant and unusual events;
- (b) significant adjustments arising from the audit;
- (c) compliance with accounting standards and other legal requirements;
- (d) compliance with Bursa Securities; and
- (e) the going concern assumption.

REPORT OF THE AUDIT COMMITTEE (CONT'D)

TERMS OF REFERENCE (CONT'D)

4. Functions (Cont'd)

The functions of the Committee are as follows: (cont'd)

(viii) review any related party transaction and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity; and

(ix) consider the nomination, appointment and re-appointment of external auditors, their audit fees, and any questions on resignation or removal.

(x) undertake the role of Board Integrity Committee ("BIC") to review and decide on reports received from Integrity Officer (if any) including whistleblower incidents, progress of CBHB's anti-corruption plan, incidence of integrity non-compliance, results of actions taken and recommendations for improvements to CBHB's anti-bribery management system ("ABMS") related policies.

5. Meetings

(i) The Committee is to meet at least four times a year and as many times as the Committee deems necessary.

(ii) In order to form a quorum for any meeting of the Committee, two (2) of the members must be presented and all present must be Non-Executive Directors whereby majority of the directors must be Independent Directors.

(iii) The meetings and proceedings of the Committee are governed by the provisions of the Company's Constitution regulating the meetings and proceedings of the Board so far as the same are applicable.

(iv) The director/person responsible for the financial management of Crest Builder Holdings Berhad and the head of internal audit shall normally attend meetings of the Committee. The presence of a representative of the external auditors will be requested if required.

(v) Upon request by the external auditors, the Chairman of the Committee shall convene a meeting of the Committee to consider any matters the external auditors believe should be brought to the attention of the directors or members of the Company.

(vi) At least twice a year, the Committee shall meet with the external auditors without the presence of other directors and employees of the listed issuer whenever deemed necessary.

6. Secretary and minutes

The secretary of the Committee shall be the Company Secretary. Minutes of each meeting are to be prepared and sent to the Committee members and the Company's directors who are not members of the Committee.

REPORT OF THE AUDIT COMMITTEE (CONT'D)

MEETINGS

The Committee convened five (5) meetings in respect for financial year ended 31 December 2024. The attendance for the meetings were as follows:

Members	Number of meetings attended	Number of meetings held during tenure
1. Mahathir bin Mahzan - Chairman	5	5
2. Lim Boon Teng	5	5
3. Tong Hock Sen	5	5

SUMMARY OF ACTIVITIES

For the financial year under review, the Committee carried out its duties as set out in the terms of reference. The Committee convened five (5) meetings to review the following:

- the annual financial statements prior to submission to the Board for consideration and approval;
- the unaudited Quarterly Financial Results for four quarters in year 2024 for the release to the Bursa Securities;
- the Recurrent Related Party Transactions and Related Party Transactions of the Company;
- the Statement of Overview on Corporate Governance and Statement on Risk Management and Internal Control for disclosure in Annual Report 2023;
- the review of the internal audit reports for financial years 2023 and 2024 including internal controls and implementation of recommendations;
- the internal and external audit planning memorandums and programmes of the internal and external auditors for the following year as well as the recommendation of their respective fees to the Board;
- the consideration and recommendation to the Board on the appointment of external and internal auditors;
- the recommendations by the internal and external auditors in respect of control weaknesses noted during the course of their audit; and
- the reports received from the Integrity Officer on matters related to Anti Bribery Management System

The meetings were appropriately structured through the use of agendas and meeting papers, which were distributed to members five (5) business days in advance before the meetings.

INTERNAL AUDIT FUNCTION

The Company has an outsourcing arrangement with an independent professional firm to provide internal audit services which assists the Committee in discharge its functions. The internal auditors, Ernst & Young Advisory Services Sdn. Bhd., provide independent and objective reports on the organisation's management records, accounting policies and controls directly to the Committee. Such audits/reviews also ensure instituted controls are appropriate and effectively applied to achieve acceptable risks exposures. The internal audit function is carried out in accordance with a recognised framework guided by International Standards for the Professional Practice of Internal Auditing. In terms of resources allocated for each of their visit, the team with a size of 4 to 5 members is assigned and headed by the Engagement Partner. The internal auditors are free from any relationship or conflict of interest with the Group, which could impair their objectivity and independence in carrying out their duties.

REPORT OF THE AUDIT COMMITTEE (CONT'D)

INTERNAL AUDIT FUNCTION (CONT'D)

During the financial year, the internal auditors conducted independent reviews and evaluated risk exposures relating to the Group's governance, operations and information system as follows:

- reliability and integrity of financial and operational information;
- effectiveness and efficiency of operations;
- safeguarding of assets; and
- compliance with policies and procedures, laws, regulations and contracts i.e. reasonably ensuring conformity and adherence to these matters.

The internal auditors also established follow-up audits/reviews to monitor and ensure that internal audit's recommendations have been effectively implemented. Reports, including where relevant, action plans agreed with the operational level management, are circulated to senior management and tabled at the Committee Meeting. Internal audit fees of RM130,000 was paid to the outsourced internal auditors for the financial year ended 31 December 2024.

During the financial year, the internal audit activities have been carried out according to the internal audit plan which has been approved by the Committee.

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE

The Board of Directors ("the Board") remains committed to achieving and maintaining the highest standards of corporate governance throughout the Group. The Board views corporate governance as synonymous with four key concepts; namely transparency, accountability, integrity as well as corporate performance.

Measures and efforts have and shall be taken to ensure as far as practicable the adoption and implementation of the Principles and Recommendations set out in the Malaysian Code on Corporate Governance ("the Code") and in the Main Market Listing Requirements ("MMLR") of the Bursa Malaysia Securities Berhad ("Bursa Securities").

Set out below is a description of how the Group has applied the Principles of the Code and how the Board has complied with the Recommendations set out in the Code throughout the financial year ended 31 December 2024.

SECTION A – BOARD OF DIRECTORS

The Board

The Group recognises the importance of role played by the Board in the stewardship of its direction and operations and ultimately the enhancement of long-term shareholder value. To fulfill this role, the Board is responsible for the overall corporate governance of the Group, including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

The Board has a formal schedule of matters reserved to itself for decision, which includes the overall Group strategy and direction, acquisition and divestment policy, approval of major capital expenditure projects and significant financial matters. The schedule ensures that the governance of the Group is in its hands.

Duties and Responsibilities of the Board

The responsibilities of the Board of the Company are as follows:

- reviewing and adopting a strategic plan for the Group which will enhance the future growth of the Group;
- overseeing the conduct of the Group's business to evaluate whether the business is being properly managed;
- identifying principal risks of the business and ensuring the implementation of appropriate systems to manage these risks;
- succession planning;
- overseeing the development and implementation of shareholder communications policy for the Company; and
- reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board has formalised and adopted a Board Charter which serves as a source of reference for directors. The Board Charter comprises, amongst others, the duties and responsibilities of the Board and the management, Board composition, Board Committees, Board meetings, Directors' Code of Business Conduct and Ethics, Directors' training, Directors' remuneration as well as communication between the Board and shareholders.

The Board Charter approved by the Board is reviewed regularly to ensure that new laws, regulations or relevant developments having an impact on the discharge of the Board's responsibilities are taken into account.

The Board Charter is available on the Company's website at www.crestbuilder.com.my.

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

SECTION A – BOARD OF DIRECTORS (CONT'D)

Board Balance and Independence of Directors

As at the date of this Statement, the Board has seven (7) members, comprising four (4) Non-Executive Directors, two (2) Executive Directors and one (1) Alternate Director. Three (3) of the seven (7) Directors are Independent Non-Executive Directors. A brief profile of each director is presented on pages 10 to 12 of this Annual Report.

There is a clear division of responsibility between the Chairman and the Managing Director of the Group in order to provide for balance of power and authority. The Chairman is responsible for ensuring the Board effectiveness and conduct whilst the Managing Director has an overall responsibility over the operating units, organisational effectiveness and implementation of the Board's policies and decisions.

All of the Independent Non-Executive Directors are independent of management and are free from any business or other relationship that could materially interfere with the exercise of their independent judgement. They have the calibre to ensure that the strategies proposed by the management are fully deliberated and examined in the long-term interest of the Group, as well as shareholders, employees and customers.

One of the recommendations of the Code states that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. If the Board intends to retain an Independent Director beyond nine (9) years, it should justify and seek annual shareholders' approval. On 19 January 2022, Bursa Securities announced an amendment to the MMLR to limit the term of Independent Directors to twelve (12) years. None of our Independent Director had serve over the tenure of (9) years.

As far as board diversity policies are concerned, while the Company does not have such a formal policy in place, the Board is actively working towards the promotion of a corporate culture that embraces diversity in its recruitment process. The Board has achieved Boardroom diversity in terms of gender, age and ethnicity. As of to-date, 16.7% of Board members are represented by woman director (excluding Alternate Director).

Code of Conduct

The Company has issued and implemented a Code of Business Conduct and Ethics that applies to all directors and employees of the Group. Directors and employees are required to read, understand and abide by the Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics is effectively communicated via the Company's Employee Handbook and is subject to regular review and updates. The Code of Business Conduct and Ethics lays out the ethical, business and lawful conduct of the Company, including managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Company has a formalised Whistleblowing Policy and Procedure, which can be found in the Anti-Bribery and Anti-Corruption Policy. The Whistleblowing Policy and Procedure is planned as a tool to manage non-compliance to the Group's Code of Business Conduct and Ethics and its future improvement. The whistleblower is advised to report and provide appropriate information of any improper conduct to any of the Risk Management Committee members or Integrity Officer for further action.

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

SECTION A – BOARD OF DIRECTORS (CONT'D)

Board Meetings

The Board ordinarily meets at least four (4) times a year at quarterly intervals with additional meetings convened when urgent and important decisions need to be taken between the scheduled meetings. During the financial year, the Board met on five (5) occasions, where it deliberated upon and considered a variety of matters including the Group's financial results, corporate finance and strategic decisions, the business direction of the Group and corporate governance matters.

Details of the attendance of the directors at the Board Meetings are as follows:

Directors	Number of meetings attended in 2024
(i) Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah	5/5
(ii) Yong Shang Ming	5/5
(iii) Koh Hua Lan (f)	5/5
(iv) Mahathir bin Mahzan	5/5
(v) Lim Boon Teng	5/5
(vi) Tong Hock Sen	5/5
(vii) Yong Tiok Keng (f) (Alternate to Koh Hua Lan)	5/5

Where a potential of conflict arises in the Group's investment, projects or any transactions involving director's interest, such director is required to declare his/her interest and abstain from further discussion and the decision-making process.

Board Committees

Where appropriate, matters have been delegated to Board Committees, all of which have written minutes and terms of reference to assist the Board in discharging its duties and responsibilities. The Board will then receive the reports of their proceedings and deliberations in its scheduled Board meetings.

(i) Audit Committee

The composition of Audit Committee meets the MMLR, i.e. all members are Non-Executive Directors and at least one (1) member is a qualified accountant. The primary objective of the Audit Committee is to assist the Board in fulfilling its responsibilities relating to accounting and reporting practices of the Group. The Report of the Audit Committee is set out on pages 48 to 52. The Audit Committee is empowered to obtain external professional advice and invite outsiders with relevant experience to attend its meeting when necessary.

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

SECTION A – BOARD OF DIRECTORS (CONT'D)

Board Committees (Cont'd)

(ii) Nomination and Remuneration Committee

The responsibilities of the Nomination and Remuneration Committee are as follows:

- identifying and recommending new nominees to the Board as well as committees of the Board;
- reviewing regularly the Board structure, size and composition and ensuring that at least one-third (1/3) of the Board is independent;
- reviewing the required mix of skills, experience and other qualities including core competencies which Non-Executive Directors should bring to the Board;
- assessing the effectiveness of the Board, the committees and the contribution of each individual director annually;
- evaluating and determining the training needs of the directors to enable them to effectively discharge their duties;
- recommending directors who are retiring by rotation to be put forward for re-election pursuant to the Constitution of the Company;
- reviewing the Group's remuneration policy and the remuneration packages of the executive directors of the Group;
- proposing, subject to the approval of the Board, the remuneration and terms and conditions of service and the remuneration to be paid to each director for his services as a member of the Board as well as committees of the Board; and
- designing and implementing evaluation procedures for directors.

All of the members of the Nomination and Remuneration Committee are Independent Non-Executive Directors. The members of the Committee and the details of their attendance are as follows:

Directors	Number of meetings attended in 2024
Lim Boon Teng (Chairman)	1/1
Mahathir bin Mahzan	1/1
Tong Hock Sen	1/1

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

SECTION A – BOARD OF DIRECTORS (CONT'D)

Supply of Information

The Board is supported by a qualified and competent Company Secretary who is accountable to the Board and is responsible for advising the Board on issues relating to corporate governance with the relevant laws, rules and regulations affecting the Group and the Company as well as ensuring compliance with the statutory requirements of the Companies Act 2016, the MMLR and other regulatory bodies.

All scheduled meetings held during the financial year were preceded with a formal agenda issued by the Company Secretary in consultation with the Chairman and the Managing Director. The agenda for each meeting was accompanied by the minutes of preceding meetings of the Board and Board Committees, reports on Group's financial performance, industry trends, business plans and proposals, quarterly result announcements and other relevant information. The Board papers encompass all material aspects of the matters being considered, enabling the Board to look at both quantitative and qualitative factors so that informed decisions are made. All the Board papers are distributed five (5) business days in advance of the meetings to ensure directors are well informed and prepared for the meetings.

All directors have access to the advice and services of the Company Secretary. Directors are informed and aware that they may take independent professional advice, if necessary and appropriate in furtherance of their duties, at the expense of the Group.

Appointments and Re-elections to the Board

The Nomination and Remuneration Committee is responsible for making recommendations for any appointments to the Board. In making these recommendations, the Nomination and Remuneration Committee considers the required mix of skills and experience which the directors should bring to the Board.

In accordance with the Company's Constitution, all directors who are appointed by the Board are subject to re-election by rotation by shareholders at the first opportunity after their appointments. The Constitution also provides that at least one-third (1/3) of the remaining directors be subject to re-election by rotation at each Annual General Meeting, provided that all directors including the Managing Director shall retire from office at least once every three (3) years but shall be eligible for re-election.

Annual Evaluation

The Board has undertaken a formal and objective annual evaluation to determine the effectiveness of the Board, its committees and each individual director. Every year, directors are required to complete the Directors' Self-Performance Evaluation Form covering a series of key success factors, namely integrity and ethics, governance, strategic perspective, business acumen, judgement and decision making, teamwork, communication and leadership. Directors are also given opportunity to provide feedback on the performance of the Board and the Company and suggestion for improvement.

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

SECTION A – BOARD OF DIRECTORS (CONT'D)

Directors Training

All the directors of the Company have attended the Mandatory Accreditation Programme ("MAP") prescribed by Bursa Securities for directors of public listed companies.

The Board encourages directors to participate in ongoing education, as well as participation in accredited director education programmes.

During the financial year 2024, all directors had attended various training programmes, conferences, seminars and workshops which they have individually or collectively considered as relevant and useful in contributing to the effective discharge of their duties as directors. The directors had attended/participated in one or more of the following training programmes/conferences/seminars/workshops in 2024:

- Conferences on Digital Transformation Journey 2024
- Master Builder Association Annual Safety & Health Conference 2024
- Master Builder Association OneBuild 2024
- Master Builder Association HR Conference 2024
- MISIF 14th Conference on the Status & Outlook of the Malaysian Iron & Steel Industry
- MFRS Webinar : Financial Reporting and Ethical Considerations
- MFRS Webinar : Good Communication in Financial Reports and Preparattion for MFRS 18
- MFRS Webinar : Merger and Acquisition Activities - Practical approaches to purchase price allocation
- MFRS Webinar : Reporting Financial Performance for Public and Private Entities
- MIA International Accountant Conference
- MIA webinar: Updates and progress in e-invoicing implementation
- Audit Committee Conference 2024
- National Tax Conference 2024
- Multinational Tax Seminar 2024
- Malaysian Property Tax, Capital Gains Tax, estates and trusts
- XERO Roadshow Asia 2024
- Hong Leong Bank Market Update & Outlook Malaysia Budget 2025 Debrief
- YTL Construction presents GenConnect: Building Better Together Forum

The directors are also kept informed of the various requirements and updates issued by regulatory authorities.

SECTION B – DIRECTORS' REMUNERATION

The objectives of the Group's remuneration policy are to attract and retain the directors required to lead and control the group effectively. Generally, the remuneration of each director reflects the level of responsibility and commitment that goes with the Board Committee membership. In the case of Executive Directors, the component parts of the remuneration are structured so as to link rewards to individual and the Group's performance.

The Nomination and Remuneration Committee reviews and recommends directors' remuneration for the Board's approval.

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

SECTION B – DIRECTORS' REMUNERATION (CONT'D)

Disclosure

The Board has considered disclosure of details of the remuneration of each director. The Board is of the view that the transparency and accountability aspects of corporate governance as applicable to directors' remuneration as required by the MMLR and the Code have been met.

Aggregate remuneration of directors of the Company and subsidiary companies is categorised into appropriate components:

	Directors' fees (RM)	Salaries and/or other emoluments (RM)	Total (RM)
Executive Directors	–	1,866,089	1,866,089
Non-Executive Directors	198,000	–	198,000
Total	198,000	1,866,089	2,064,089

The remuneration/fees received by the directors (including Alternate Director) from the Group for the financial year ended 31 December 2024 as follows:

No.	Name	Fee RM'000	Salary RM'000	Bonus RM'000	Benefits-in-kind RM'000	Other emoluments RM'000	Total RM'000
1)	Yong Shang Ming (Managing Director)	–	569.6	153.5	14.0	88.0	825.1
2)	Koh Hua Lan (f) (Executive Director)	–	340.5	42.6	–	99.2	482.3
3)	Yong Tiok Keng (f) (Alternate Director to Koh Hua Lan)	–	419.6	70.4	8.7	60.0	558.7
4)	Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah (Non-Executive Chairman)	49.5	–	–	–	–	49.5
5)	Mahathir bin Mahzan (Independent Director)	49.5	–	–	–	–	49.5
6)	Lim Boon Teng (Independent Director)	49.5	–	–	–	–	49.5
7)	Tong Hock Sen (Independent Director)	49.5	–	–	–	–	49.5

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

SECTION B – DIRECTORS' REMUNERATION (CONT'D)

Disclosure (Cont'd)

On top of the above, the key management personnel's remuneration paid during the financial year ended 31 December 2024 are presented into bands of RM50,000 is as follows:

No.	Name	Salary RM	Allowance RM	Bonus RM	Benefits RM	Total RM
1)	Teh Hock Hua (Chief Executive Officer (Construction Division))	500,001-550,000	–	100,001-150,000	50,001-100,000	700,001-750,000
2)	Ir. Dr. Siew Woh Hon (Chief Operating Officer (Construction and M&E Divisions))	300,001-350,000	0-50,000	0-50,000	50,001-100,000	450,001-500,000
3)	Yong Tiok Nee (Head of Construction Solutions & Property Management)	150,001-200,000	0-50,000	0-50,000	0-50,000	250,001-300,000

SECTION C – SHAREHOLDERS

Dialogue between the Company and Investors

The Company values communication with its shareholders and investors and does this through the Annual Report, Annual General Meeting and Corporate Announcements. All enquiries made are normally dealt with as promptly as practicable.

The Company also holds briefings with research analysts, fund managers and investors to explain the Group's strategies, performance and major developments and the Board plans to conduct regular dialogues with institutional investors, fund managers and analysts with the aim of fostering mutual understanding of the Group's objectives.

The Annual General Meeting

The Company has used the Annual General Meeting as a forum of communication with its shareholders. The Board encourages participation from shareholders by having a question and answer session during the Annual General Meeting whereby the directors are available to discuss aspects of the Group's performance and its business activities. Each item of special business included in the notice of the meeting is accompanied by a full explanation of the effects of a proposed resolution. Separate resolutions are proposed for substantially separate issues at the meeting and the Chairman declares the number of proxies received, both for and against each separate resolution, where appropriate.

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

SECTION D – ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements, quarterly announcement of results to shareholders as well as the Management Discussion and Analysis in the Annual Report.

The directors consider that in preparing the financial statements, the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. All accounting standards which the Board considers to be applicable have been complied with.

The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.

Internal Control

The Board acknowledges responsibility for maintaining a sound internal control system and for reviewing its adequacy and integrity. The internal control system is designed to safeguard the shareholders' investments and the Group's assets, by its nature can only manage rather than eliminate risk of failure to achieve business objectives and inherently can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board regards risk management as an integral part of the business operations. During the year, heads of departments of the Group have attended monthly management meetings and discussed matters related to risk management in order to deepen their understanding of the risks and propose possible solutions that may affect the achievement of their respective operating unit's business objectives.

Information on the Group's internal control is presented in the Statement on Risk Management and Internal Control laid out on pages 64 to 66 of this Annual Report.

Relationship with Auditors

Through the Audit Committee, the Group has established a transparent and appropriate relationship with the Group's auditors, both external and internal, in ensuring that the financial statements of the Group and the Company comply with the accounting standards in Malaysia and the risk management and internal control system of the Group are effective. In relation to the financial statements, the role of the Audit Committee in relation to the external auditors are contained in the Report of Audit Committee set out on pages 48 to 52 of this Annual Report.

The Audit Committee met the external auditors twice a year on 26 February 2024 and 28 August 2024 without the presence of the Executive Directors and the management to exchange views on matters which require the Audit Committee's attention.

The Audit Committee had assessed the suitability, objectivity and independence of the external auditors. In its assessment, the Audit Committee considered several factors such as resources, competency, scope of audit and level of non-audit services rendered by Baker Tilly Monteiro Heng PLT for financial year 2024.

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

SECTION D – ACCOUNTABILITY AND AUDIT (CONT'D)

Relationship with Auditors (Cont'd)

Baker Tilly Monteiro Heng PLT confirmed that they will continuously comply with the relevant ethical requirements regarding independence with respect to the audit of the financial statements of the Group and of the Company for financial year ended 31 December 2024 in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountant's *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Being satisfied with Baker Tilly Monteiro Heng PLT's performance, technical competency and audit independence, the Audit Committee recommended the re-appointment of Baker Tilly Monteiro Heng PLT as external auditors for financial year ending 31 December 2025, which was concurred by the Board for it to be proposed for shareholders' approval at the forthcoming Annual General Meeting.

ADDITIONAL COMPLIANCE INFORMATION

In conformity with Bursa Securities Listing Requirements, the following information is provided:

1. Utilisation of Proceeds

The Company did not implement any fund raising proposal, whether involving the issue of securities or otherwise during the financial year.

On 21 March 2025, the Company announced its proposal to undertake a private placement involving the issuance of up to 48,632,267 new ordinary shares, representing approximately 30% of the total number of issued shares in the Company (excluding treasury shares). On 24 March 2025, the application for the listing and quotation of the Placement Shares was submitted to Bursa Securities. Bursa Securities, via its letter dated 10 April 2025, approved the listing and quotation of 48,632,267 new CBHB Shares to be issued pursuant to the Proposed Private Placement. An Extraordinary General Meeting will be held on 28 May 2025 to seek shareholders' approval

2. Share Buy-Back

The Company did not undertake Share Buy-Back for the financial year ended 31 December 2024.

As at 31 December 2024, 14,814,100 shares were held as treasury shares. There was no resale nor cancellation or distribution of treasury shares during the financial year.

3. Exercise of Options, Warrants or Convertible Securities

There was no exercise of options, warrants or convertible securities during the financial year.

4. American Depository Receipt ("ADR") or Global Depository Receipt ("GDR") Programme

The Company did not sponsor any ADR or GDR Programme during the financial year.

STATEMENT OF OVERVIEW ON CORPORATE GOVERNANCE (CONT'D)

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

5. Imposition of Sanctions/Penalties

There were no sanctions/penalties imposed on the Company and/or its subsidiary companies, directors or management arising from any significant breach of rules/guidelines/legislations by the relevant regulatory authorities.

6. Non-Audit Fees

Non-audit fees amounting to RM17,400 were paid/payable to the external auditors for the financial year ended 31 December 2024.

7. Profit Estimate, Forecast or Projection

The Company did not announce any profit estimate, forecast or projection during the financial year.

8. Profit Guarantee

There was no profit guarantee given by the Company during the financial year.

9. Material Contracts

There were no material contracts entered into by the Company and its related parties which involved directors' and major shareholders' interests during the financial year.

10. Recurrent Related Party Transactions

The recurrent related party transactions during the financial year ended 31 December 2024 are as follows:

Related party	Contracting party	Nature of transaction	Transacted value for financial year ended 31 December 2024 RM
Farima Sdn. Bhd (company connected to Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah)	Crestland Development Sdn. Bhd.	Rental expense	24,000

11. Revaluation Policy

The revaluation policy on landed properties of the Company and its subsidiary companies is disclosed in Note 3.6 to the Financial Statements.

12. Variation in Results

There was no significant variation in results (differ by 10% or more) from any profit estimation/forecast/projection/unaudited result announced.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

THE BOARD'S RESPONSIBILITIES

Pursuant to the requirements under the Malaysian Code on Corporate Governance for companies listed on Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors ("the Board") acknowledges their responsibilities under the Bursa Securities Listing Requirements to:

- identify principal business risks and ensure implementation of appropriate control measures to manage the risks; and

- review the adequacy and integrity of the internal control system, management information system and system for compliance with applicable laws, regulations, rules, directives and guidelines.

It should be noted that a risk management and internal control system is designed to manage risks rather than eliminate them, and can provide only reasonable but not absolute assurance against any material misstatement or loss.

The Board confirms that there is an ongoing risk management process established to identify, evaluate, and manage significant risks to effectively mitigate the risks that may impede the achievement of Crest Builder Group of Companies ("the Group") business and corporate objectives. The Board reviews the process on a regular basis to ensure proper management of risks and that measures are taken to mitigate any weaknesses in the control environment.

RISK MANAGEMENT FRAMEWORK

The enterprise risk management framework of the Group was set up in 2003 with the assistance of a professional firm of consultants. The formalisation of the enterprise risk management framework involved developing the risk profile where principal business risks, which could affect the achievement of the strategic business objective of the Group, are systematically identified, evaluated and mitigated.

A risk management committee was established in 2006. The committee is dedicated to meet its obligations and fiduciary responsibilities to stakeholders of the Group. It is actively reviewing the framework to enhance the identification, evaluation and communication of the overall risk process to ensure critical risks (present and potential) are managed systematically and communicated to the Board on a timely basis. The committee also would ensure the framework is relevant and adaptive to changes in the business environment from time to time.

INTERNAL CONTROL

The Board through the Audit Committee and Management Committee reviews and monitors, as an ongoing process, the adequacy and integrity of the internal control system.

Audit Committee

The Audit Committee received reports from the internal auditors at least twice a year. The Group has an outsourcing arrangement with an independent professional firm in relation to its internal audit function. The internal audit function adopts a risk-based approach which focuses on the principal risks affecting the key business processes of the Group. Periodic scheduled internal audit visits have been carried out in accordance with the approved internal audit plan.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL CONTROL (CONT'D)

Audit Committee (Cont'd)

The internal audit function is responsible for undertaking regular and systematic review of the internal controls to provide the Audit Committee and the Board with sufficient assurance that the system of internal control is effective in addressing the risks identified. On a half yearly basis, internal auditors submit audit reports and plan status for review and approval by the Audit Committee. Included in the reports are recommended corrective measures on risks identified, if any, for implementation by the management.

As required by paragraph 15.23 of Bursa Securities Listing Requirements, the external auditors have conducted a limited assurance engagement on this Statement on Risk Management and Internal Control. Their limited assurance engagement was performed in accordance with ISAE3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 (Revised November 2022) (previously RPG 5 (Revised 2015)) ("AAPG 3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control.

Based on their procedures performed, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this statement is not prepared, in all material aspects, in accordance with disclosure required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Controls: Guidance for Directors of Listed Issuers to be set out, nor is factually inaccurate. AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and management thereon. The external auditors also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

Management Committee

The Management Committee oversees the day-to-day operations and conduct of the Group's businesses. Scheduled meetings are held at operational and management levels to identify, discuss and resolve business and operational issues. These include scheduled management meetings at Group and individual subsidiary company levels, project managers meetings and site meetings. Minutes of these meetings and management reports are escalated to the relevant Executive Directors on a timely basis. The meetings are held as part of an ongoing process to review and assess the adequacy and effectiveness of the Group's risk management and internal control system and to ensure that any shortcomings identified are addressed on a timely basis.

Other Features of the Group's Internal Control System

Other features of the Group's internal control system include the following:

- Quality Policy and Quality Objectives which clearly outlined the Group's direction
- Clear organisation structure with delineated reporting lines
- Systematic performance appraisal for all employees of the Group
- Continuous training provided to maintain high competency and capabilities levels
- Clearly defined objectives and term of reference of the various committees are established by the Board
- Frequent visits to the job sites by Executive Directors and senior management
- Processes and procedures in accordance with the requirements of MS ISO 9001:2015 certification are implemented
- Employee Handbook is available for reference
- Anti-Bribery and Anti-Corruption Policy
- Project Budget and controls

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

REVIEW

The Board has received assurance from Managing Director and Head of Finance that the Group's risk management and internal control system are operating adequately and effectively.

For the financial year under review, the Board is satisfied with the adequacy and effectiveness of the risk management, and the review and monitoring of the internal control system gives reasonable assurance that the internal controls in place are adequate. Where exceptions were noted, they were not material in the context of this report and corrective actions have been taken.

The Board recognises that the Group operates in a dynamic business environment and that the Group's internal control system must be responsive to changes in the business environment and continuously evolves to support its business objectives. The review of all control procedures was continuously carried out throughout the period under review and up to the date of approval of this Statement for inclusion in the annual report to ensure an effective and efficient system of internal control. The Board remains committed towards continuous improvements and enhancements of its system of internal control and will, when necessary, put in place action plans to ensure that there is increased certainty of the achievement of business objectives, thus enhancing shareholders' value.

This Statement is made in accordance with a resolution of the Board dated 4 April 2025.

STATEMENT ON DIRECTORS' RESPONSIBILITY

The directors of Crest Builder Holdings Berhad acknowledge their responsibilities to prepare the financial statements so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and financial performance and cash flows of the Group and of the Company for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, the International Financial Reporting Standards, the requirements of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

In the preparation of the financial statements, the directors have:

- ensured that applicable approved accounting standards have been complied with;
- adopted suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent where needed;
- assessed the Group's and the Company's ability to continue as going concern, and confirmed that the financial statements are prepared using the going concern basis of accounting; and
- ensured that the necessary internal controls are in place so that the financial statements are prepared free from material misstatement.

This Statement is made in accordance with a resolution of the Board dated 4 April 2025.

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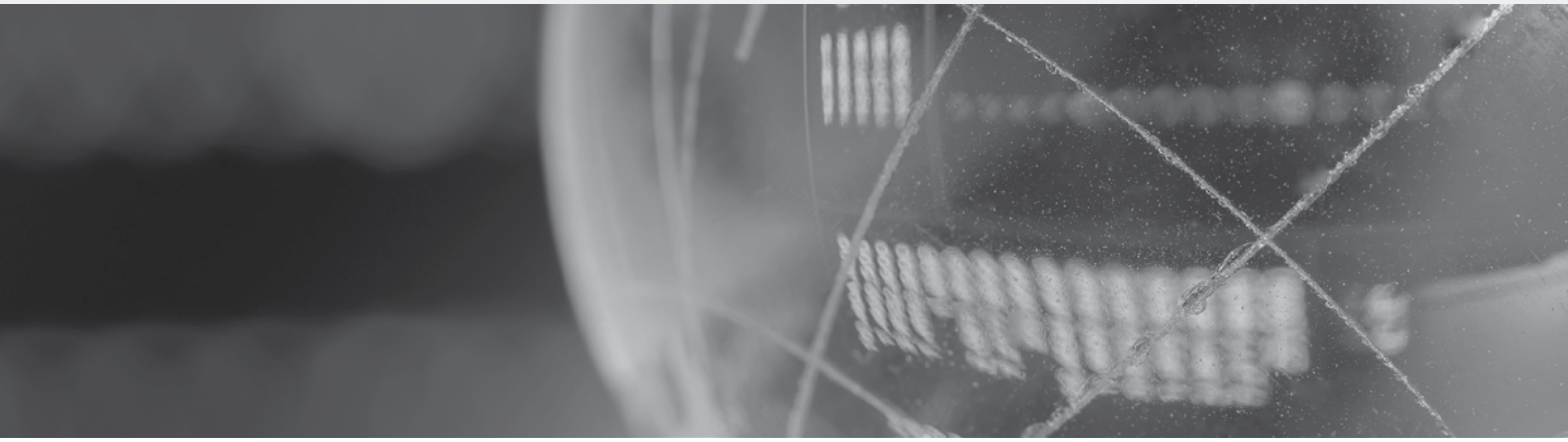

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries include property investment and property development, mechanical and electrical engineering services, investment holding, construction and concession holder.

There were no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM	Company RM
Profit/(Loss) for the financial year, net of tax	5,638,680	(811,006)
Attributable to:		
Owners of the Company	5,648,194	(811,006)
Non-controlling interests	(9,514)	–
	5,638,680	(811,006)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 December 2024.

RESERVES OR PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render it necessary to write off any bad debts or render the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

DIRECTORS' REPORT (CONT'D)

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and

(ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial year.

In the opinion of the directors, no contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

(i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, except for those disclosed in the financial statements; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS' REPORT (CONT'D)

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and of the Company during the financial year were RM364,700 and RM78,200 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 31 December 2024, the Company held 14,814,100 treasury shares out of its 176,921,657 issued and paid-up ordinary shares. Such treasury shares are held at a carrying amount of RM13,660,787.

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tengku Dato' Sulaiman Shah Bin Tengku Abdul Jalil Shah
Koh Hua Lan *
Yong Shang Ming *
Lim Boon Teng
Yong Tiok Keng (Alternate director to Koh Hua Lan) *
Mahathir Bin Mahzan
Tong Hock Sen

* *Directors of the Company and of certain subsidiary companies*

Other than as stated above, the names of the directors of the subsidiary companies of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Firdaus Bin Tajuddin
Khoo Kheng Kiat
Teh Hock Hua
Yong Tiok Nee
Sri Rahayu Binti Tajuddin

DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in the ordinary shares in the Company and its related corporations during the financial year were as follows:

Interests in the Company

	Number of ordinary shares			
	At 1.1.2024	**Bought**	**Sold**	**At 31.12.2024**
Indirect interests:				
Koh Hua Lan #	70,081,200	–	–	70,081,200
Yong Shang Ming #	70,081,200	–	–	70,081,200
Yong Tiok Keng # ^	70,081,200	–	–	70,081,200

\# *Shares held through a company in which the director has substantial financial interests*
^ *Alternate director to Koh Hua Lan*

By virtue of her interests in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Koh Hua Lan is deemed to have an interest in the ordinary shares of the subsidiary companies to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in the ordinary shares or debentures of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The directors' benefits of the Group and of the Company were as follows:

	Group 2024 RM	**Company 2024 RM**
Executive Directors (including Alternate Director) of the Company		
- Salaries and other emoluments (including estimated benefits-in-kind)	1,866,089	–
Non-Executive Directors of the Company		
- Fees	198,000	198,000
Total directors' remuneration	2,064,089	198,000

During the financial year, included in the directors' benefits of the Group are benefits-in-kind amounting to RM22,700.

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

DIRECTORS' REPORT (CONT'D)

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the directors and officers of the Company were RM5,000,000 and RM18,000 respectively.

SUBSIDIARY COMPANIES

The details of the Company's subsidiaries are as follows:

Name of companies	Effective ownership interest and voting interest 2024 %	2023 %	Principal activities
Direct subsidiary companies			
3 Two Square Sdn. Bhd.	100	100	Property investment and property development
CB Land Sdn. Bhd.	100	100	Property investment and property development
CBTech (M) Sdn. Bhd.	100	100	Mechanical and electrical engineering services
Crest Builder International Sdn. Bhd.	100	100	Investment holding
Crest Builder Sdn. Bhd.	100	100	Construction
CB Infrastructure Sdn. Bhd.	100	100	Construction
Damansara One Sdn. Bhd.	100	100	Property investment and property development
Nepfield Sdn. Bhd.	100	100	Property investment and property development
Vertical Success Sdn. Bhd.	100	100	Property investment and property development
Jalur Elit Sdn. Bhd.	100	100	Property investment and property development
Held through Crest Builder Sdn. Bhd.			
Crestland Development Sdn. Bhd.	100	100	Property investment and property development
Landasan Bayu Sdn. Bhd.	51	51	Property investment and property development
Held through Crest Builder International Sdn. Bhd.			
Unitapah Sdn. Bhd.	100	100	Concession holder
Intan Sekitar Sdn. Bhd.	100	100	Property investment and property development
K L Waterfront Development Sdn. Bhd.	51	51	Property investment and property development

DIRECTORS' REPORT
(CONT'D)

SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(i) Proposed Private Placement

On 21 March 2025, the Company announced its proposal to undertake a private placement which involves the issuance of up to 48,632,267 new ordinary shares, representing approximately 30% of the total number of issued shares in the Company (excluding treasury shares). On 24 March 2025, the application for the listing and quotation of the Placement Shares has been submitted to Bursa Securities.

(ii) Incorporation of a subsidiary

On 27 March 2025, the Group incorporated CB Vantage Sdn. Bhd. ("CB Vantage") with a total issued and paid up capital of 2 Ordinary Shares of RM1.00 each, for a cash consideration of RM2.00. The principal activities of CB Vantage are to carry on business in property development and investment holdings.

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

TENGKU DATO' SULAIMAN SHAH BIN
TENGKU ABDUL JALIL SHAH
Director

YONG SHANG MING
Director

Petaling Jaya
Date: 4 April 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 RM	2023 RM
ASSETS			
Non-current assets			
Property, plant and equipment	5	50,175,805	34,213,870
Investment properties	6	308,530,612	296,127,612
Golf club membership	8	54,000	54,000
Goodwill	10	23,659,780	23,659,780
Operating financial asset	11	227,569,387	243,310,301
Deferred tax assets	12	49,350,346	48,970,256
Total non-current assets		659,339,930	646,335,819
Current assets			
Inventories	9	303,095,973	301,660,323
Operating financial asset	11	15,740,914	13,989,987
Trade and other receivables	13	188,329,703	172,024,284
Contract costs	15	10,265,706	3,773,911
Contract assets	16	70,797,823	64,108,298
Current tax assets		1,023,338	1,049,951
Short-term investments	17	13,463,286	3,975,577
Fixed deposits placed with licensed banks	18	31,073,974	48,420,554
Cash and bank balances	19	40,520,791	22,730,956
Total current assets		674,311,508	631,733,841
TOTAL ASSETS		1,333,651,438	1,278,069,660

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

	Note	2024 RM	2023 RM
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	20	181,190,804	181,190,804
Treasury shares	21	(13,660,787)	(13,660,787)
Retained earnings		125,844,519	120,196,325
		293,374,536	287,726,342
Non-controlling interests		(90,921)	(81,407)
TOTAL EQUITY		293,283,615	287,644,935
Non-current liabilities			
Loans and borrowings	22	335,724,177	336,076,208
Deferred tax liabilities	12	41,463,522	38,208,076
Tax liabilities		–	1,560,364
Trade and other payables	23	18,660,739	21,829,911
Total non-current liabilities		395,848,438	397,674,559
Current liabilities			
Loans and borrowings	22	236,252,799	234,585,882
Current tax liabilities		1,669,299	751,363
Trade and other payables	23	372,884,440	333,047,388
Contract liabilities	16	33,712,847	24,365,533
Total current liabilities		644,519,385	592,750,166
TOTAL LIABILITIES		1,040,367,823	990,424,725
TOTAL EQUITY AND LIABILITIES		1,333,651,438	1,278,069,660

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	2023 RM
Revenue from contracts with customers and other revenue		544,821,821	457,031,954
Finance income from concession contract		29,746,932	31,303,098
Revenue	24	574,568,753	488,335,052
Cost of sales	25	(503,078,158)	(447,621,153)
Gross profit		71,490,595	40,713,899
Other income		8,512,777	10,853,204
Administrative expenses		(29,386,911)	(26,515,483)
Sales and marketing expenses		(3,790,914)	(1,505,469)
Net impairment losses on receivables		(775,357)	(911,167)
Inventories written down		–	(18,301,691)
Contract asset written off		–	(12,722,746)
Operating profit/(loss)		46,050,190	(8,389,453)
Finance income	26	1,412,130	1,535,776
Finance costs	27	(36,634,113)	(34,284,378)
Profit/(Loss) before tax	28	10,828,207	(41,138,055)
Income tax (expense)/credit	29	(5,189,527)	2,161,401
Profit/(Loss) for the financial year		5,638,680	(38,976,654)
Other comprehensive income, net of tax		–	–
Total comprehensive income/(loss) for the financial year		5,638,680	(38,976,654)
Profit/(Loss) attributable to:			
Owners of the Company		5,648,194	(38,944,170)
Non-controlling interests		(9,514)	(32,484)
		5,638,680	(38,976,654)
Total comprehensive income/(loss) attributable to:			
Owners of the Company		5,648,194	(38,944,170)
Non-controlling interests		(9,514)	(32,484)
		5,638,680	(38,976,654)
Profit/(Loss) per share (sen):	30		
- basic		3.48	(24.02)
- diluted		3.48	(24.02)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Attributable to owners of the Company					
	Note	Share capital RM	Treasury shares RM	Retained earnings RM	Sub-total RM	Non-controlling interests RM	Total equity RM
At 1 January 2023		181,190,804	(13,660,787)	178,713,181	346,243,198	24,478,391	370,721,589
Transaction with owners							
Changes in ownership interests in a subsidiary company	7(a)	–	–	(19,572,686)	(19,572,686)	(24,527,314)	(44,100,000)
Total transaction with owners		–	–	(19,572,686)	(19,572,686)	(24,527,314)	(44,100,000)
Total comprehensive loss for the financial year		–	–	(38,944,170)	(38,944,170)	(32,484)	(38,976,654)
At 31 December 2023		181,190,804	(13,660,787)	120,196,325	287,726,342	(81,407)	287,644,935
Total comprehensive income/ (loss) for the financial year		–	–	5,648,194	5,648,194	(9,514)	5,638,680
At 31 December 2024		181,190,804	(13,660,787)	125,844,519	293,374,536	(90,921)	293,283,615

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	2023 RM
Cash flows from operating activities			
Profit/(Loss) before tax		10,828,207	(41,138,055)
Adjustments for:			
Amortisation of discount on Sukuk Murabahah	27	2,031,790	2,228,215
Contract assets written off		–	12,722,746
Depreciation of property, plant and equipment	5	12,637,331	8,811,188
Fair value gain on investment properties	6	(4,720,133)	(4,086,509)
Finance income from concession contract	24	(29,746,932)	(31,303,098)
Gain on disposal of property, plant and equipment		(432,000)	(53,000)
Inventories written down		–	18,301,691
Impairment losses on:			
- other receivables		1,604,190	2,148,528
Income from short-term investments		(106,177)	(86,919)
Interest expense		34,602,323	32,056,163
Interest income from banks		(1,426,467)	(1,591,923)
Reversal of impairment losses on trade receivables		(828,833)	(1,237,363)
Operating profit/(loss) before changes in working capital		24,443,299	(3,228,336)
Changes in working capital:			
Operating financial asset		43,736,919	43,736,920
Inventories		(6,859,052)	(16,091,653)
Trade and other receivables		(23,572,571)	(21,811,293)
Contract assets		(6,689,525)	(37,073,032)
Trade and other payables		36,667,880	58,398,812
Contract liabilities		9,347,314	8,990,001
Net cash generated from operations		77,074,264	32,921,419
Income tax paid		(2,956,599)	(2,818,521)
Income tax refunded		26,613	468,081
Interest received	24	75,901	96,219
Net cash from operating activities		74,220,179	30,667,198

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	Note	2024 RM	2023 RM
Cash flows from investing activities			
Interest received	26	1,350,566	1,495,704
Proceeds from disposal of property, plant and equipment		432,000	53,000
Proceeds from disposal of short-term investments		(9,381,531)	–
Purchase of property, plant and equipment	(a)	(6,005,236)	(5,952,059)
Change in pledged deposits		(166,748)	(57,763)
Net cash used in investing activities		(13,770,949)	(4,461,118)
Cash flows from financing activities	(b)		
Interest paid		(34,602,323)	(32,056,163)
Net drawdown of bankers' acceptances		12,038,327	6,555,226
Net (repayment)/drawdown of revolving credits		(13,225,302)	16,489,205
Payments of hire purchases		(14,997,708)	(3,866,477)
Repayment of Sukuk Murabahah		(25,000,000)	(25,000,000)
Drawdown of term loan		18,045,872	34,618,941
Net cash used in financing activities		(57,741,134)	(3,259,268)
Net increase in cash and cash equivalents		2,708,096	22,946,812
Cash and cash equivalents at the beginning of the financial year		44,213,696	21,266,884
Cash and cash equivalents at the end of the financial year		46,921,792	44,213,696
Analysis of cash and cash equivalents			
Fixed deposits placed with licensed banks	18	31,073,974	48,420,554
Cash and bank balances	19	40,520,791	22,730,956
Less:		71,594,765	71,151,510
Bank overdrafts	22	(19,649,990)	(22,081,579)
Fixed deposits pledged with licensed banks	18	(4,889,271)	(4,856,133)
Bank balances maintained in an escrow account	19	(133,712)	(102)
		46,921,792	44,213,696

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

(a) Purchase of property, plant and equipment:

	Group 2024 RM	Group 2023 RM
Purchase of property, plant and equipment	30,858,732	10,739,147
Financed by way of term loan and hire purchase arrangements	(24,853,496)	(4,787,088)
Cash payments on purchase of property, plant and equipment	6,005,236	5,952,059

(b) Reconciliation of liabilities arising from financing activities:

	As at 1.1.2024 RM	Cash flows RM	Non-cash Acquisition RM	Non-cash Amortisation of discount RM	As at 31.12.2024 RM
Term loan	73,118,941	18,045,872	5,622,577	–	96,787,390
Hire purchases	8,095,280	(14,997,708)	19,230,919	–	12,328,491
Sukuk Murabahah	288,750,006	(25,000,000)	–	2,031,790	265,781,796
Bankers' acceptances	62,678,226	12,038,327	–	–	74,716,553
Revolving credits	115,938,058	(13,225,302)	–	–	102,712,756
	548,580,511	(23,138,811)	24,853,496	2,031,790	552,326,986

	As at 1.1.2023 RM	Cash flows RM	Non-cash Acquisition RM	Non-cash Amortisation of discount RM	As at 31.12.2023 RM
Term loan	38,500,000	34,618,941	–	–	73,118,941
Hire purchases	7,174,669	(3,866,477)	4,787,088	–	8,095,280
Sukuk Murabahah	311,521,791	(25,000,000)	–	2,228,215	288,750,006
Bankers' acceptances	56,123,000	6,555,226	–	–	62,678,226
Revolving credits	99,448,853	16,489,205	–	–	115,938,058
	512,768,313	28,796,895	4,787,088	2,228,215	548,580,511

(c) Total cash outflows for leases

During the financial year, the Group had total cash outflows for leases of RM6,894,837 (2023: RM1,433,505).

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 RM	2023 RM
ASSETS			
Non-current assets			
Plant and equipment	5	–	–
Investment in subsidiary companies	7	110,365,268	110,365,268
Amounts due from subsidiary companies	14	146,087,905	145,231,070
Total non-current assets		256,453,173	255,596,338
Current assets			
Amounts due from subsidiary companies	14	18,484,263	12,373,254
Prepayment		14,906	17,868
Short-term investments	17	1,502,549	1,457,936
Fixed deposits placed with licensed banks	18	3,259,271	3,226,134
Cash and bank balances	19	2,638	2,708
Total current assets		23,263,627	17,077,900
TOTAL ASSETS		279,716,800	272,674,238
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	20	181,190,804	181,190,804
Treasury shares	21	(13,660,787)	(13,660,787)
Accumulated loss		(5,100,507)	(4,289,501)
TOTAL EQUITY		162,429,510	163,240,516
Current liabilities			
Loans and borrowings	22	41,702,280	44,247,079
Current tax liabilities		42,491	382,244
Other payables and accruals	23	179,337	178,969
Amounts due to subsidiary companies	14	75,363,182	64,625,430
Total current liabilities		117,287,290	109,433,722
TOTAL LIABILITIES		117,287,290	109,433,722
TOTAL EQUITY AND LIABILITIES		279,716,800	272,674,238

The accompanying notes form an integral part of these financial statements.

STATEMENT OF
COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	2023 RM
Interest income		7,316,787	8,906,350
Other revenue		44,613	46,847
Revenue	24	7,361,400	8,953,197
Cost of sales		–	–
Gross profit		7,361,400	8,953,197
Other income		–	13,065
Administrative expenses		(876,622)	(770,620)
Impairment loss on receivables		(3,100,458)	(30,572,358)
Other expenses		(633,580)	(1,668,647)
Operating profit/(loss)		2,750,740	(24,045,363)
Finance costs	27	(2,451,763)	(1,250,665)
Profit/(Loss) before tax	28	298,977	(25,296,028)
Income tax expense	29	(1,109,983)	(1,808,996)
Loss for the financial year		(811,006)	(27,105,024)
Other comprehensive income, net of tax		–	–
Total comprehensive loss for the financial year		(811,006)	(27,105,024)

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Share capital RM	Treasury shares RM	Retained earnings/ (Accumulated loss) RM	Total equity RM
At 1 January 2023	181,190,804	(13,660,787)	22,815,523	190,345,540
Total comprehensive loss for the financial year	–	–	(27,105,024)	(27,105,024)
At 31 December 2023	181,190,804	(13,660,787)	(4,289,501)	163,240,516
Total comprehensive loss for the financial year	–	–	(811,006)	(811,006)
At 31 December 2024	181,190,804	(13,660,787)	(5,100,507)	162,429,510

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	2023 RM
Cash flows from operating activities			
Profit/(Loss) before tax		298,977	(25,296,028)
Adjustments for:			
Effect of revision of estimated receipts of amounts due from subsidiary companies measured at amortised cost		633,580	1,668,647
Net impairment loss on amount due from subsidiaries		3,100,459	30,572,358
Income from short-term investments		(44,613)	(46,847)
Interest expense		2,451,763	1,250,665
Interest income from banks		(71,492)	(96,219)
Interest income from subsidiary companies		(7,245,295)	(8,810,131)
Operating loss before changes in working capital		(876,621)	(757,555)
Changes in working capital:			
Deposit and prepayment		2,962	(9,394)
Other payables and accruals		368	(27,830)
Net cash used in operations		(873,291)	(794,779)
Income tax paid		(1,449,736)	(1,531,349)
Interest received		7,316,787	8,906,350
Net cash from operating activities		4,993,760	6,580,222
Cash flows from investing activities			
Advances to subsidiary companies		(10,701,883)	(14,252,705)
Placement of fixed deposits pledged		(33,137)	(57,764)
Net cash used in investing activities		(10,735,020)	(14,310,469)

STATEMENT OF CASH FLOWS (CONT'D)

	Note	2024 RM	2023 RM
Cash flows from financing activities	(a)		
Interest paid		(2,451,763)	(1,250,665)
Net drawdown of revolving credits		7,176	3,187,403
Repayments to subsidiary companies		10,737,752	5,370,815
Net cash from financing activities		8,293,165	7,307,553
Net increase/(decrease) in cash and cash equivalents		2,551,905	(422,694)
Cash and cash equivalents at the beginning of the financial year		(4,115,080)	(3,692,386)
Cash and cash equivalents at the end of the financial year		(1,563,175)	(4,115,080)
Analysis of cash and cash equivalents			
Fixed deposits placed with licensed banks	18	3,259,271	3,226,134
Cash and bank balances	19	2,638	2,708
		3,261,909	3,228,842
Less:			
Bank overdrafts	22	(1,565,813)	(4,117,788)
Fixed deposits pledged with licensed banks	18	(3,259,271)	(3,226,134)
		(1,563,175)	(4,115,080)

(a) Reconciliation of liabilities arising from financing activities

Changes in liabilities arising from financing activities are changes arising from cash flows.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Crest Builder Holdings Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at 62-2, Jalan 2A/27A, Section 1, Wangsa Maju, 53300 Kuala Lumpur.

The principal place of business of the Company is located at the Penthouse, The Crest, 3 Two Square, No. 2, Jalan 19/1, 46300 Petaling Jaya, Selangor Darul Ehsan.

The Company is principally engaged as an investment holding company. The principal activities of its subsidiary companies are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issuance by the Board of Directors in accordance with a resolution of the directors on 4 April 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRSs

The Group and the Company have adopted the following applicable amendments to MFRSs for the current financial year:

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statement of Cash Flows

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies, except as discussed below.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of a liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.2 Adoption of amendments to MFRSs (Cont'd)

Amendments to MFRS 101 Presentation of Financial Statements (Cont'd)

The latest amendments to MFRS 101 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. As such, the amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures

Amendments to MFRS 107 and MFRS 7 respond to investors' concerns that some supplier finance arrangements – also referred to as supply chain finance, trade payables finance or reverse factoring arrangements – used by entities are not sufficiently visible, hindering investors' analysis.

The disclosure requirements require entities to disclose information that would enable users of financial statements to assess how supplier finance arrangements affect an entity's operations; including the effects supplier finance arrangements have on an entity's liability, cash flows and exposures to liquidity risk. The new disclosure requirements would also inform users of financial statements on how an entity might be affected if the arrangements were no longer available to it.

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRSs and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107	Statement of Cash Flows	1 January 2026
MFRS 121	The Effect of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

The Group and the Company plan to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective (Cont'd)

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including "operating profit", which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures ("MPMs"). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity's financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the "operating" category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as "other" to be labelled and/or described in as faithfully representative and precise a way as possible

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the requirements, including:

- clarify the classification of financial assets, particularly those with environmental, social and corporate governance and similar features. The Amendments clarify how the contractual cash flows on such financial assets should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.

- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to:

- investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

The initial application of the above applicable new MFRSs and amendments to MFRSs is not expected to have material financial impact to the current and prior years financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3 to the financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policies have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiary companies and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at their acquisition-date fair values.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiary companies is measured at cost less any accumulated impairment losses.

Contributions to subsidiary companies are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future and are, in substance, considered as part of the Company's investment in the subsidiary companies.

3.3 Financial instruments

Financial assets - subsequent measurements and gains and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.3 Financial instruments (Cont'd)

Financial assets - subsequent measurements and gains and losses (Cont'd)

Debt instrument at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – subsequent measurements and gains and losses

The Group and the Company classify the financial liabilities are classified at amortised cost or fair value through profit or loss. Financial liabilities as classified as fair value through profit or loss if it is classified as held for trading, it is a derivative, it is contingent consideration of an acquirer in a business combination or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gain and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.4 Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is stated at cost less any accumulated impairment losses, if any.

(b) Depreciation

Freehold land has an unlimited useful life and therefore is not depreciated. Building-in-progress is stated at cost unless in the opinion of the directors, there is a permanent diminution in value. Depreciation on building-in-progress commences when the asset is ready for its intended use.

All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives. The principal annual rates used for this purpose are:

Buildings	2 – 33%
Equipment, furniture and fittings	10 – 33%
Tools and equipment	12 – 20%
Motor vehicles	20%
Plant and machinery	20%

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.5 Leases

(a) Lessee accounting

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

(b) Lessor accounting

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which is recognise as other income.

3.6 Investment properties

Investment properties are subsequently measured at fair value with gains and losses arising from changes in the fair values of investment properties recognised in profit or loss for the period in which they arise. Valuations of the investment properties are performed by an independent accredited valuer annually at each reporting period.

3.7 Service concession arrangements

The Group constructs or upgrade infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in public-to-private service concession arrangement for its entire concession period. Under the concession arrangement, the grantor controls the significant residual interest in the infrastructure at the end of the concession period.

The Group accounts for its service concession arrangements under the financial asset model as the Group has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services. The consideration received and receivable is allocated by reference to the relative stand-alone selling price of the various services delivered, when the amounts are separately identified. The Group estimates the relative stand-alone selling price of the services by reference to the costs of providing each service plus a reasonable profit margin.

In the financial asset model, the amount due from the grantor meets the definition of a receivable which is measured at the amount of consideration to which the Group expects to be entitled. It is subsequently measured at amortised cost. The amount initially recognised plus the cumulative interest on that amount is calculated using the effective interest method.

3.8 Inventories

Inventories are measured at the lower of cost and net realisable value.

Completed properties

Cost of unsold completed properties comprises costs associated with the acquisition of land, direct development costs and appropriate proportions of common costs.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.8 Inventories (Cont'd)

Land held for development

Cost of land held for development includes cost of land and attributable development expenditures.

Land held for development will be reclassified to property under development when significant development work has been undertaken and is expected to be completed within the normal operating cycle.

Property under development

Cost of property under development recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative sale value of property.

3.9 Revenue and other income

(a) Construction contracts

The Group constructs commercial, residential and industrial properties under long term contracts with customers. Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the commercial, residential and industrial properties is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

Billings are made with a credit term of 30 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group becomes entitled to invoice customers for construction of commercial, residential and industrial properties based on achieving a series of performance-related milestones.

The Group recognises a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or when billing becomes due over time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognises a contract liability for the difference.

The defect liability period is usually 24 months from the date of the Certificate of Practical Completion as provided in the contracts with customers.

The Group has applied the practical expedient of not adjusting the promised amount of consideration for the effects of a significant financing component as the Group expects that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.9 Revenue and other income (Cont'd)

(b) Property development

The Group develops and sells residential and commercial properties. Contracts with customers may include multiple distinct promises to customers and therefore accounted for as separate performance obligations. In the contract with customer containing more than one performance obligation, when the stand-alone selling price are not directly observable, they are estimated based on expected cost-plus margin approach.

For practical expediency, the Group applies revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the property development business if the Group reasonably expects that the effects on the financial statements would not differ materially from recognising revenue on each individual contracts (or performance obligations) within that portfolio.

Revenue from residential and commercial properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred over time as the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of property development costs incurred for work performed to date bear to the estimated total property development costs (an input method).

Revenue from sale of completed properties is recognised at a point in time when the control of the properties has been transferred to the customers.

The consideration is due based on the scheduled payments in the contract; therefore, no element of financing is deemed present. When a particular milestone is reached in excess of the scheduled payments, a contract asset will be recognised for the excess of revenue recognised to date under the input method over the progress billings to-date and include deposits or advances received from customers. When the progress billings to-date and include deposits or advances received from customers exceeds revenue recognised to date then the Group recognises a contract liability for the difference.

Consistent with market practice, the Group collects deposit from customers for sale of properties. A contract liability is recognised for the customer deposits as the Group has obligations to transfer the goods or services to the customer in respect of deposits received. Customer deposits would be recognised as revenue upon transfer of goods or services to the customer.

Based on the Group's customary business practice, the customers' legal fees are borne by the Group. Revenue is recognised based on the transaction price agreed in the contracts, net of the customers' legal fees.

For residential properties, as part of the statutory requirements, the Group's obligations are to repair and made good of any defect, shrinkage or other faults in the building or in the common property which have become apparent within a period of 24 months after the customer takes vacant possession of the building. No provision for rectification costs has been made as at the end of the financial year as there has been no known material defect reported and only minimal costs have been incurred in the past.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.9 Revenue and other income (Cont'd)

(b) Property development (Cont'd)

The Group has applied the practical expedient of not adjusting the promised amount of consideration for the effects of a significant financing component as the Group expects that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(c) Maintenance income

Revenue is recognised over time using time elapsed (output method) to measure progress towards complete satisfaction of the maintenance service because the customer simultaneously receives and consumes the benefits provided by the Group.

Sales are made with a credit term of 30 days.

(d) Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the lease. Lease incentive granted is recognised as an integral part of the total rental income, over the term of the lease.

(e) Finance income from concession contract

Finance income from concession contract is recognised as it accrues using the effective interest method in profit or loss. The notional interest income resulting from the accretion of its financial asset using effective interest method is recognised in the profit or loss.

(f) Interest income

Interest income is recognised using the effective interest method.

(g) Income from short-term investments

Income from short-term investments is recognised when the right to receive payment is established.

3.10 Contract costs

The Group has applied the practical expedient to recognise the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the Group otherwise would have recognised is one year or less.

In other cases, the Group amortises the contract cost over the period of fulfilling the performance obligations under the contracts with customers.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.11 Deferred tax

When investment properties are carried at fair value in accordance with the material accounting policy information as disclosed in Note 3.6, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the financial year. It also requires the directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

4.1 Fair value of investment properties (Note 6)

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. Significant judgement is required in estimating the fair value which may be derived based on different valuation methods determined to be appropriate and the use of key assumptions. In making the judgement, the Group engaged an independent accredited valuer to determine the fair value as at end of the reporting period.

The valuation methods adopted by the valuer include comparison method, being comparison of transacted prices in an active market for similar properties in close proximity and where necessary, adjusting for location, accessibility, time, size, tenure, market uncertainty and other differences. Judgement is made in determining the key assumptions used in the valuations. Any changes in these assumptions will have an impact on the carrying amounts of the investment properties.

4.2 Impairment of investment in subsidiary companies (Note 7)

The Company assesses its investment in subsidiary companies at the end of the reporting period for any objective evidence that the investment may be impaired. For the purpose of assessing impairment, the Company determines its share of the present value of the estimated future cash flows expected to be generated by the subsidiary companies. In estimating the present value of the estimated cash flows, the Company applies a suitable discount rate and make assumptions underlying the cash flow projections which include future revenue, gross profit margin and operating expenses.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

4.3 Impairment of goodwill (Note 10)

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash-generating units to which goodwill is allocated. When value-in-use calculations are undertaken, the Group uses its judgement to decide the discount rate to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including future revenue, gross profit margin and operating expenses. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than the expected.

4.4 Impairment of receivables (Notes 13)

The impairment provisions for receivables are based on assumptions about risk of default and expected credit loss rate.

The Group individually assessed impairment for receivables. This assessment requires the Group to use judgement in making these assumptions which includes the assessment of outcome of the legal disputes, financial capability of the receivables, payment trends, existing market conditions, forward-looking estimates as well as solicitors' advice for balances which are currently in legal disputes.

4.5 Construction revenue (Note 24)

The Group recognised construction revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that construction costs incurred for work performed to date bear to the estimated total construction costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the construction costs incurred, the estimated total construction revenue and expenses, as well as potential exposure to liquidated and ascertained damages. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of the Group's contract assets/(liabilities) are disclosed in Note 16.

4.6 Property development revenue (Note 24)

The Group recognised property development revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgement, the Group evaluate based on past experience and by relying on the work of specialists.

The carrying amounts of the Group's contract assets/(liabilities) are disclosed in Note 16.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM	Buildings RM	Equipment, furniture and fittings RM	Tools and equipment RM	Motor vehicles RM	Plant and machinery RM	Building-in-progress RM	Total RM
2024								
Cost								
At 1 January	3,044,094	25,872,485	19,423,236	4,914,477	3,286,076	25,012,611	165,248	81,718,227
Additions	–	–	16,736,387	342,000	443,800	13,259,008	77,537	30,858,732
Disposals	–	–	–	–	(588,393)	(863,219)	–	(1,451,612)
Transfer to investment properties	(2,591,956)	(1,295,978)	–	–	–	–	–	(3,887,934)
Transfer from inventories	–	920,000	–	–	–	–	–	920,000
At 31 December	452,138	25,496,507	36,159,623	5,256,477	3,141,483	37,408,400	242,785	108,157,413
Accumulated depreciation								
At 1 January	–	7,534,633	15,898,595	1,964,374	3,209,877	18,896,878	–	47,504,357
Depreciation for the financial year	–	1,797,902	7,576,025	32,520	60,098	3,170,786	–	12,637,331
Disposals	–	–	–	–	(588,393)	(863,219)	–	(1,451,612)
Transfer to investment properties	–	(708,468)	–	–	–	–	–	(708,468)
At 31 December	–	8,624,067	23,474,620	1,996,894	2,681,582	21,204,445	–	57,981,608
Carrying amount								
At 31 December 2024	452,138	16,872,440	12,685,003	3,259,583	459,901	16,203,955	242,785	50,175,805

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Freehold land RM	Buildings RM	Equipment, furniture and fittings RM	Tools and equipment RM	Motor vehicles RM	Plant and machinery RM	Building-in-progress RM	Total RM
2023								
Cost								
At 1 January	3,044,094	21,794,550	16,994,489	4,914,477	3,280,497	23,444,673	958,250	74,431,030
Additions	–	–	2,532,947	–	5,579	4,915,688	3,284,933	10,739,147
Disposals	–	–	(17,750)	–	–	(503,000)	–	(520,750)
Write off	–	–	(86,450)	–	–	(2,844,750)	–	(2,931,200)
Reclassification	–	4,077,935	–	–	–	–	(4,077,935)	–
At 31 December	3,044,094	25,872,485	19,423,236	4,914,477	3,286,076	25,012,611	165,248	81,718,227
Accumulated depreciation								
At 1 January	–	6,000,603	10,824,051	1,924,500	3,145,159	20,250,806	–	42,145,119
Depreciation for the financial year	–	1,534,030	5,178,744	39,874	64,718	1,993,822	–	8,811,188
Disposals	–	–	(17,750)	–	–	(503,000)	–	(520,750)
Write off	–	–	(86,450)	–	–	(2,844,750)	–	(2,931,200)
At 31 December	–	7,534,633	15,898,595	1,964,374	3,209,877	18,896,878	–	47,504,357
Carrying amount								
At 31 December 2023	3,044,094	18,337,852	3,524,641	2,950,103	76,199	6,115,733	165,248	34,213,870

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Equipment, furniture and fittings RM
2024	
Cost	
At 1 January/31 December	14,465
Accumulated depreciation	
At 1 January/31 December	14,465
Carrying amount	
At 31 December 2024	–
2023	
Cost	
At 1 January/31 December	14,465
Accumulated depreciation	
At 1 January/31 December	14,465
Carrying amount	
At 31 December 2023	–

(a) Assets pledged as security

Included in buildings are office units with a total carrying amount of RM14,495,701 (2023: RM14,825,148) pledged for credit facilities granted to the Group and the Company as disclosed in Note 22(d) to the financial statements.

Equipment, furniture and fitting, plant and machinery and motor vehicles of the Group with carrying amount of RM1,109,737 (2023: RM2,427,982), RM10,981,174 (2023: RM2,582,018) and RM456,085 (2023: RM69,656) respectively, have been pledged as security for hire purchase arrangements, as disclosed in Note 22(c) to the financial statements.

Plant and machinery of the Group with carrying amount of RM3,509,800 (2023: Nil) have been pledged as security for term loan, as disclosed in Note 22 (a) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. INVESTMENT PROPERTIES

	Group	
	2024 **RM**	**2023** **RM**
At fair value:		
At 1 January	296,127,612	275,327,612
Net gain arising from fair value changes	4,720,133	4,086,509
Transfer from inventories	4,503,401	16,713,491
Transfer from property, plant and equipment	3,179,466	–
At 31 December	308,530,612	296,127,612

(a) Included in the investment properties are:

	Group	
	2024 **RM**	**2023** **RM**
At fair value:		
Buildings on freehold land	206,703,000	196,600,000
Buildings on leasehold land	101,827,612	99,527,612
At 31 December	308,530,612	296,127,612

(b) The following are recognised in profit or loss in respect of income generating investment properties:

	Group	
	2024 **RM**	**2023** **RM**
Rental income	11,480,074	10,348,416
Direct operating expenses:		
- income generating investment	(6,909,669)	(6,254,142)

(c) Investment properties of the Group with a total fair value of RM270,905,612 (2023: RM270,905,612) are pledged for credit facilities granted to the Group as disclosed in Note 22(d) to the financial statements.

(d) The investment properties, which comprise commercial properties including office, retails, shoplots and car parks are stated at fair value. Valuations were performed by an independent accredited valuer as at 31 December 2024 and 31 December 2023. The fair value of the investment properties was determined using the comparison method.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. INVESTMENT PROPERTIES (CONT'D)

(e) Fair value of investment properties is categorised as follows:

Group	Level 3 RM
2024	
Office, retails, shoplots and car parks	308,530,612
2023	
Office, retails, shoplots and car parks	296,127,612

Level 3 fair value

The following table shows a reconciliation of Level 3 fair values:

	Group 2024 RM	Group 2023 RM
At 1 January	296,127,612	275,327,612
Transfer from inventories	4,503,401	16,713,491
Transfer from property, plant and equipment	3,179,466	–
Gain recognised in profit or loss (Note 28)	4,720,133	4,086,509
At 31 December	308,530,612	296,127,612

The following table shows the valuation technique used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Property type	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Buildings	Comparison method	Price per square feet RM173-RM2,087 (2023: RM276-RM975)	The higher/lower the price per square feet, the higher/lower the fair value
Car parks	Comparison method	Price per bay RM23,000-RM33,307 (2023: RM23,000-RM33,307)	The higher/lower the price per bay, the higher/lower the fair value

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Transfer between levels

There were no transfers within the fair value measurement hierarchy during the financial years ended 31 December 2024 and 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. INVESTMENT PROPERTIES (CONT'D)

Highest and best use

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

7. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 2024 RM	Company 2023 RM
At cost		
Unquoted shares	111,365,268	111,365,268
Less: Allowance for impairment loss	(1,000,000)	(1,000,000)
	110,365,268	110,365,268

The movement in allowance for impairment of investment in subsidiary companies is as follows:

	Company 2024 RM	Company 2023 RM
At 1 January/31 December	1,000,000	1,000,000

The Company assessed the recoverable amount of Crest Builder Sdn. Bhd. based on the estimated future cash flows expected to be generated by the subsidiary. The pre-tax discount rate used was 10% (2023: 9%).

The details of the subsidiary companies, all of which are incorporated in Malaysia are as follows:

Name of companies	Effective ownership interest and voting interest 2024 %	Effective ownership interest and voting interest 2023 %	Principal activities
Direct subsidiary companies			
3 Two Square Sdn. Bhd.	100	100	Property investment and property development
CB Land Sdn. Bhd.	100	100	Property investment and property development
CBTech (M) Sdn. Bhd.	100	100	Mechanical and electrical engineering services
Crest Builder International Sdn. Bhd.	100	100	Investment holding
Crest Builder Sdn. Bhd.	100	100	Construction

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

The details of the subsidiary companies, all of which are incorporated in Malaysia are as follows: (Cont'd)

Name of companies	Effective ownership interest and voting interest 2024 %	2023 %	Principal activities
Direct subsidiary companies			
CB Infrastructure Sdn. Bhd.	100	100	Construction
Damansara One Sdn. Bhd.	100	100	Property investment and property development
Nepfield Sdn. Bhd.	100	100	Property investment and property development
Vertical Success Sdn. Bhd.	100	100	Property investment and property development
Jalur Elit Sdn. Bhd.	100	100	Property investment and property development
Held through Crest Builder Sdn. Bhd.			
Crestland Development Sdn. Bhd.	100	100	Property investment and property development
Landasan Bayu Sdn. Bhd.	51	51	Property investment and property development
Held through Crest Builder International Sdn. Bhd.			
Unitapah Sdn. Bhd.	100	100	Concession holder
Intan Sekitar Sdn. Bhd.	100	100	Property investment and property development
K L Waterfront Development Sdn. Bhd.	51	51	Property investment and property development

(a) Acquisition of additional interest in Unitapah Sdn. Bhd.

On 1 December 2023, Crest Builder International Sdn. Bhd. ("CBISB")'s effective ownership in Unitapah Sdn Bhd. ("USB") increased from 51% to 100% as a result of the additional shares purchased.

The acquisition increase CBISB's effective ownership in USB from 51% to 100%.

	RM
Fair value of consideration transferred	44,100,000
Increase in share of net assets	(24,527,314)
Excess charged directly to equity	19,572,686

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)

(b) Non-controlling interests in subsidiary companies

The financial information of the Group's subsidiary companies that have non-controlling interests ("NCI") are as follows:

	2024 Other immaterial subsidiary companies RM	Total RM
NCI percentage of ownership interest and voting interest	49%	
Carrying amount of NCI	(90,921)	(90,921)
Loss allocated to NCI	(9,514)	(9,514)

	2023 Other immaterial subsidiary companies RM	Total RM
NCI percentage of ownership interest and voting interest	49%	
Carrying amount of NCI	(81,407)	(81,407)
Loss allocated to NCI	(32,484)	(32,484)

None of the subsidiaries with non-controlling interests is material to the Group. Accordingly, the disclosure requirement of MFRS 12 *Disclosure of Interest in Other Entities* are not required.

8. GOLF CLUB MEMBERSHIP

	Group 2024 RM	Group 2023 RM
At cost		
At 1 January/31 December	54,000	54,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. INVENTORIES

	Group 2024 RM	Group 2023 RM
Current:		
Property under development		
- Freehold land	55,000,000	55,000,000
- Leasehold land	153,928,825	151,988,052
- Development costs	92,352,870	86,591,664
Completed properties	1,814,278	8,080,607
	303,095,973	301,660,323

(a) The Group's cost of inventories recognised as an expense in cost of sales during the financial year amounted to RM44,160,572 (2023: RM43,302,424).

(b) In the previous financial year, the cost of inventories of the Group recognised as an expense in respect of write-down of inventories to net realisable value was RM18,301,691.

(c) Freehold land is pledged as security to secure a term loan granted to the Group as disclosed in Note 22(a) to the financial statements.

(d) In the previous financial year, included in inventories are borrowing costs capitalised during the financial year amounting to RM824,511.

10. GOODWILL

(a) Allocation of goodwill to cash-generating units ("CGUs")

Goodwill arising from business combination is allocated to the following Group's CGUs, representing the lowest level within the Group at which the goodwill is monitored for internal management purpose.

The carrying amount of goodwill allocated to the CGU is as follows:

	Construction RM	Investment holding RM	Property development RM	Total RM
2024	23,613,409	32,988	13,383	23,659,780
2023	23,613,409	32,988	13,383	23,659,780

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

10. GOODWILL (CONT'D)

(b) Impairment test of goodwill

The goodwill allocated to investment holding and property development segments are not significant in comparison with the Group's total carrying amount of goodwill.

The recoverable amount of the Construction CGU has been determined based on value-in-use calculation using cash flow projections based on financial forecasts approved by the directors for the next five years (2023: next five years).

The values assigned to key assumptions represent the Group's assessment of future trends of the industry and are based on both external and internal sources of information. The following describes each key assumption which the directors have used in the cash flows projections for the purposes of impairment testing of goodwill:

(i) Discount rate – based on the industry weighted average cost of capital of the CGU. The discount rate of 10% (2023: 9%) applied to the cash flow projections is pre-tax and reflects estimate of the risk specific to the CGU at the date of assessment.

(ii) Revenue – based on management's estimation taking into consideration secured contracts and anticipated future projects/contracts.

(iii) Gross margin – based on past experience, industry trend and projected gross margin.

As at 31 December 2024, with regard to the assessment of value-in-use of the CGU, the directors believe that there was no reasonably possible change in key assumptions that would cause the carrying amount of the CGU to exceed its recoverable amount.

11. OPERATING FINANCIAL ASSET

	Group	
	2024 **RM**	**2023** **RM**
Non-current	227,569,387	243,310,301
Current	15,740,914	13,989,987
	243,310,301	257,300,288

The Group entered into a concession agreement with the Government of Malaysia and Universiti Teknologi MARA ("UiTM") on 4 May 2010 to design, develop, construct the Facilities and Infrastructure and to perform the maintenance works for a period of 23 years comprising 3 years of construction works and 20 years of maintenance works ("Maintenance Period"). Upon expiry of the concession period, the Group is required to handover the Facilities and Infrastructure at no cost to UiTM, except for fair wear and tear, in a well-maintained condition.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. OPERATING FINANCIAL ASSET (CONT'D)

UiTM will pay the Group throughout the Maintenance Period concession charges which comprise availability charges for the availability of the facilities and infrastructure and maintenance charges for the provision of maintenance works in accordance with the provisions of the concession agreement. The Group and UiTM may make request in writing for the review of the maintenance charges at the interval of every five years after the maintenance commencement date, subject to the Government's approval.

The operating financial asset represents the fair value of the consideration receivable for the construction services delivered during the stage of construction. It carries an imputed interest rate of 11.85% (2023: 11.85%) per annum and is repayable in the form of availability charges upon fulfilment of the terms and conditions in the concession agreement.

12. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax assets/(liabilities) relates to the following:

	At 1 January 2023 RM	Recognised in profit or loss RM	At 31 December 2023 RM	Recognised in profit or loss RM	At 31 December 2024 RM
Group					
Deferred tax assets					
Property development cost	10,949,962	134,977	11,084,939	4,301,099	15,386,038
Unabsorbed capital allowances	11,488,478	3,583,723	15,072,201	(6,923,478)	8,148,723
Unutilised tax losses	27,518,075	2,163,498	29,681,573	(519,221)	29,162,352
Deductible temporary difference in respect of expenses	2,280,364	540,200	2,820,564	170,201	2,990,765
Provisions	33,006	(33,006)	–	–	–
Deferred rental income	39,937	(268)	39,669	154	39,823
	52,309,822	6,389,124	58,698,946	(2,971,245)	55,727,701
Deferred tax liabilities					
Property, plant and equipment	(133,481)	(455,251)	(588,732)	(1,544,089)	(2,132,821)
Investment properties	(9,174,933)	240,725	(8,934,208)	(504,362)	(9,438,570)
Operating financial asset	(36,929,523)	(1,484,303)	(38,413,826)	2,144,340	(36,269,486)
	(46,237,937)	(1,698,829)	(47,936,766)	95,889	(47,840,877)
	6,071,885	4,690,295	10,762,180	(2,875,356)	7,886,824

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

	Group 2024 RM	Group 2023 RM
Presented as follows:		
Deferred tax assets	49,350,346	48,970,256
Deferred tax liabilities	(41,463,522)	(38,208,076)
	7,886,824	10,762,180

The deferred tax assets are recognised based on projected future taxable profits of the subsidiary companies from construction and property development projects to the extent that it is probable that the profit will be available against which the temporary differences can be utilised.

The availability of unutilised tax losses for offsetting against future taxable profits of the respective subsidiary companies in Malaysia are subject to requirements under the Income Tax Act 1967 and guidelines issued by the tax authority.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group 2024 RM	Group 2023 RM
Deductible temporary differences	20,342,550	21,285,348
Unutilised tax losses	27,215,000	22,719,000
	47,557,550	44,004,348

Pursuant to Section 8 of the Finance Act 2021 (Act 833), the amendment to Section 44(5F) of Income Tax Act 1967, the time limit on the carried forward unused tax losses has been extended to maximum 10 consecutive years. This amendment is deemed to have effect for the year of assessment 2019 and subsequent year of assessment.

Any unutilised tax losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e., from year of assessments 2019 to 2028).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Unrecognised deferred tax assets (Cont'd)

The unutilised tax losses are available for offset against future taxable profits of subsidiary companies up to the following financial years:

	Group 2024 RM	Group 2023 RM
2030	2,060,000	2,060,000
2031	11,754,000	11,754,000
2032	4,934,000	4,934,000
2033	1,520,000	1,520,000
2034	2,876,000	2,451,000
2035	4,071,000	–
	27,215,000	22,719,000

13. TRADE AND OTHER RECEIVABLES

	Note	Group 2024 RM	Group 2023 RM
Trade	(a)		
Trade receivables from contract with customers		89,590,872	95,029,126
Retention sums from contract with customers		72,877,719	60,973,845
		162,468,591	156,002,971
Less: Allowance for impairment losses		(20,539,611)	(21,368,444)
		141,928,980	134,634,527
Non-trade			
Other receivables	(b)	63,722,219	53,269,012
Less: Allowance for impairment losses		(24,358,400)	(22,754,210)
		39,363,819	30,514,802
Advances made to suppliers and sub-contractors		92,428	572,729
Deposits	(c)	5,796,680	4,715,215
Prepayments		1,147,796	1,587,011
		46,400,723	37,389,757
Total trade and other receivables		188,329,703	172,024,284

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade

Trade receivables are non-interest bearing and normal credit terms offered by the Group ranging from 7 to 90 days (2023: 7 to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

Retention sum is receivable upon the receipt of construction completion certificate and upon the expiry of defect liability period as provided in the contracts with customers, is expected to be collected as follows:

	2024 RM	2023 RM
- within one year	26,074,227	14,570,435
- later than one year	46,803,492	46,403,410
	72,877,719	60,973,845

<u>Receivables that are impaired</u>

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group	
	2024 **RM**	**2023** **RM**
At 1 January	21,368,444	22,605,807
Reversal of impairment losses (Note 28)	(828,833)	(1,237,363)
At 31 December	20,539,611	21,368,444

Included in the trade receivables and retention sums of the Group is an amount of RM18,361,303 (2023: RM18,361,303) due from a customer with a contract under dispute.

In the preceding financial years, the dispute was referred to an arbitration tribunal. The Group had asserted claims of RM14,749,849 and RM16,334,200 for trade receivables and contract assets, respectively, against the customer.

On 12 May 2023, the tribunal concluded its arbitration proceedings, dismissing the customer's claims and awarding a total claim of RM18,361,303 ("Final Award") to the Group.

Consequently, in the previous financial year, the Group recognised a contract asset written off of RM12,722,746 against the contract asset of RM16,334,200, as disclosed in Note 16 to the financial statements, and reclassified RM3,611,454 from contract asset to receivables from the customer, resulting in a total receivable of RM18,361,303 due from the customer.

13. TRADE AND OTHER RECEIVABLES (CONT'D)

(a) Trade (Cont'd)

Receivables that are impaired (Cont'd)

The Group has filed an application to enforce the Final Award on 21 June 2023 and the customer filed an application to set aside the Final Award on 28 August 2023. On 1 December 2023, the hearing was held at the High Court. On 29 February 2024, the High Court allowed the Group's enforcement application and the customer's Application to set aside the Final Award was dismissed.

On 5 March 2024, the customer filed a Notice of Appeal. The next case management for the appeal is fixed on 7 August 2025.

(b) Non-trade

Included in other receivables of the Group is an amount of RM10,854,878 (2023: RM10,854,878) due from a sub-contractor which are under dispute. The dispute arose between a subsidiary company of the Group, Crest Builder Sdn. Bhd. ("CBSB") and the sub-contractor over the delays in completing the subcontract works and rectifying defects.

On 23 January 2024, CBSB had commenced arbitration proceedings against the sub-contractor through a Notice of Arbitration. CBSB is claiming against the sub-contractor the total sum of RM18,554,352 comprising of Liquidated Ascertained Damages and additional costs incurred by CBSB in completing the sub-contract works and rectifying the defects on behalf of the sub-contractor, along with interest and cost. The hearing for the arbitration is fixed in November 2025.

The Group has been advised by its legal counsel that there is reasonable chance of success for the outcome of the arbitration proceedings. Accordingly, no allowance for impairment has been made in the financial statements.

Other receivables that are impaired

The movement in the allowance for impairment losses of other receivables is as follows:

	Group	
	2024 RM	**2023 RM**
At 1 January	22,754,210	20,658,544
Charge for the impairment losses (Note 28)		
- individually assessed	1,604,190	2,148,528
Written off	–	(52,862)
At 31 December	24,358,400	22,754,210

(c) Included in deposits is an amount of RM2,500,000 (2023: RM2,500,000) placed with Landowner for the development project prior to the fulfilment of condition precedents as stated in the Joint Land Development Agreement.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14. AMOUNTS DUE FROM/(TO) SUBSIDIARY COMPANIES

	Note	Company 2024 RM	Company 2023 RM
Non-current:	(a)		
Amounts due from subsidiary companies		178,494,198	180,963,068
Less: Allowance for impairment losses		(32,406,293)	(35,731,998)
Total amounts due from subsidiary companies (non-current)		146,087,905	145,231,070
Current:	(b)		
Amounts due from subsidiary companies		27,956,547	15,419,374
Less: Allowance for impairment losses		(9,472,284)	(3,046,120)
Total amounts due from subsidiary companies (current)		18,484,263	12,373,254
Total amounts due from subsidiary companies (non-current and current)		164,572,168	157,604,324
Current:			
Amounts due to subsidiary companies		(75,363,182)	(64,625,430)

(a) Non-current:

The non-current amounts due from subsidiary companies bear interest at 8.39% (2023: 8.39%) except for an amount of RM107,849,419 (2023: RM107,164,268) measured at amortised cost at imputed rate of 8.39% (2023: 8.39%) per annum.

These amounts are not expected to be settled within next twelve months.

(b) Current:

The amounts due to subsidiary companies are non-trade in nature, unsecured, interest free, repayable on demand and is expected to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14. AMOUNTS DUE FROM/(TO) SUBSIDIARY COMPANIES (CONT'D)

The movement in the allowance for impairment loss of amounts due from subsidiary companies are as follows:

	Company	
	2024 RM	2023 RM
Non-current:		
At 1 January	35,731,998	7,174,759
Charge for the financial year	2,230,786	28,557,239
Reversal of impairment loss	(5,556,491)	–
At 31 December	32,406,293	35,731,998
Current:		
At 1 January	3,046,120	1,031,001
Charge for the financial year	6,426,164	2,015,119
At 31 December	9,472,284	3,046,120

15. CONTRACT COSTS

Contract costs consist of commissions and fees paid to intermediaries to secure contracts with customers.

Contract costs are deferred and amortised in line with the pattern of transfer of goods or services under the contracts with customers.

During the financial year, amortisation of contract costs amounting to RM3,442,447 (2023: RM696,562) was recognised as part of selling and marketing expenses. No impairment loss on contract costs was recognised during the financial year.

16. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2024 RM	2023 RM
Contract assets relating to construction service contracts	28,659,124	47,292,165
Contract assets relating to property development contracts	42,138,699	16,816,133
Total contract assets	70,797,823	64,108,298
Contract liabilities relating to concession contract	(15,894,144)	(16,358,675)
Contract liabilities relating to construction service contracts	(17,818,703)	(8,006,858)
Total contract liabilities	(33,712,847)	(24,365,533)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

(a) Contract assets

The contract assets represent the Group's rights to consideration for the work performed for the properties sold and construction contracts but yet to be billed. Contract assets are transferred to receivables when the Group issues progress billings to the customers. Typically, the amount will be billed within 30 days and payments is expected within 30 days.

In the previous financial year, the Group recognised a contract asset written off amounting to RM12,722,746 and reclassified the remaining contract assets of RM3,611,454 related to the said customer to trade receivables as a result of the tribunal's arbitration decision as disclosed in Note 13(a) to the financial statements.

(b) Contract liabilities

The contract liabilities relating to construction contracts represent progress billings and deposits received for construction contracts for which performance obligations have not been satisfied. The contract liabilities are expected to be recognised as revenue over a period of 1-3 years (2023: 1-3 years).

Contract liabilities relating to a concession contract represent fund contributed by a customer for the purpose of periodic major repairs or capital replacements for the Facilities and Infrastructure of UiTM Campus which will be incurred in the following financial years.

Significant changes in contract balances

Group	2024 Contract assets Increase/ (Decrease) RM	2024 Contract liabilities (Increase)/ Decrease RM	2023 Contract assets Increase/ (Decrease) RM	2023 Contract liabilities (Increase)/ Decrease RM
Revenue recognised that was included in contract liabilities at the beginning of the financial year	–	11,571,626	–	2,300,349
Increase due to progress billings and cash received, but revenue not recognised	–	(20,918,940)	–	(11,290,350)
Increase due to unbilled revenue recognised during the year	44,438,488	–	57,255,199	–
Transfers from contract assets recognised at the beginning of the year to receivables	(37,748,963)	–	(20,182,167)	–
Contract assets written off	–	–	(12,722,746)	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. SHORT-TERM INVESTMENTS

The short-term investments are in respect of investment in quoted unit trust funds placed with fund management companies and are redeemable with one day's notice.

18. FIXED DEPOSITS PLACED WITH LICENSED BANKS

(a) The fixed deposits placed with licensed banks of the Group and of the Company earn interest at rates ranging from 2.15% to 2.55% (2023: 1.04% to 2.75%) and 2.15% to 2.25% (2023: 1.04%) per annum respectively.

(b) Included in fixed deposits of the Group are:

(i) an amount of RM26,184,704 (2023: RM43,564,420), which is part of security arrangements of Sukuk Murabahah, and therefore restricted from general use of the Group; and

(ii) an amount of RM1,630,000 (2023: RM1,630,000), which is pledged for the purpose for term loan facility granted to a subsidiary company as disclosed in Note 22(a) to the financial statements.

(c) Included in fixed deposits of the Group and of the Company are deposits amounting to RM3,259,271 (2023: RM3,226,133), which are pledged for the purpose as a debt services reserve for revolving credits and bank overdrafts of the Group and of the Company as disclosed in Note 22(d) to the financial statements.

19. CASH AND BANK BALANCES

Included in cash and bank balances of the Group are:

(a) an amount of RM21,773,907 (2023: RM3,673,450), which is part of the security arrangements of Sukuk Murabahah, and is therefore restricted from general use of the Group;

(b) an amount of RM260,683 (2023: RM762,508), which is held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 in Malaysia, and is therefore restricted from general use of the Group; and

(c) an amount of RM133,712 (2023: RM102), which is maintained in an escrow account.

20. SHARE CAPITAL

	Group and Company			
	2024		2023	
	Number of ordinary shares Unit	RM	Number of ordinary shares Unit	RM
Issued and fully paid up (no par value):				
At 1 January/31 December	176,921,657	181,190,804	176,921,657	181,190,804

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

20. SHARE CAPITAL (CONT'D)

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

21. TREASURY SHARES

As at 31 December 2024, the Group and the Company held 14,814,100 (2023: 14,814,100) treasury shares out of its 176,921,657 issued and paid-up ordinary shares.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

The share repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016 in Malaysia.

22. LOANS AND BORROWINGS

		Group		Company	
		2024	2023	2024	2023
	Note	RM	RM	RM	RM
Non-current:					
Term loan	(a)	86,076,897	65,069,264	–	–
Sukuk Murabahah	(b)	242,619,513	265,781,795	–	–
Hire purchases	(c)	7,027,767	5,225,149	–	–
		335,724,177	336,076,208	–	–
Current:					
Term loan	(a)	10,710,493	8,049,677	–	–
Sukuk Murabahah	(b)	23,162,283	22,968,211	–	–
Hire purchases	(c)	5,300,724	2,870,131	–	–
Bankers' acceptance	(d)	74,716,553	62,678,226	–	–
Revolving credits	(d)	102,712,756	115,938,058	40,136,467	40,129,291
Bank overdrafts	(d)	19,649,990	22,081,579	1,565,813	4,117,788
		236,252,799	234,585,882	41,702,280	44,247,079
Total loans and borrowings:					
Term loan	(a)	96,787,390	73,118,941	–	–
Sukuk Murabahah	(b)	265,781,796	288,750,006	–	–
Hire purchases	(c)	12,328,491	8,095,280	–	–
Bankers' acceptance	(d)	74,716,553	62,678,226	–	–
Revolving credits	(d)	102,712,756	115,938,058	40,136,467	40,129,291
Bank overdrafts	(d)	19,649,990	22,081,579	1,565,813	4,117,788
		571,976,976	570,662,090	41,702,280	44,247,079

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

22. LOANS AND BORROWINGS (CONT'D)

(a) Term loan

	Group 2024 RM	Group 2023 RM
Current		
- Not later than one year	10,710,493	8,049,677
Non-current		
- Later than one year but not later than two years	49,200,000	19,200,000
- Later than two years but not later than five years	36,876,897	45,869,264
	86,076,897	65,069,264
	96,787,390	73,118,941

Term loan I of a subsidiary company of RM9,110,493 (2023: RM32,149,676) bears interest of 5.10% (2023: 5.10%) per annum and is repayable by 23 equal monthly instalments of RM1,600,000 and one final principal instalment of RM1.7 million on 60th month commencing from the first day of 37th month from the day of first drawdown date.

Term loan II of a subsidiary company of RM46,133,531 (2023: RM36,190,099) bears interest of 5.10% (2023: 5.10%) per annum and is repayable by 23 equal monthly instalments of RM2.3 million and one final principal instalment of RM2.1 million on 60th month. The first principal instalment commencing from the first day of 37th month from the first drawdown date.

Term loan III of a subsidiary company of RM35,920,789 (2023: RM4,779,166) bears interest of 5.10% (2023: 5.10%) per annum and is repayable by 23 equal monthly instalments of RM1.6 million and one final principal instalment of RM3.2 million on 60th month commencing from the first day of 37th month from the first drawdown date.

Term loan IV of a subsidiary company of RM5,622,577 (2023: Nil) bears interest of 8.20% (2023: Nil) per annum and is repayable by 59 equal monthly instalments of RM200,000 and one final principal instalment of RM600,000 on 60th month commencing from the first day of 13th month from the first drawdown date. It is secured by the Group's plant and machinery under term loan arrangements as disclosed in Note 5(a) to the financial statements.

As at 31 December 2024, the Term Loan II, III and IV had not been fully drawdown.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

22. LOANS AND BORROWINGS (CONT'D)

(a) Term loan (Cont'd)

The term loans of the subsidiary company are secured as follows:

(i) First party legal charge over property under development as disclosed in Note 9(c) to the financial statements;

(ii) Legal charge and assignment over the designated accounts;

(iii) Assignment of all relevant insurance/takaful policies to be taken for a project undertaken by a subsidiary company;

(iv) Assignment of a subsidiary company's right and benefits arising from the construction contracts and contractor's performance bond in favour of the subsidiary company in respect of a project undertaken by the subsidiary company;

(v) Charge over the monies in the fixed deposits as disclosed in Note 18(b)(ii) to the financial statements;

(vi) Corporate guarantee by the Company;

(vii) An irrevocable letter of undertaking to fund any shortfall in monies due and payable by the subsidiary; and

(vii) Specific debenture over the assets financed by the Bank

(b) Sukuk Murabahah

On 12 December 2014, Unitapah Sdn. Bhd. issued a sukuk facility based on the Shariah principles of Murabahah via a Tawarruq arrangement ("Sukuk Murabahah") of RM510 million in nominal value. The remaining tenure of the sukuk ranges from 0.5 to 9.5 years (2023: 0.5 to 10.5 years) with profit rates ranging from 5.64% to 6.47% (2023: 5.45% to 6.47%) per annum over nominal value.

	Group	
	2024	**2023**
	RM	**RM**
Current		
- not later than one year	23,162,283	22,968,211
Non-current		
- later than one year but not later than two years	28,370,554	23,162,283
- later than two years but not later than five years	81,347,938	75,735,195
- more than five years	132,901,021	166,884,317
	242,619,513	265,781,795
	265,781,796	288,750,006

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

22. LOANS AND BORROWINGS (CONT'D)

(b) Sukuk Murabahah (Cont'd)

The Sukuk Murabahah is secured by the following:

(i) Debenture evidencing a fixed and floating charge over a subsidiary company's present and future assets;

(ii) First ranking charge and assignment of the designated accounts and the credit balances therein; and

(iii) First ranking assignment of takaful policies, if any, in relation to the concession agreement with the security trustee designated as loss payee/mortgagee.

(c) Hire purchases

Hire purchase payables of the Group bears interest ranging from 4.07% to 6.26% (2023: 4.20% to 6.47%) per annum and are secured by the Group's motor vehicles, equipment, plant and machinery under hire purchase arrangements as disclosed in Note 5(a) to the financial statements.

(d) Bankers' acceptances, revolving credits and bank overdrafts

The other bank borrowings of the Group and of the Company are denominated in Ringgit Malaysia and bear interest at rates ranging from 4.76% to 8.45% (2023: 4.62% to 8.45%) and 5.76% to 8.39% (2023: 5.65% to 8.39%) per annum respectively.

Other bank borrowings of the Group and of the Company are secured by:

(i) Facility agreement together with interest, commission and all other charges thereon;

(ii) Second ranking legal charge to certain retail units as disclosed in Note 6(c) to the financial statements;

(iii) First party second fixed charge over certain property, plant and equipment and investment properties as disclosed in Note 5(a) and Note 6(c) to the financial statements;

(iv) Supplement agreement to extend the assignment of rental proceeds from certain investment properties executed between borrower and bank;

(v) Charge over the monies in the debt services reserve account as disclosed in Note 18(c) to the financial statements;

(vi) Second legal charge over a designated escrow account; and

(vii) Corporate guarantee by the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Non-current:					
Non-trade					
Landowner's entitlement	(a)	18,660,739	21,829,911	–	–
Current:					
Trade					
Trade payables	(b)	104,932,304	103,475,756	–	–
Accruals		56,633,006	36,506,201	–	–
Retention sums		63,848,069	55,841,073	–	–
		225,413,379	195,823,030	–	–
Current:					
Non-trade					
Other payables		14,952,201	8,410,272	32,317	32,430
Landowner's entitlement	(a)	123,162,295	120,353,635	–	–
Goods and services tax ("GST") payable		11,447	11,447	–	–
Sales and services tax ("SST") payable		288,172	128,131	–	–
Deposits received		3,059,574	2,652,946	–	–
Accruals		5,828,742	5,502,638	147,020	146,539
Deferred rental income		168,630	165,289	–	–
		372,884,440	333,047,388	179,337	178,969
Total trade and other payables		391,545,179	354,877,299	179,337	178,969

(a) Landowner's entitlement

Landowner's entitlement represents cost payable for land development right pursuant to the Joint Land Development Agreement entered into with the landowner. Included in landowner's entitlement is an amount of RM23,645,656 (2023: RM24,006,168) to be settled in cash and is measured at amortised cost at imputed rate of 8.39% (2023: 8.39%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23. TRADE AND OTHER PAYABLES (CONT'D)

(b) Trade payables

The Group's normal trade credit terms granted ranging from 30 to 60 days (2023: 30 to 60 days).

The retention sum which is payable upon the receipt of construction completion certificate and upon the expiry of defect liability period is expected to be settled as follows:

	2024 RM	2023 RM
- within one year	42,144,863	31,903,846
- later than one year	21,703,206	23,937,227
Total trade payables	63,848,069	55,841,073

24. REVENUE

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Revenue from contract with customers:				
Construction contracts	460,333,615	398,457,706	–	–
Property development	62,612,845	39,666,450	–	–
Maintenance income	11,812,633	9,618,326	–	–
	534,759,093	447,742,482	–	–
Revenue from other sources:				
Rental income from investment properties	9,942,214	9,146,406	–	–
Interest income from banks	75,901	96,219	71,492	96,219
Interest income from subsidiary companies	–	–	7,245,295	8,810,131
Income from short-term investments	44,613	46,847	44,613	46,847
Finance income from concession contract	29,746,932	31,303,098	–	–
	39,809,660	40,592,570	7,361,400	8,953,197
	574,568,753	488,335,052	7,361,400	8,953,197

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

24. REVENUE (CONT'D)

(a) Disaggregation of revenue

The Group reports the following segments: construction, concession arrangement, investment holding and property development in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure of disaggregation of revenue from contract with customers, it disaggregates revenue into major goods or services and timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

	Construction RM	Concession arrangement RM	Property development RM	Total RM
Group				
2024				
Major goods or services				
Construction services	454,808,741	–	–	454,808,741
Mechanical and engineering services	5,524,874	–	–	5,524,874
Property development	–	–	62,612,845	62,612,845
Maintenance income	–	11,812,633	–	11,812,633
	460,333,615	11,812,633	62,612,845	534,759,093
Timing of revenue recognition:				
At a point in time	–	–	980,000	980,000
Over time	460,333,615	11,812,633	61,632,845	533,779,093
	460,333,615	11,812,633	62,612,845	534,759,093
Group				
2023				
Major goods or services				
Construction services	390,119,156	–	–	390,119,156
Mechanical and engineering services	8,338,550	–	–	8,338,550
Property development	–	–	39,666,450	39,666,450
Maintenance income	–	9,618,326	–	9,618,326
	398,457,706	9,618,326	39,666,450	447,742,482
Timing of revenue recognition:				
At a point in time	–	–	4,311,728	4,311,728
Over time	398,457,706	9,618,326	35,354,722	443,430,754
	398,457,706	9,618,326	39,666,450	447,742,482

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

24. REVENUE (CONT'D)

(b) Transaction price allocated to the remaining performance obligation

As of 31 December 2024, the aggregate amounts of the transaction price allocated to the remaining performance obligation are:

(i) RM1,260.85 million (2023: RM706.3 million) and the Group will recognise this revenue as the properties or construction are completed, which is expected to occur over the next 4 years (2023: 4 years); and

(ii) RM84.61 million (2023: RM93.99 million) and the Group will recognise this revenue as the maintenance services are performed, which is over the next 9 years (2023: 10 years).

25. COST OF SALES

	Group	
	2024 RM	2023 RM
Costs of construction contracts	440,404,927	406,097,387
Costs of property development	44,987,226	26,588,933
Costs of maintenance of investment properties	6,818,224	6,239,927
Costs of maintenance of facilities and infrastructure	10,867,781	8,694,906
	503,078,158	447,621,153

26. FINANCE INCOME

	Group	
	2024 RM	2023 RM
Income from short-term investments	61,564	40,072
Interest income from banks	1,350,566	1,495,704
	1,412,130	1,535,776

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCE COSTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expense on:				
- bank overdrafts	1,918,933	1,832,205	131,880	89,859
- bankers' acceptance	3,477,319	2,835,942	–	–
- hire purchases	604,766	382,779	–	–
- revolving credits	6,844,123	5,375,812	2,319,883	1,160,806
- term loans	3,913,931	2,463,170	–	–
- Sukuk Murabahah	17,843,251	19,166,255	–	–
Amortisation of discount on Sukuk Murabahah	2,031,790	2,228,215	–	–
	36,634,113	34,284,378	2,451,763	1,250,665

28. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) to arrive at profit/(loss) before tax:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Auditors' remuneration				
- statutory audit:				
- Baker Tilly Monteiro Heng PLT	347,300	335,100	72,200	69,200
- non-statutory audit:				
- Baker Tilly Monteiro Heng PLT	17,400	17,400	6,000	6,000
Contract asset written off	–	12,722,746	–	–
Depreciation of property, plant and equipment (Note 5)	12,637,331	8,811,188	–	–
Effect of revision of estimated receipts of amounts due from subsidiary companies measured at amortised cost	–	–	633,580	1,668,647
Employee benefits expense (Note 31)	31,061,066	26,860,789	198,000	198,000
Expenses related to short-term leases				
- machineries	6,559,283	1,433,505	–	–
- office and premises	335,556	–	–	–
Fair value gain on investment properties (Note 6)	(4,720,133)	(4,086,509)	–	–
Gain on disposal of property, plant and equipment	(432,000)	(53,000)	–	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

28. PROFIT/(LOSS) BEFORE TAX (CONT'D)

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) to arrive at profit/(loss) before tax: (Cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Inventories written down	–	18,301,691	–	–
Impairment losses on:				
- amounts due from a subsidiary company	–	–	8,656,950	30,572,358
- other receivables	1,604,190	2,148,528	–	–
Reversal of impairment losses on:				
- amounts due from a subsidiary company	–	–	(5,556,491)	–
- trade receivables	(828,833)	(1,237,363)	–	–

29. INCOME TAX EXPENSE/(CREDIT)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current income tax				
- current year	2,140,451	2,205,228	1,099,336	1,513,784
- under provision in prior years	173,720	298,886	10,647	295,212
	2,314,171	2,504,114	1,109,983	1,808,996
Real property gains tax ("RPGT")	–	24,780	–	–
Deferred tax				
- current year	3,054,137	(4,837,812)	–	–
- (over)/under provision in prior years	(178,781)	147,517	–	–
	2,875,356	(4,690,295)	–	–
	5,189,527	(2,161,401)	1,109,983	1,808,996

Income tax is calculated at the Malaysian statutory income tax rate of 24% (2023: 24%) of the estimated assessable profit/(loss) for the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. INCOME TAX EXPENSE/(CREDIT) (CONT'D)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense/(credit) are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit/(Loss) before tax	10,828,207	(41,138,055)	298,977	(25,296,028)
Tax at Malaysian statutory income tax rate of 24% (2023: 24%)	2,598,770	(9,873,133)	71,754	(6,071,047)
Tax effects arising from:				
- impact of RPGT rates	(620,819)	–	–	–
- non-taxable income	(379,664)	(1,044,922)	(10,707)	(11,243)
- non-deductible expenses	2,743,533	8,158,297	1,038,289	7,596,074
- capital gain tax	–	24,780	–	–
- utilisation of deferred tax assets not recognised previously	(86,291)	(354,276)	–	–
- deferred tax assets not recognised on tax losses and deductible temporary differences	939,059	481,450	–	–
- under provision of current and deferred tax in prior years	(5,061)	446,403	10,647	295,212
Income tax expense/(credit)	5,189,527	(2,161,401)	1,109,983	1,808,996

30. EARNING/(LOSS) PER SHARE

(a) Basic earning/(loss) per share

Basic earning/(loss) per share is calculated based on the profit/(loss) attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial year, adjusted for treasury shares held.

	Group	
	2024	2023
Profit/(Loss) attributable to owners of the Company (RM)	5,648,194	(38,944,170)
Weighted average number of ordinary shares in issue (net of treasury shares) (Unit)	162,107,557	162,107,557
Basic earning/(loss) per share (sen)	3.48	(24.02)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. EARNING/(LOSS) PER SHARE (CONT'D)

(a) Basic earning/(loss) per share (Cont'd)

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the authorisation of these financial statements.

(b) Diluted earning/(loss) per share

The Group has no dilutive potential ordinary shares. As such, there is no dilutive effect on the earning/(loss) per share of the Group.

31. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Salaries, bonus, overtime, allowances and fee	27,302,371	23,610,270	198,000	198,000
Defined contribution plan ("EPF")	2,998,019	2,620,829	–	–
Other staff related expenses	760,676	629,690	–	–
	31,061,066	26,860,789	198,000	198,000

Included in employee benefits expense are directors' remuneration as follows:

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Executive Directors (including Alternate Director) of the Company				
- Salaries and other emoluments (including estimated benefits-in-kind)	1,866,089	1,696,807	–	–
Non-Executive Directors of the Company				
- Fees	198,000	198,000	198,000	198,000
Total directors' remuneration	2,064,089	1,894,807	198,000	198,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

32. OPERATING LEASES

The Group as lessor

The Group has entered into operating leases on its investment properties consisting of certain office buildings. The leases have terms ranging from one to three years (2023: one to three years).

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

	2024 RM	2023 RM
- Not later than one year	1,700,383	5,001,306
- One to two years	885,486	600,467
- Two to three years	31,074	119,100
	2,616,943	5,720,873

Certain operating lease arrangements contain an option for the lessee to extend the original lease term by one to three years.

33. RELATED PARTIES

(a) Identification of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group and the Company include:

(i) Subsidiary companies;

(ii) Company in which a director has substantial financial interest;

(iii) Corporate shareholders of subsidiary companies; and

(iv) Key management personnel comprise persons (including the directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. RELATED PARTIES (CONT'D)

(b) Significant related party transactions and balances

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Transactions with:				
Subsidiary companies				
Interest income received/ receivable	–	–	7,245,295	8,810,131
Company in which a director has substantial financial interest				
Rental received/receivable	24,000	24,000	–	–
Reversal of impairment losses on trade receivables	828,833	1,237,363	–	–

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Notes 14 to the financial statements.

(c) Key management personnel remuneration

The remuneration of the key management personnel (including directors) during the financial year is as follows:

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Directors' fees	198,000	198,000	198,000	198,000
Short-term employment benefits (included estimated benefits-in-kind)	3,036,844	3,132,002	–	–
Defined contribution plan ("EPF")	301,656	315,835	–	–
	3,536,500	3,645,837	198,000	198,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

34. SEGMENT INFORMATION

The information reported to the Chairperson of Group Executive Committee, as the Group's chief operating decision maker, in making decisions to allocate resources to segments and to assess their performance is based on the nature of the industry (business segments) of the Group.

Measurement of reportable segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements.

Segment statements of comprehensive income are profit earned or loss incurred by each segment with allocation of central administrative costs, non-operating investment revenue, finance costs, tax expense and other non-cash expenses. There are no significant changes from previous financial year in the measurement methods used to determine reported segment statements of comprehensive income.

There are varying levels of integration among investment holding segment with construction segment and property development segment. This integration includes rental of properties, corporate support and provision of construction, mechanical and electrical engineering services. Inter-segment pricing is determined on a negotiated basis.

All the Group's assets are allocated to reportable segments.

All the Group's liabilities are allocated to reportable segments.

Business segments

For management purposes, the Group is organised into business units based on their products and services provided. The Group is organised into four main business segments as follows:

(a) Construction – general construction, mechanical and electrical engineering services;

(b) Concession arrangement – construction and maintenance of facilities and infrastructure;

(c) Investment holding – investment in shares, properties and other investment activities; and

(d) Property development – development of residential and commercial properties.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Geographical segments

No information is prepared on the geographical segment as the Group principally operates within Malaysia.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

34. SEGMENT INFORMATION (CONT'D)

2024	Construction RM	Concession arrangement RM	Investment holding RM	Property development RM	Adjustments and eliminations RM	Note	Group RM
Revenue							
Revenue from external customers	460,333,615	41,559,565	10,062,728	62,612,845	–		574,568,753
Inter-segment revenue	93,129,510	–	8,408,936	–	(101,538,446)	(a)	–
Total revenue	553,463,125	41,559,565	18,471,664	62,612,845	(101,538,446)		574,568,753
Results							
Segment results	14,197,429	29,549,995	6,437,510	12,076,509	(7,950,698)	(b)	54,310,745
Depreciation of property, plant and equipment	(10,700,085)	–	(103,005)	(1,423,865)	(410,376)	(b)	(12,637,331)
Finance costs	(7,994,785)	(21,225,041)	(6,027,474)	(4,968,723)	3,581,910	(b)	(36,634,113)
Impairment losses on other receivables	–	–	–	(1,604,190)	–		(1,604,190)
Income from short-term investments	58,823	–	2,741	–	–		61,564
Interest income from banks	246	1,297,214	4,527	48,579	–		1,350,566
Reversal of impairment losses on trade receivables	828,833	–	–	–	–		828,833
Fair value gain on investment properties	4,320,133	–	400,000	–	–		4,720,133
Gain on disposal of property, plant and equipment	432,000	–	–	–	–		432,000
Income tax expense	(409,105)	(3,555,561)	(1,626,798)	(1,926,833)	2,328,770	(b)	(5,189,527)
Consolidated profit for the financial year							5,638,680

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

34. SEGMENT INFORMATION (CONT'D)

2024	Construction RM	Concession arrangement RM	Investment holding RM	Property development RM	Adjustments and eliminations RM	Note	Group RM
Assets							
Segment assets	390,998,934	426,849,507	672,278,348	454,729,818	(684,594,892)	(c)	1,260,261,715
Golf club membership	54,000	–	–	–	–		54,000
Goodwill	–	–	–	–	23,659,780	(c)	23,659,780
Deferred tax assets	32,614,903	–	–	3,321,733	13,413,710	(c)	49,350,346
Current tax assets	914,614	–	108,724	–	–		1,023,338
Total assets	424,582,451	426,849,507	672,387,072	458,051,551	(647,521,402)		1,334,349,179
Liabilities							
Segment liabilities	292,283,148	17,744,716	274,802,579	314,303,758	(470,386,921)	(d)	428,747,280
Loans and borrowings	121,458,790	310,781,796	80,713,817	101,231,060	(45,000,000)	(d)	569,185,463
Deferred tax liabilities	–	32,388,243	9,075,279	–	–		41,463,522
Current tax liabilities	–	9,651	1,684,985	286,299	(311,636)	(d)	1,669,299
Total liabilities	413,741,938	360,924,406	366,276,660	415,821,117	(515,698,557)		1,041,065,564

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

34. SEGMENT INFORMATION (CONT'D)

2023	Construction RM	Concession arrangement RM	Investment holding RM	Property development RM	Adjustments and eliminations RM	Note	Group RM
Revenue							
Revenue from external customers	398,457,706	40,921,424	9,287,798	39,668,124	–		488,335,052
Inter-segment revenue	63,699,483	–	9,988,695	–	(73,688,178)	(a)	–
Total revenue	462,157,189	40,921,424	19,276,493	39,668,124	(73,688,178)		488,335,052
Results							
Segment results	(10,996,192)	31,074,478	(18,009,672)	(3,247,676)	29,396,890	(b)	28,217,828
Depreciation of property, plant and equipment	(7,207,644)	–	(87,929)	(1,186,168)	(329,447)	(b)	(8,811,188)
Finance costs	(6,755,430)	(22,744,470)	(5,290,840)	(3,755,003)	4,261,365	(b)	(34,284,378)
Impairment losses on other receivables	–	–	–	(2,148,528)	–		(2,148,528)
Income from short-term investments	37,378	–	2,694	–	–		40,072
Interest income from banks	243	1,420,453	23,418	51,590	–		1,495,704
Reversal of impairment losses on trade receivables	1,237,363	–	–	–	–		1,237,363
Contract assets written off	(12,722,746)	–	–	–	–		(12,722,746)
Inventories written down	–	–	–	(18,301,691)	–		(18,301,691)
Fair value gain on investment properties	–	–	–	4,086,509	–		4,086,509
Gain on disposal of property, plant and equipment	53,000	–	–	–	–		53,000
Income tax credit/ (expense)	7,913,257	(3,452,711)	(2,154,253)	(1,247,335)	1,102,443	(b)	2,161,401
Consolidated loss for the financial year							(38,976,654)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

34. SEGMENT INFORMATION (CONT'D)

2023	Construction RM	Concession arrangement RM	Investment holding RM	Property development RM	Adjustments and eliminations RM	Note	Group RM
Assets							
Segment assets	339,450,204	440,686,028	667,660,433	418,068,241	(661,529,233)	(c)	1,204,335,673
Golf club membership	54,000	–	–	–	–		54,000
Goodwill	–	–	–	–	23,659,780	(c)	23,659,780
Deferred tax assets	32,939,420	–	–	4,945,897	11,084,939	(c)	48,970,256
Current tax assets	941,327	–	108,624	–	–		1,049,951
Total assets	373,384,951	440,686,028	667,769,057	423,014,138	(626,784,514)		1,278,069,660
Liabilities							
Segment liabilities	247,586,090	17,933,514	266,095,857	299,789,529	(452,162,158)	(d)	379,242,832
Loans and borrowings	115,691,835	333,750,006	83,038,225	83,182,024	(45,000,000)	(d)	570,662,090
Deferred tax liabilities	–	29,144,014	9,064,062	–	–		38,208,076
Tax liabilities	–	–	1,560,364	–	–		1,560,364
Current tax liabilities	–	61,728	987,640	13,631	(311,636)	(d)	751,363
Total liabilities	363,277,925	380,889,262	360,746,148	382,985,184	(497,473,794)		990,424,725

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

34. SEGMENT INFORMATION (CONT'D)

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:

(a) Inter-segment revenue are eliminated on consolidation;

(b) Inter-segment transactions are eliminated and/or impairment of goodwill on consolidation;

(c) Inter-segment assets are eliminated and/or goodwill on consolidation; and

(d) Inter-segment liabilities are eliminated on consolidation.

Information about major customers

For construction segment, revenue from three (2023: three) major customers amounted to RM276,206,261 (2023: RM205,567,073).

For concession arrangement segment, revenue from one (2023: one) major customer amounted to RM41,559,565 (2023: RM40,921,424).

35. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

(i) Amortised cost; and

(ii) Fair value through profit or loss ("FVPL").

	Carrying amount RM	Amortised cost RM	FVPL RM
Group			
2024			
Financial assets			
Operating financial asset	243,310,301	243,310,301	–
Trade and other receivables *	184,589,479	184,589,479	–
Short-term investments	13,463,286	–	13,463,286
Fixed deposits placed with licensed banks	31,073,974	31,073,974	–
Cash and bank balances	40,520,791	40,520,791	–
	512,957,831	499,494,545	13,463,286
Financial liabilities			
Trade and other payables #	272,899,552	272,899,552	–
Hire purchases	12,328,491	12,328,491	–
Bankers' acceptance	74,716,553	74,716,553	–
Term loan	96,787,390	96,787,390	–
Revolving credits	102,712,756	102,712,756	–
Bank overdrafts	19,649,990	19,649,990	–
Sukuk Murabahah	265,781,796	265,781,796	–
	844,876,528	844,876,528	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of financial instruments (Cont'd)

	Carrying amount RM	Amortised cost RM	FVPL RM
Group			
2023			
Financial assets			
Operating financial asset	257,300,288	257,300,288	–
Trade and other receivables *	167,364,544	167,364,544	–
Short-term investments	3,975,577	–	3,975,577
Fixed deposits placed with licensed banks	48,420,554	48,420,554	–
Cash and bank balances	22,730,956	22,730,956	–
	499,791,919	495,816,342	3,975,577
Financial liabilities			
Trade and other payables #	236,395,054	236,395,054	–
Hire purchases	8,095,280	8,095,280	–
Bankers' acceptance	62,678,226	62,678,226	–
Term loan	73,118,941	73,118,941	–
Revolving credits	115,938,058	115,938,058	–
Bank overdrafts	22,081,579	22,081,579	–
Sukuk Murabahah	288,750,006	288,750,006	–
	807,057,144	807,057,144	–
Company			
2024			
Financial assets			
Amounts due from subsidiary companies	164,572,168	164,572,168	–
Short-term investments	1,502,549	–	1,502,549
Fixed deposits placed with licensed banks	3,259,271	3,259,271	–
Cash and bank balances	2,638	2,638	–
	169,336,626	167,834,077	1,502,549
Financial liabilities			
Amounts due to subsidiary companies	75,363,182	75,363,182	–
Other payables and accruals	179,337	179,337	–
Revolving credits	40,136,467	40,136,467	–
Bank overdraft	1,565,813	1,565,813	–
	117,244,799	117,244,799	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of financial instruments (Cont'd)

	Carrying amount RM	Amortised cost RM	FVPL RM
Company			
2023			
Financial assets			
Amounts due from subsidiary companies	157,604,324	157,604,324	–
Short-term investments	1,457,936	–	1,457,936
Fixed deposits placed with licensed banks	3,226,134	3,226,134	–
Cash and bank balances	2,708	2,708	–
	162,291,102	160,833,166	1,457,936
Financial liabilities			
Amounts due to subsidiary companies	64,625,430	64,625,430	–
Other payables and accruals	178,969	178,969	–
Revolving credits	40,129,291	40,129,291	–
Bank overdraft	4,117,788	4,117,788	–
	109,051,478	109,051,478	–

* *exclude advances made to suppliers and sub-contractors, deposits for development projects of RM2,500,000 and prepayments*

\# *exclude deferred rental income, GST and SST payable and landowner's entitlement (benefit-in-kind) of RM118,177,378.*

(b) Financial risk management

The Group and the Company seek to manage effectively the various risks namely credit risk, liquidity risk and interest rate risk, to which the Group and the Company are exposed to in their operations. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders.

The Group's and the Company's exposure to the financial risks and the objectives, policies and processes put in place to manage these risks are discussed below:

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations.

The Group's exposure to credit risk primarily arises from its operating financial asset, trade receivables and contract assets while the Company's exposure to credit risk primarily arises from amounts due from subsidiary companies. The maximum risk associated with recognised financial assets are the carrying amounts as presented in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Credit risk of the Group is controlled by the application of credit approvals, limits and monitoring procedures. Credit risk is minimised and monitored strictly by limiting the Group's association to business partners with high creditworthiness. If necessary, the Group may obtain collaterals from counterparties as a mean of mitigating losses in the event of default.

Operating financial asset, trade receivables and contract assets

Other than the trade receivables and contract assets arising from the sale of development properties, the carrying amount of operating financial asset, trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In respect of trade receivables and contract assets arising from the sale of development properties, the Group mitigates its credit risk by withholding the transfer of registered ownership of the development properties until full settlement by the purchaser of the self-financed portion of the purchase consideration or upon undertaking of end-financier by the purchaser's end-financier. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a mean of mitigating the risk of financial loss from defaults.

In managing credit risk, the Group periodically reviews the credit risk exposure in respect of its trade receivables and takes appropriate actions to recover long overdue balances. At each reporting date, the Group assesses whether any of the trade receivables are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

<u>Credit risk concentration profile</u>

The Group determines the credit risk concentration of its operating financial asset, trade receivables and contract assets by industry sector profile on an ongoing basis. The credit risk concentration profile of the Group's operating financial asset, trade receivables and contract assets at the reporting date are as follows:

Operating financial asset:

	Group			
	2024		2023	
	RM	%	RM	%
Concession arrangement	243,310,301	100	257,300,288	100

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Operating financial asset, trade receivables and contract assets (Cont'd)

Credit risk concentration profile (Cont'd)

Trade receivables:

	Group			
	2024		2023	
	RM	%	RM	%
Construction	139,319,476	99	130,976,821	98
Concession arrangement	1,981,512	1	1,966,151	2
Property development	595,625	0	1,316,352	0
Others	32,367	0	375,203	0
	141,928,980	100	134,634,527	100

Contract assets:

	Group			
	2024		2023	
	RM	%	RM	%
Construction	28,659,124	40	47,292,165	74
Property development	42,138,699	60	16,816,133	26
	70,797,823	100	64,108,298	100

The Group applies the simplified approach to provide for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit loss ("ECL") allowance for all operating financial asset, trade receivables and contract assets. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The determination of ECL also incorporates economic conditions during the period of historical data, current conditions and forward-looking information on the economic conditions over the expected settlement period of the receivables. The Group believes that changes in economic conditions over these periods would not materially impact the impairment calculation of the receivables.

For concession and construction contracts, as there are only a few customers, the Group assesses the risk of each customer individually based on their financial capability, past trend of payments and other external information relating to the customers that are publicly available. For property development contracts, the Group determines the ECL rate for the group of customers based on actual credit loss experience over the past three years.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Operating financial asset, trade receivables and contract assets (Cont'd)

Credit risk concentration profile (Cont'd)

The information about the credit risk exposure on the Group's contract assets, operating financial asset and trade receivables are as follows:

Group	Gross carrying amount RM	ECL allowance RM	Net balance RM
2024			
Contract assets			
Current (not past due)	70,797,823	–	70,797,823
Operating financial asset			
Current (not past due)	243,310,301	–	243,310,301
Trade receivables			
Current (not past due)	45,188,694	–	45,188,694
1 - 30 days past due	4,129,445	–	4,129,445
31 - 60 days past due	3,366,476	–	3,366,476
61 - 90 days past due	3,019,272	–	3,019,272
more than 90 days past due *	86,225,093	–	86,225,093
Credit-impaired:			
- Individually assessed	20,539,611	(20,539,611)	–
	476,576,715	(20,539,611)	456,037,104
2023			
Contract assets			
Current (not past due)	64,108,298	–	64,108,298
Operating financial asset			
Current (not past due)	257,300,288	–	257,300,288
Trade receivables			
Current (not past due)	39,554,354	–	39,554,354
1 - 30 days past due	15,849,411	–	15,849,411
31 - 60 days past due	7,164,513	–	7,164,513
61 - 90 days past due	2,990,937	–	2,990,937
more than 90 days past due *	69,075,312	–	69,075,312
Credit-impaired:			
- Individually assessed	21,368,444	(21,368,444)	–
	477,411,557	(21,368,444)	456,043,113

* *Included in trade receivables is an amount of RM18,361,303 (2023: RM18,361,303), due from a customer with a contract under dispute as disclosed in Note 13 to the financial statements.*

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Other receivables and other financial assets

For other receivables and other financial assets (including fixed deposits placed with licensed banks, cash and bank balances and related company balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position. The carrying amount of the other receivables and other financial assets is not secured by any collateral or supported by any other credit enhancement.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition taking into consideration available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days when they fall due.

The Company provides advances to subsidiary companies. The Company monitors the results of the subsidiary companies in determining the recoverability of intercompany balances. The advances to subsidiary companies are repayable on demand. For such advances, expected credit losses are assessed based on the assumption that repayment of the advances is demanded at the reporting date. If the subsidiary companies do not have sufficient liquid assets when the loan is demanded, the Company will consider the expected manner of recovery and recovery period of the advances.

The information about credit risk exposure on the Group's and the Company's other receivables and other financial assets are as follows:

2024	Gross carrying amount RM	ECL allowance RM	Net balance RM
Group			
Low credit risk	130,218,550	–	130,218,550
Credit-impaired	24,358,400	(24,358,400)	–
	154,576,950	(24,358,400)	130,218,550
Company			
Low credit risk	169,336,626	–	169,336,626
Credit-impaired	41,878,577	(41,878,577)	–
	211,215,203	(41,878,577)	169,336,626

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Other receivables and other financial assets (Cont'd)

The information about credit risk exposure on the Group's and the Company's other receivables and other financial assets are as follows: (Cont'd)

2023	Gross carrying amount RM	ECL allowance RM	Net balance RM
Group			
Low credit risk	110,357,104	–	110,357,104
Credit-impaired	22,754,210	(22,754,210)	–
	133,111,314	(22,754,210)	110,357,104
Company			
Low credit risk	162,291,102	–	162,291,102
Credit-impaired	38,778,118	(38,778,118)	–
	201,069,220	(38,778,118)	162,291,102

Financial guarantees

The Company provides secured corporate guarantees to banks in respect of banking facilities provided to subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiary companies. The Company monitors the results of the subsidiary companies and their repayment on an ongoing basis. The maximum exposure to credit risk amounting to RM410,009,098 (2023: RM333,096,896) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 35(b)(ii) to the financial statements. Generally, the Company considers the financial guarantees have low credit risk. As at the reporting date, there was no loss allowance for expected credit losses as determined by the Company for the financial guarantees.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantees are provided as credit enhancements to the subsidiary companies' secured borrowings.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities. The Group's and the Company's exposure to liquidity risk arises principally from trade and other payables and loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by facilities. The Group and the Company manage their operating cash flows by maintaining sufficient level of cash to meet their working capital requirements and availability of funding through an adequate amount of credit facilities.

<u>Maturity analysis</u>

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

		Contractual cash flows			
Group	**Carrying amount RM**	**On demand or within one year RM**	**Between one and five years RM**	**More than five years RM**	**Total RM**
2024					
Trade and other payables #	272,899,552	203,572,112	72,693,289	–	276,265,401
Hire purchases	12,328,493	5,992,545	7,595,091	–	13,587,636
Bankers' acceptance	74,716,553	74,716,553	–	–	74,716,553
Term loan	96,787,390	10,710,493	108,848,088	–	119,558,581
Revolving credits	102,712,756	102,712,756	–	–	102,712,756
Bank overdrafts	19,649,990	19,649,990	–	–	19,649,990
Sukuk Murabahah	265,781,795	41,397,000	164,403,500	156,417,000	362,217,500
	844,876,529	458,751,449	353,539,968	156,417,000	968,708,417
2023					
Trade and other payables #	236,395,054	190,627,916	51,223,895	–	241,851,811
Hire purchases	8,095,280	3,064,965	5,718,884	–	8,783,849
Bankers' acceptance	62,678,226	62,678,226	–	–	62,678,226
Term loan	73,118,941	8,049,676	70,520,539	–	78,570,215
Revolving credits	115,938,058	115,938,058	–	–	115,938,058
Bank overdrafts	22,081,579	22,081,579	–	–	22,081,579
Sukuk Murabahah	288,750,006	42,794,500	165,958,250	196,259,250	405,012,000
	807,057,144	445,234,920	293,421,568	196,259,250	934,915,738

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows: (Cont'd)

		Contractual cash flows	
Company	**Carrying amount RM**	**On demand or within one year RM**	**Total RM**
2024			
Amount due to subsidiary companies	75,363,182	75,363,182	75,363,182
Other payables and accruals	179,337	179,337	179,337
Revolving credits	40,136,467	40,136,467	40,136,467
Bank overdraft	1,565,813	1,565,813	1,565,813
Financial guarantee contracts	–	410,009,098	410,009,098
	117,244,799	527,253,897	527,253,897
2023			
Amount due to subsidiary companies	64,625,430	64,625,430	64,625,430
Other payables and accruals	178,969	178,969	178,969
Revolving credits	40,129,291	40,129,291	40,129,291
Bank overdraft	4,117,788	4,117,788	4,117,788
Financial guarantee contracts	–	333,096,896	333,096,896
	109,051,478	442,148,374	442,148,374

exclude deferred rental income, GST and SST payable and landowner's entitlement of RM118,177,378.

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and of the Company's financial instruments as a result of changes in market interest rates.

The Group's and the Company's primary interest rate risk relates to floating interest-bearing financial instruments which include loans and borrowings. The investments in financial assets are mainly short term in nature and have been mostly placed in unit trust funds and fixed deposits which yield better returns than cash at bank.

The Group and the Company actively review their debt portfolio, taking into account the investment holding period and nature of their assets.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Interest rate risk (Cont'd)

This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes. As at 31 December 2024 and 31 December 2023, the Group and the Company have not entered into any hedging instruments arrangement to minimise their exposure to interest rate volatility.

Sensitivity analysis for interest rate risk

If the interest rate had been 50 (2023: 50) basis point higher/lower and all other variables held constant, the Group's and the Company's loss for the financial year ended 31 December 2024 would increase/decrease by RM2,113,436 (2023: RM2,137,754) and RM158,469 (2023: decrease/increase by RM168,139) respectively as a result of exposure to floating rate loans and borrowings.

(c) Fair value measurement

The carrying amounts of current financial assets and financial liabilities are reasonable approximation to their fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date. Other long term financial assets and liabilities are reasonable approximation of fair value (Level 3) because they are floating rate instruments which are re-priced to market interest rates or based on discounting of future cash flows using current lending rates for similar types of arrangements.

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2023: no transfer between Level 1 and Level 2 fair values).

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments carried at fair value:

Group	Carrying amount Total RM	Fair value Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2024					
Financial asset					
Short-term investments	13,463,286	13,463,286	–	–	13,463,286
2023					
Financial asset					
Short-term investments	3,975,577	3,975,577	–	–	3,975,577

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement (Cont'd)

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments carried at fair value: (Cont'd)

Company	Carrying amount Total RM	Fair value Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2024					
Financial asset					
Short-term investments	1,502,549	1,502,549	–	–	1,502,549
2023					
Financial asset					
Short-term investments	1,457,936	1,457,936	–	–	1,457,936

36. CAPITAL COMMITMENT

	Group 2024 RM	2023 RM
Contracted but not provided for:		
- contractual commitment for acquisition of a land development right ^	245,500,000	245,500,000

^ *The gross contractual commitment for the acquisition of a land development right is RM248 million (2023: RM248 million). After taking into consideration the deposit paid of RM2.5 million (2023: RM2.5 million) as disclosed in Note 13(b) to the financial statements, the net contractual commitment is RM245.5 million (2023: RM245.5 million).*

37. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a healthy capital ratio in order to support their business and maximise shareholder value. The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust their capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 31 December 2024 and 31 December 2023.

The Group and the Company monitor capital using a gearing ratio, which is net debts divided by total capital plus net debts. Net debts comprise loans and borrowings less cash and bank balances and short-term investments whilst total capital is the total equity of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

37. CAPITAL MANAGEMENT (CONT'D)

The gearing ratios for the Group and for the Company as at 31 December 2024 and 31 December 2023 are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Loans and borrowings	571,976,976	570,662,090	41,702,280	44,247,079
Less:				
Short-term investments	(13,463,286)	(3,975,577)	(1,502,549)	(1,457,936)
Fixed deposits placed with licensed banks	(31,073,974)	(48,420,554)	(3,259,271)	(3,226,134)
Cash and bank balances	(40,520,791)	(22,730,956)	(2,638)	(2,708)
Net debts	486,918,925	495,535,003	36,937,822	39,560,301
Equity	293,374,536	287,726,342	162,429,510	163,240,516
Total equity plus net debts	780,293,461	783,261,345	199,367,332	202,800,817
Gearing ratio	0.62	0.63	0.19	0.20

The Group and certain subsidiary companies are required to comply with certain debt to equity ratios, interest coverage ratios and finance service cover ratios in respect of the term loan, revolving credits and Sukuk Murabahah facilities. A subsidiary of the Group was unable to comply with certain debt to equity ratio requirement and the Group is actively engaging with the bank to revise the said requirement.

38. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

(i) Proposed Private Placement

On 21 March 2025, the Company announced its proposal to undertake a private placement which involves the issuance of up to 48,632,267 new ordinary shares, representing approximately 30% of the total number of issued shares in the Company (excluding treasury shares). On 24 March 2025, the application for the listing and quotation of the Placement Shares has been submitted to Bursa Securities.

(ii) Incorporation of CB Vantage Sdn. Bhd.

On 27 March 2025, the Group incorporated CB Vantage Sdn. Bhd. ("CB Vantage") with a total issued and paid up capital of 2 Ordinary Shares of RM1.00 each, for a cash consideration of RM2.00. The principal activities of CB Vantage is to carry on business in property development and investment holdings.

STATEMENT BY DIRECTORS

(Pursuant to Section 251(2) of the Companies Act 2016)

We, **TENGKU DATO' SULAIMAN SHAH BIN TENGKU ABDUL JALIL SHAH** and **YONG SHANG MING**, being two of the directors of **CREST BUILDER HOLDINGS BERHAD**, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 75 to 148 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors.

**TENGKU DATO' SULAIMAN SHAH BIN
TENGKU ABDUL JALIL SHAH**
Director

YONG SHANG MING
Director

Petaling Jaya
Date: 4 April 2025

STATUTORY DECLARATION

(Pursuant to Section 251(1) of the Companies Act 2016)

I, **GOH SIN HUAT,** being the officer primarily responsible for the financial management of **CREST BUILDER HOLDINGS BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 75 to 148 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

GOH SIN HUAT
Officer

Subscribed and solemnly declared by the abovenamed at Petaling Jaya, Selangor Darul Ehsan on 4 April 2025.

Before me,

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CREST BUILDER HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Crest Builder Holdings Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 75 to 148.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Key Audit Matters (Cont'd)

Group

Investment properties (Notes 4.1 and 6 to the financial statements)

Risk:
The Group's investment properties are measured at fair value subsequent to their initial recognition. The directors estimated the fair value of the investment properties based on the market valuation performed by an external independent valuer. We focused on this area because the valuation requires significant judgement in determining the appropriate valuation methods and the key assumptions used in the valuations.

Our response:
Our audit procedures included, among others:
- understanding the competency, capabilities and objectivity of the external valuer which included consideration of their qualifications and experience;
- understanding the scope and purpose of the valuation by assessing whether any matters that might have affected their objectivity or limited the scope of their work;
- reading the valuation certificates and/or reports for all significant properties and discussing with external valuer on their valuation approach and the significant judgements made, including the selection of comparable properties and adjustments for differences in key attributes made to the transacted value of comparable properties; and
- understanding the valuation approach used and appropriateness of the key assumptions.

Group and Company

Investment in subsidiary companies (Notes 4.2 and 7 to the financial statements)
Goodwill (Notes 4.3 and 10 to the financial statements)

Risk:
The Group has significant balances of goodwill arising from the acquisition of Crest Builder Sdn. Bhd. The accounting policy of the Group is to test goodwill for impairment annually. The goodwill amount is required to be allocated to cash generating unit ("CGU") for impairment testing purposes.

The Company has a significant balance of investment in a subsidiary company. At the end of the financial year, the directors are required to determine if there is any indication of impairment in investment in the subsidiary company. If such an indication of impairment exists, the directors are required to determine the recoverable amount of this investment.

We focused on this area because the Group's and the Company's assessment of the recoverable amount involved significant judgement. The recoverable amount of cash-generating unit to which the goodwill was allocated and investment in a subsidiary company were determined based on value-in-use. The value-in-use calculation involves the discount rate applied and the assumptions supporting the underlying cash flow projections which include future revenue, gross profit margin and operating expenses.

Our response:
Our audit procedures focus on evaluating the cash flow projections which included, among others:
- understanding the methodology and method adopted by the directors in measuring the recoverable amount;
- comparing the actual results with previous budget to understand the performance of the business;
- comparing the Group's and the Company's assumptions to our assessments in relation to key assumptions to assess the reasonableness of the projections;
- performing sensitivity test on the key assumptions used; and
- testing the mathematical computation of the impairment assessment.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Key Audit Matters (Cont'd)

Group and Company (Cont'd)

Trade and other receivables (Notes 4.4 and 13 to the financial statements)

Risk:
The Group has significant trade and other receivables as at 31 December 2024 which include certain amounts which are long outstanding and/or in legal disputes. We focused on this area because the directors made significant judgements on assumptions about outcome of the legal dispute, which the estimated credit losses are individually assessed. In making assumptions for expected credit loss, the directors assessed the financial capability of the receivables, payment trends, existing market conditions, forward-looking information as well as solicitors' advice for balances which are currently in legal disputes.

Our response:
Our audit procedures included, among others:
- understanding the significant credit exposures which were significantly overdue or deemed to be in default through analysis of ageing reports prepared by management;
- obtaining confirmation of balances from selected receivables;
- where necessary, reading legal opinion obtained for identified receivable;
- checking subsequent receipts, customer correspondence, and considering level of activity with the customer and management explanation on recoverability with significantly past due balances; and
- testing the mathematical computation of expected credit loss as at the end of the reporting period.

Revenue recognition for construction activities (Notes 4.5 and 24 to the financial statements)

Risk:
The amount of revenue of the Group's construction activities is recognised over the period of contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of performance obligation is determined by reference to proportion of costs incurred for works performed to date bear to the estimated total costs for each project (input method). We focused on this area because significant directors' judgement is required, in particular with regards to determining the progress towards complete satisfaction of performance obligation, the extent of the construction costs incurred, the estimated total construction contracts revenue and costs, as well as any potential exposure to liquidated and ascertained damages. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

Our response:
Our audit procedures on selected projects included, among others:
- reading the terms and conditions of agreements of the identified projects;
- understanding the Group's process in preparing project budget and the calculation of the progress towards complete satisfaction of performance obligation;
- comparing the Group's major assumptions to contractual terms and our understanding gathered from the analysis of changes in the assumptions from previous financial year and discussing with project manager;
- assessing the computed progress towards complete satisfaction of performance obligation for identified projects against consultant certificate; and
- checking the mathematical computation of recognised revenue for the projects during the financial year.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Key Audit Matters (Cont'd)

Group and Company (Cont'd)

Revenue recognition for property development activities (Notes 4.6 and 24 to the financial statements)

Risk:
The amount of revenue of the Group's property development activities is recognised over the period of contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of performance obligation is determined by reference to proportion of construction costs incurred for works performed to date bear to the estimated total costs for each project (input method). We focused on this area because significant Group's judgement is required, in particular with regards to determining the progress towards satisfaction of a performance obligation, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development project. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

Our response:
Our audit procedures on selected projects included, among others:
- reading the terms and conditions of agreements of the identified projects;
- understanding the Group's process in preparing project budget and the calculation of the progress towards complete satisfaction of performance obligation;
- comparing the directors' key assumptions to contractual terms and discussing with project manager;
- comparing the Group's computed progress towards complete satisfaction of performance obligation for identified projects against architect or consultant certificate, if any; and
- checking the mathematical computation of recognised revenue for the projects during the financial year.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Responsibilities of the Directors for the Financial Statements (Cont'd)

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Andrew Choong Tuck Kuan
No: 03264/04/2025 J
Chartered Accountant

Kuala Lumpur

Date: 4 April 2025

LIST OF PROPERTIES

Location	Tenure	Approx. Area/ Built-up	Description	Year of Expiry	Carrying Amount @ 31.12.2024 (RM)	Approx. Age of Building (years)	Date of Valuation/ Acquisition
Lot 60, Seksyen 45, Bandar and Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Leasehold	66,895 sq metres	Land use right for development of a single 47-storey integrated mixed development tower	2113	151,988,052	–	2023
Tierra Crest, Jalan SS6/3, 47301 Petaling Jaya, Selangor Darul Ehsan	Freehold	280,549 sq ft	A commercial complex - 2 blocks of office building & parking bays	–	140,000,000	12	2024
The Crest, 3 Two Square, No. 2, Jalan 19/1, 46300 Petaling Jaya, Selangor Darul Ehsan	Leasehold	120,514 sq ft 29,838 sq ft	16-storey office block, shops & parking bays	2106	98,527,612 14,495,700	18	2024 2018
Geran 338084, Lot 186033 (formerly known as GRN 155575 Lot 118324), Mukim Klang, Daerah Klang, Negeri Selangor	Freehold	2.65 hectares	Residential land	–	55,000,000	–	2019
Avenue Crest, No. 2A, Jalan Jubli Perak, 22/1, Seksyen 22, 40150 Shah Alam, Selangor Darul Ehsan	Freehold	29,210 sq ft	Retail lots & car parks	–	32,000,000	11	2024
Alam Sanjung, Retail Unit No. G-01 to G-15, No. 1, Jalan Budiman 22/3, Seksyen 22, 40300 Shah Alam, Selangor Darul Ehsan	Freehold	29,366 sq ft	Retails	–	20,800,000	8	2024
No. 28 & 30, Jalan SS 24/13, Taman Megah, 47301 Petaling Jaya, Selangor Darul Ehsan	Freehold	12,939 sq ft	2 units of 3-storey shop office/office	–	9,000,000	28	2024

LIST OF PROPERTIES (CONT'D)

Location	Tenure	Approx. Area/ Built-up	Description	Year of Expiry	Carrying Amount @ 31.12.2024 (RM)	Approx. Age of Building (years)	Date of Valuation/ Acquisition
H.S. (D) 46981, Lot No. 11073, Mukim Sg. Buloh, Daerah Petaling, Negeri Selangor.	Freehold	9,612 sq ft	3-storey shop office/office	–	4,200,000	24	2024
P.N. 52986/MI1D/39/868, Lot No. 20033, Seksyen 98, Daerah Wilayah Persekutuan, Negeri Wilayah Persekutuan	Leasehold	3,229sq ft	3 units of condominium	2113	2,100,000	10	2024
P.N. 19970 (Old title H.S. (D) 44166) P.T. No. 16311, Mukim Setapak, Daerah Wilayah Persekutuan, Negeri Wilayah Persekutuan	Leasehold	4,200 sq ft	3-storey shop office/office	2075	1,200,000	39	2024

ANALYSIS OF SHAREHOLDINGS
AS AT 4 APRIL 2025

Issued and paid-up share capital	:	176,921,657
Adjusted issued and paid-up share capital	:	162,107,557 (excluding 14,814,100 treasury shares)
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS AS AT 4 APRIL 2025

Size of Holdings	No. of Shareholders	%	No. of Shares	%
Less than 100	2,119	35.76	102,675	0.06
100 to 1,000	1,661	28.03	617,206	0.38
1,001 to 10,000	1,362	22.98	6,904,347	4.26
10,001 to 100,000	667	11.26	21,654,508	13.36
100,001 to less than 5% of issued shares	115	1.94	62,747,621	38.71
5% and above of issued shares	2	0.03	70,081,200	43.23
Total	**5,926**	**100.00**	**162,107,557**	**100.00**

SUBSTANTIAL SHAREHOLDERS AS AT 4 APRIL 2025
(In accordance with the Register maintained pursuant to Section 144(1) of the Companies Act 2016)

	Direct Interest		Indirect Interest	
Name	No. of Shares	%	No. of Shares	%
SC Yong Holdings Sdn. Bhd.	70,081,200	43.23	–	–
Koh Hua Lan	–	–	70,081,200	43.23
Yong Shang Ming	–	–	70,081,200	43.23
Yong Tiok Chin	–	–	70,081,200	43.23
Yong Tiok Keng	–	–	70,081,200	43.23
Yong Tiok Nee	–	–	70,081,200	43.23

ANALYSIS OF SHAREHOLDINGS (CONT'D)

THIRTY LARGEST SHAREHOLDERS AS AT 4 APRIL 2025

(Without aggregating securities from different securities accounts belonging to the same person)

No.	Name of Shareholders	No. of Shares	%
1	SC Yong Holdings Sdn. Bhd.	47,081,200	29.04
2	Kenanga Nominees (Tempatan) Sdn. Bhd. SC Yong Holdings Sdn Bhd.	23,000,000	14.19
3	Lembaga Tabung Amanah Warisan Negeri Terengganu	6,061,200	3.74
4	Cimsec Nominees (Tempatan) Sdn. Bhd. Cimb for Siow Wong Yen @ Siow Kwang Hwa	5,341,000	3.29
5	Siow Yuen Seng	4,000,000	2.47
6	CIMB Group Nominees (Asing) Sdn. Bhd. Exempt An for DBS Bank Ltd.	3,817,700	2.36
7	Tekad Maju Sdn. Bhd.	3,299,000	2.04
8	Citigroup Nominees (Tempatan) Sdn. Bhd. Great Eastern Life Assurance (Malaysia) Berhad	2,170,800	1.34
9	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Heng Ah Moi	2,149,500	1.33
10	Cimsec Nominees (Tempatan) Sdn. Bhd. CIMB for Lim Han Weng	2,124,900	1.31
11	Lim Khuan Eng	2,000,000	1.23
12	Kenanga Nominees (Tempatan) Sdn. Bhd. Rakuten Trade Sdn. Bhd. For Lim Chee Beng	1,979,000	1.22
13	Mercsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Siow Wong Yen @ Siow Kwang Hwa	1,339,400	0.83
14	Mercsec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Len Min Sin	1,120,000	0.69
15	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Chong Han Peng	1,000,000	0.62
16	Kingsley Lim Fung Wang	1,000,000	0.62
17	Yong Koon Wooi	880,000	0.54
18	Kang Kin Ngai	710,000	0.44
19	DB (Malaysia) Nominee (Tempatan) Sdn. Bhd. Deutsche Trustees Malaysia Berhad for Hong Leong Strategic Fund	700,000	0.43
20	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Sri Rahayu Binti Tajuddin	672,000	0.41
21	Cimsec Nominees (Tempatan) Sdn. Bhd. CIMB for General Technology Sdn Bhd	632,000	0.39
22	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Khoo Ter Kern @ Stanley Khoo	600,000	0.37

ANALYSIS OF SHAREHOLDINGS (CONT'D)

THIRTY LARGEST SHAREHOLDERS AS AT 4 APRIL 2025 (CONT'D)

(Without aggregating securities from different securities accounts belonging to the same person)

No.	Name of Shareholders	No. of Shares	%
23	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Sin Huan Kwang	591,000	0.36
24	Wong Yu @ Wong Wing Yu	535,000	0.33
25	Teh Hock Hua	533,000	0.33
26	Chai Min Hing	532,000	0.33
27	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Loh Yong Huat	500,000	0.31
28	Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Heng Ah Moi	500,000	0.31
29	Vignesh Naidu A/L Kuppusamy Naidu	500,000	0.31
30	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ng Aik Sern	450,000	0.28
		115,818,700	71.46

DIRECTORS' SHAREHOLDINGS

(In accordance with the Register maintained pursuant to Section 59 of the Companies Act 2016)

	Direct Interest		Indirect Interest	
Name	No. of Shares	%	No. of Shares	%
Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah	–	–	–	–
Yong Shang Ming	–	–	70,081,200	43.23
Koh Hua Lan	–	–	70,081,200	43.23
Mahathir bin Mahzan	–	–	–	–
Lim Boon Teng	–	–	–	–
Tong Hock Sen	–	–	–	–
Yong Tiok Keng	–	–	70,081,200	43.23

CREST BUILDER HOLDINGS BERHAD
200201005719 (573382-P)

PROXY FORM

No. of Ordinary Shares Held	

I/We ....

NRIC No. .... /Passport No. ....

of ....

being a member/members of the abovenamed Company hereby appoint ....

.... [holding shares] ....

of ....

NRIC/Passport No. .... /Email and Contact No. ....

And/or failing him/her

.... [holding shares] ....

of ....

NRIC/Passport No. .... /Email and Contact No. ....

as *my/our proxy to vote for *me/us and on *my/our behalf at the 23rd Annual General Meeting of the Company, to be held at Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Wednesday, 28 May 2025 at 10:00 a.m. or at any adjournment thereof.

Ordinary business		**For**	**Against**
1.	To re-elect the Non-Executive Chairman, Tengku Dato' Sulaiman Shah bin Tengku Abdul Jalil Shah		
2.	To re-elect the Managing Director, Mr Yong Shang Ming		
3.	To appoint Messrs Baker Tilly Monteiro Heng PLT, Chartered Accountants, as auditors for the ensuing financial year ending 31 December 2025 and authorise the fixing of their remuneration by directors.		
Special business		**For**	**Against**
4.	To approve payment of directors' fees for the financial year ended 31 December 2024 and 31 December 2025 in accordance with Article 88 of the Company's Constitution.		
5.	To empower the directors to issue shares pursuant to Section 76 of the Companies Act 2016 and in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad.		

Please indicate with a cross [x] in the box provided, how you wish to cast your votes. If no specific instruction as to voting is given, the proxy may vote or abstain at his discretion.

....
Signature of member/Common Seal of corporate member

Dated:

Director   Director/Secretary

....

Notes:

1. *A member of the Company entitled to attend and vote at the meeting is entitled to appoint anyone to attend and vote in his stead as his proxy without limitation and the provisions of Section 334 of the Companies Act 2016 shall apply.*
2. *If a corporation is a member of the Company, the corporation may by resolution of its Board or other governing body authorise a person or persons to act as its representative or representatives at any meeting of members of the Company. A certificate of authorisation by a corporate member shall be prima facie evidence of the appointment or the revocation of the appointment, as the case may be, of a representative pursuant to Section 333 of the Companies Act 2016.*
3. *Shareholders' attention is hereby drawn to the Listing Requirements of the Bursa Malaysia Securities Berhad, which allows a member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, to appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities.*
4. *A member may appoint more than one (1) proxy provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy.*
5. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Share Registrar's office at No.2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.*
6. *In respect to the deposited securities, only members whose name appear in the Record of Depositors on 21 May 2025 shall be eligible to attend the meeting or to appoint proxy to attend and/or vote on his behalf.*

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Then fold here

AFFIX
STAMP

THE SHARE REGISTRAR
CREST BUILDER HOLDINGS BERHAD
200201005719 (573382-P)

SHAREWORKS SDN. BHD.
NO. 2-1, JALAN SRI HARTAMAS 8
SRI HARTAMAS
50480 KUALA LUMPUR

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ANNUAL REPORT 2024

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)

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