



Date: 3 MAY 2024

The Board of Directors  
Evening Crest Sdn. Bhd.  
No.78-1 Jalan Warisan Sentral 2  
KIP Sentral Kota Warisan  
43900 Sepang  
Selangor

Dear Sirs / Madam,

### **ENGAGEMENT LETTER**

Following our appointment as auditors of Evening Crest Sdn. Bhd. (“Company”), you have requested that we audit the financial statements of the Company, which comprise the statement of financial position as at 31 December 2023, and the statement of the comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. We are pleased to confirm our acceptance and the terms of our engagement.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements 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.

#### **1 RESPONSIBILITIES OF DIRECTORS**

- 1.1 As laid down in the Companies Act 2016 (“the Act”), the directors are responsible for the maintenance of the Company’s accounting and other records and the preparation of annual financial statements which give a true and fair view in accordance with Malaysian Private Entity Reporting Standards (“approved accounting standard in Malaysia”) and comply with the Act.
- 1.2 The directors are also responsible for making available to us, as and when required: 1) access to all the Company’s accounting records and all other records and related information, including minutes of all management and shareholders’ meetings; 2) additional information that we may request from the directors and management for the purpose of the audit; and 3) unrestricted access to persons within the Company from whom we determine it necessary to obtain audit evidence.
- 1.3 Responsibility for the prevention and detection of fraud and error remains with the directors and management of the Company mainly through the implementation and continued operation of an adequate system of internal control.

- 1.4 The directors are also responsible for the preparation of other information comprising financial or non-financial information included in the directors' report and the auditors' report thereon ("the other information"). The directors agree to provide us the other information in sufficient time for us to read regardless whether it is given to us before or after the date of the auditors' report.

## 2 RESPONSIBILITIES OF AUDITORS

- 2.1 The objectives of the audit are to examine in accordance with approved standards on auditing in Malaysia as promulgated by the Malaysian Institute of Accountants ("MIA") and International Standards on Auditing and report to the members of the Company on the financial statements produced by the directors. We shall, as required by the Act, report to the members of the Company whether in our opinion, the financial statements have been properly drawn up in accordance with Malaysian Private Entity Reporting Standards and the requirements of the Act in Malaysia so as to give a true and fair view of:
- (a) the financial position of the Company as at the end of the financial year; and
  - (b) the financial performance and the cash flow of the Company for the year then ended.
- 2.2 Where, in our opinion, the financial statements have not been drawn up in accordance with a particular applicable approved accounting standard in Malaysia, we are required to state in accordance with the Act:
- (a) whether in our opinion, the financial statements would, if drawn up in accordance with that approved accounting standard in Malaysia, have given a true and fair view of the matters required by the Act to be dealt with in the financial statements;
  - (b) whether in our opinion, the financial statements would not, if drawn up in accordance with that approved accounting standard in Malaysia, have given a true and fair view of the matters required by the Act and the reasons for holding that opinion;
  - (c) if the directors have given the particulars of the quantified financial effect, our opinion concerning the particulars; and
  - (d) in a case to which neither subparagraph (b) nor (c) applies, particulars of the quantified financial effect on the financial statements of the failure to so draw up the financial statements.
- 2.3 We are required by the Act to state in our auditors' report any defect or irregularity in the financial statements and any matter not set in the financial statements without regard to which a true and fair view of the matters dealt with by the financial statements would not be obtained.
- 2.4 In arriving at our opinion, we are required by the Act to consider the matters set out below and to state in our report particulars of any deficiency, failure or shortcoming arising thereof:
- (a) whether we have obtained all the information and explanations which we required for the purpose of our audit;
  - (b) whether proper accounting and other records, including registers, have been kept by the Company as required by the Act; and

- (c) whether the returns received from branch offices of the Company are adequate for the purpose of our audit.
- 2.5 In the course of our audit, we are required by the Act to report in writing to the Registrar of Companies if we are satisfied that:
- (a) there has been a breach or non-observance of any of the provisions of the Act;
  - (b) the circumstances are such that in our opinion the matter has not been or will not be adequately dealt with by comment in our auditors' report or by bringing the matter to the notice of the directors of the Company or, if the Company is a subsidiary, of the directors of its holding company; and

### 3 SCOPE OF AUDIT

- 3.1 We will conduct our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Those standards require that we comply with ethical requirements. 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:
- (a) Identify and assess the risks or material misstatement of the financial statements of the Company, where 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.
  - (b) 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 Company's internal control.
  - (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
  - (d) 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 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 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 Company to cease to continue as a going concern.
  - (e) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- 3.2 Approved standards on auditing in Malaysia and International Standards on Auditing require that we determine key audit matters and communicate those matters by describing them in the auditors' report, except in very limited circumstances. Key audit matters are those matters that, in our professional judgement, are of most significance in the audit of the financial statements of the Company of the current financial year. Our communication of key audit matters in our auditors' report will be in the context of our audit of the financial statements as a whole. We will not provide a separate opinion on these matters. The communication of key audit matters applies to listed entities and in circumstances when we otherwise decide to communicate key audit matters in our auditors' report. We will communicate with you if we decide to do so.
- 3.3 We are required to read the other information. This responsibility applies regardless of whether the other information is obtained by the auditor prior to, or after, the date of the auditors' report. We will consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is an uncorrected material misstatement of this other information, we are required to include that fact in the auditors' report. Our opinion on the financial statements of the Company does not cover the other information and we do not express any form of assurance conclusion thereon. If we conclude that a material misstatement exists in other information obtained after the date of the auditors' report and the other information is not corrected after communicating with the directors, we will take appropriate actions considering our legal rights and obligations.
- 3.4 Our audit is not designed to identify all significant deficiencies in the Company's systems or matters of governance interest. However, we shall bring to the attention of the directors if such matters come to our notice during the course of our audit and shall report accordingly. We will communicate to you in writing concerning any significant deficiencies in accounting and internal control systems or matters of governance interest relating to the financial reporting process that we have identified during the audit.
- 3.5 Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.
- 3.6 Because our responsibility is to report on the financial statements as a whole, rather than those individual units or divisions, the nature and extent of our tests and enquiries at each unit or division will vary according to our assessment of its circumstances.
- 3.7 Our audit opinion is intended for the benefit of those to whom it is addressed. The audit will not be planned or conducted in contemplation of reliance by any third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be assessed differently by a third party, possibly in connection with a specific transaction.
- 3.8 As part of our audit process, we will/may request from the directors and management written confirmation concerning representations made to us in connection with the audit.
- 3.9 In order to assist us with the examination of your financial statements, we look forward to full co-operation with your staff and we trust that they will make available to us whatever records, documentation and other information requested in connection with our audit.

## 4 CONFIDENTIALITY

- 4.1 The conduct of our audit in accordance with approved standards of auditing in Malaysia and International Standards on Auditing means that information acquired by us in the course of our audit is subject to strict confidentiality requirements.
- 4.2 Neither of us will disclose to any third party without the prior written consent of the other party any confidential information which is given, for the purposes of providing or receiving the services herein, by the other party. Information shall be deemed to be confidential which if disclosed in writing is marked confidential or if disclosed orally is confirmed in writing as being confidential or otherwise, is manifestly confidential (“Confidential Information”). This restriction will not apply to any information which:
- (a) is or becomes generally available to the public other than as a result of a breach of an obligation under this clause; or
  - (b) is acquired from a third party who owes no obligation of confidence in respect of the information; or
  - (c) is in possession of the receiving party without restriction before the date of receipt from the other party.; or
  - (d) is or has been independently developed by the receiving party.
- 4.3 Notwithstanding the above, we may disclose any Confidential Information:
- (a) to our insurers or lawyers provided that the Confidential Information remains confidential; or
- 4.4 You agree that we may disclose, transfer and process Confidential Information as reasonably required for internal business purposes including client relationship management, account management, internal financial reporting, information technology (“IT”) support (such as storage, hosting, maintenance, support, etc) including outsourcing of the same.
- 4.5 With respect to personal data:
- (a) that you provide to us, you confirm that processing such data in accordance with the terms of this letter will not place us in breach of any applicable data protection legislation;
  - (b) that we provide to you, you agree to keep such data confidential, secure and in accordance with any applicable data protection legislation.
- 4.6 Subject to Clause 4.2 above and once the services herein and the deliverables herein have been provided, we may cite the performance of our services herein to our clients and prospective clients, or include a reference in other electronic or printed marketing materials or publications as an indication of our experience.

## 5 OTHER MATTERS

- 5.1 The working papers and files for this engagement created by us during the course of the audit, including electronic documents and files, are the sole property of our firm.

5.2 We shall not be liable in any way for failure or delay in performing our obligations under this engagement if the failure or delay is due to causes outside our reasonable control.

## **6 GOVERNING LAW AND JURISDICTION**

6.1 These terms of business shall be governed by and construed in accordance with the laws of Malaysia and any dispute arising out of this engagement or these terms shall be subject to the exclusive jurisdiction of the Malaysian courts.

## **7 REPORTING**

7.1 The expected form and content of our audit report is provided in Appendix A, being specimen of unmodified opinion.

We will issue a written report upon completion of our audit of the financial statements of the Company. Our report will be addressed to the members of the Company. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our report.

7.2 The form and content of our report may need to be amended in the light of our audit findings.

## **8 FEES**

8.1 Our fees are based upon the degree of responsibility and skill involved and the time spent by the partners and our staff necessarily occupied on the work, and shall be reviewed from time to time. The fees will be billed as work progresses and shall include all disbursements and other out-of-pocket expenses. The invoice will be due on presentation.

## **9 AGREEMENT OF TERMS**

9.1 Once it has been agreed, this letter will remain effective for subsequent reappointment unless it is terminated, amended or superseded. We shall be grateful if you would confirm your agreement to the terms of this letter by signing and returning the duplicate copy.

9.2 If the contents are not in agreement with your understanding of our term of engagement, we shall be pleased to receive your comments and to give you any further information you require.

Yours faithfully,

*Sarina Mohamad*

Sarina Mohamad & Associates  
AF 1247

*Sarina Mohamad*

Sarina Mohamad  
Managing Partner

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Acknowledged, and in agreement with the terms of engagement as set out above:

*Hairiah*  
Hairiah Binti Abd Karim  
Director  
Date: 3 MAY 2024

