



**Sarina Mohamad
& Associates**

CHARTERED ACCOUNTANTS (AF1247)

Our reference: SMA/IHL/AUD067/094

04 October 2024

The Board of Directors

EVENING CREST SDN. BHD.

C-3A-01 Colonial Tower Empire City Damansara

Damansara Perdana PJU 8

47820 Petaling Jaya

Selangor

Dear Sirs

FINANCIAL STATEMENTS – 31 DECEMBER 2023

We enclosed for your attention the above mentioned audited financial statements of the Company.

Please be advised that the Companies Act, 2016 and the Income Tax Act, 1967 require all financial documents relating to the above year end be kept for 7 years after the end of the financial year. In the event that a tax return for a year of assessment has not been furnished to the Inland Revenue Board, the documents shall be kept and retained for a period of seven years from the end of the year in which the return is furnished. For this purpose, "documents" means books of account recording receipts and payments or income and expenditure; invoices, vouchers, receipts, journals, and such other relevant documents.

It was a pleasure to serve you and we are pleased to share our experience and expertise to assist and improve other aspects of your business.

Should you require further assistance, please do not hesitate to contact us.

Yours faithfully

Sarina Mohamad & Associates

Registration No.: 201801034159 (1296186-U)

EVENING CREST SDN. BHD.

(Incorporated In Malaysia)

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2023**

Registration No.: 201801034159 (1296186-U)

EVENING CREST SDN. BHD.
(Incorporated In Malaysia)

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2023**

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Registration No.: 201801034159 (1296186-U)

EVENING CREST SDN. BHD.
(Incorporated In Malaysia)

Board of Directors	Hairiah Binti Abd Karim Braun Alexander Ludwigovic Mohammad Ramadhan Bin Othman
Secretaries	Robiah Binti Ahmad (MAICSA 7021820) Wan Nur Solehah Binti Nor Malek (MAICSA 7078536)
Registered Office	No. 26G, Jalan 4/76C, Desa Pandan, 55100 Kuala Lumpur, Malaysia
Principal Place of Business	C-3A-01, Colonial Tower Empire City Damansara, Damansara Perdana PJU 8, 47820 Petaling Jaya, Selangor, Malaysia
Auditors	Sarina Mohamad & Associates (Firm No.: AF 1247) Chartered Accountants No. 12-4, Block 3A, Jalan Wangsa Delima 10, Wangsa Link, Wangsa Maju, 53300 Kuala Lumpur, Malaysia

Registration No.: 201801034159 (1296186-U)

EVENING CREST SDN. BHD.

(Incorporated In Malaysia)

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The Company has not commenced its business operation since the end of previous financial year.

FINANCIAL RESULTS

	RM
Loss for the year attributable to owners of the Company	<u>(145,286)</u>

In the opinion of the directors, the results of the operations of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividends have been paid or declared by the Company since the end of previous financial year.

The directors do not recommend payment of any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions except as disclosed in the financial statements.

SUBSEQUENT EVENTS

Except as disclosed in Note 13 to the financial statements, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Company for the financial year in which this report is made.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any share and debenture during the financial year.

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:

Hairiah Binti Abd Karim
Braun Alexander Ludwigovic
Mohammad Ramadhan Bin Othman

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown under directors' remuneration below or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company 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.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

	Number of Ordinary Shares in the Company			
	<u>As at</u> <u>01/01/2023</u>	<u>Bought</u>	<u>Sold</u>	<u>As at</u> <u>31/12/2023</u>
Hairiah Binti Abd Karim	50,000	-	-	50,000

None of the other directors in office at the end of the financial year have interest in shares of the Company during the financial year ended 31 December 2023.

DIRECTORS' REMUNERATION

Details of directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:

	RM
Directors' allowances	<u>36,000</u>

OTHER STATUTORY INFORMATION

Before the financial statements of the Company were prepared, the directors took reasonable steps:

- a. to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that no known bad debts need to be written off and no allowance for doubtful debts is required; and
- b. to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

- a. which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or
- b. which would render the values attributed to the current assets in the financial statements of the Company misleading; or
- c. which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or
- d. not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Company misleading.

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

- a. any charge on the assets of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- b. any contingent liability in respect of the Company that has arisen since the end of the financial year.

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

AUDITORS' REMUNERATION

The amount paid or payable as remuneration of the auditors for the financial year ended 31 December 2023 are as follows:

	RM
Auditors' remuneration	<u>2,500</u>

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INDEMNITY AND INSURANCE FOR OFFICERS AND AUDITORS

There were no indemnity given to or insurance effected for the officers and auditors of the Company during the financial year.

AUDITORS

The auditors, Messrs Sarina Mohamad & Associates, have indicated their willingness to accept re-appointment.

Signed in accordance with a resolution of the directors,



HAIRIAH BINTI ABD KARIM
Director



MOHAMMAD RAMADHAN BIN OTHMAN
Director

Kuala Lumpur

Dated: 7 JUN 2024


Registration No.: 201801034159 (1296186-U)

EVENING CREST SDN. BHD.
(Incorporated In Malaysia)

STATEMENT BY DIRECTORS
Pursuant to Section 251(2) of the Companies Act, 2016

The directors of **EVENING CREST SDN. BHD.**, state that, in their opinion, the financial statements are drawn up in accordance with Malaysian Private Entities Reporting Standard and the provisions of the Companies Act, 2016 in Malaysia, so as to give a true and fair view of the financial position of the Company as at 31 December 2023 and of the financial performance and cash flows of the Company for the financial year ended on that date.

Signed in accordance with a resolution of the directors,



HAIRIAH BINTI ABD KARIM
Director



MOHAMMAD RAMADHAN BIN OTHMAN
Director

Kuala Lumpur

Dated: 7 JUN 2024

STATUTORY DECLARATION
Pursuant to Section 251(1)(b) of the Companies Act, 2016

I, **HAIRIAH BINTI ABD KARIM**, the director primarily responsible for the financial management of **EVENING CREST SDN. BHD.**, do solemnly and sincerely declare that the financial statements are, in my opinion, 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.

Subscribed and solemnly declared by
the above-named **HAIRIAH BINTI ABD
KARIM** at Kuala Lumpur
this 7 JUN 2024

)
)
)
)



HAIRIAH BINTI ABD KARIM

Before me:



75B, JALAN BURHANUDDIN HELMI
TAMAN TUN DR. ISMAIL
60000 KUALA LUMPUR



Sarina Mohamad & Associates

CHARTERED ACCOUNTANTS (AF1247)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVENING CREST SDN. BHD.

(Registration No.: 201801034159 (1296186-U))

(Incorporated In Malaysia)

Report On The Audit Of The Financial Statements

Opinion

We have audited the financial statements of **EVENING CREST SDN. BHD.**, which comprise the statement of financial position as at 31 December 2023 of the Company, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 10 to 27.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Private Entities Reporting Standard 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 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.

Material Uncertainty Related To Going Concern

We draw attention to Note 2 in the financial statements, which indicates that the Company had a net capital deficiency of RM402,285 as at 31 December 2023 and, as of that date, the Company's current liabilities exceeded its current assets by RM418,795. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



Sarina Mohamad & Associates

CHARTERED ACCOUNTANTS (AF1247)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EVENING CREST SDN. BHD.

(Registration No.: 201801034159 (1296186-U))

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Material Uncertainty Related To Going Concern

Support Letter

In connection with our audit, we have also received and taken into account a letter of support from the directors of the Company in which they commit to provide necessary support to ensure the continuation of the company as going concern. This letter has been considered as our assessment of the Company's ability to continue as a going concern.

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 Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements 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 the Directors' Report, 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 Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard 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 Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are responsible for assessing 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 Company or to cease operations, or have no realistic alternative but to do so.



**Sarina Mohamad
& Associates**

CHARTERED ACCOUNTANTS (AF1247)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
EVENING CREST SDN. BHD.**

(Registration No.: 201801034159 (1296186-U))

(Incorporated In Malaysia)

Auditors' Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the financial statements 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.
- 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 directors.
- d. Conclude on the appropriateness of 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 auditor's 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 auditor's 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.

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.



**Sarina Mohamad
& Associates**

CHARTERED ACCOUNTANTS (AF1247)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
EVENING CREST SDN. BHD.**

(Registration No.: 201801034159 (1296186-U))

(Incorporated In Malaysia)

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 content of this report.

Sarina Mohamad & Associates
AF 1247
Chartered Accountants

Sarina Mohamad
01774/04/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia

Dated: 7 JUN 2024

EVENING CREST SDN. BHD.
(Incorporated In Malaysia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023 RM	2022 RM
ASSETS			
NON-CURRENT ASSET			
Property, plant and equipment	6	<u>16,510</u>	<u>18,292</u>
CURRENT ASSETS			
Other receivables	8	2,700	2,700
Cash and bank balances		<u>5,052</u>	<u>3,061</u>
		<u>7,752</u>	<u>5,761</u>
TOTAL ASSETS		<u>24,262</u>	<u>24,053</u>
EQUITY AND LIABILITY			
CURRENT LIABILITY			
Other payables	9	<u>426,547</u>	<u>281,052</u>
NET CURRENT LIABILITY		<u>(418,795)</u>	<u>(275,291)</u>
NET LIABILITY		<u>(402,285)</u>	<u>(256,999)</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital	10	50,000	50,000
Accumulated losses		<u>(452,285)</u>	<u>(306,999)</u>
		<u>(402,285)</u>	<u>(256,999)</u>
TOTAL EQUITY AND LIABILITY		<u>24,262</u>	<u>24,053</u>

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

EVENING CREST SDN. BHD.
(Incorporated In Malaysia)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 RM	2022 RM
Revenue		-	-
Other operating incomes		201	10
Administrative expenses		(145,487)	(114,066)
Loss before tax	11	(145,286)	(114,056)
Income tax expense	12	-	-
Loss for the year		(145,286)	(114,056)
Other comprehensive income/(loss) for the year		-	-
Total comprehensive loss for the year		<u>(145,286)</u>	<u>(114,056)</u>

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

Registration No.: 201801034159 (1296186-U)

EVENING CREST SDN. BHD.
(Incorporated In Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Share Capital RM	Accumulated Losses RM	Total RM
At 01 January 2022		1	(192,943)	(192,942)
Total comprehensive loss for the year		-	(114,056)	(114,056)
Transactions with owners				
Issued during the year	10	49,999	-	49,999
At 31 December 2022		50,000	(306,999)	(256,999)
Total comprehensive loss for the year		-	(145,286)	(145,286)
At 31 December 2023		50,000	(452,285)	(402,285)

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

EVENING CREST SDN. BHD.

(Incorporated In Malaysia)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 RM	2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(145,286)	(114,056)
Adjustment for:		
Depreciation	2,652	2,607
Operating profit/(loss) before working capital changes	(142,634)	(111,449)
Receivables	-	2,400
Payables	145,495	66,016
Net cash generated from/(used in) operating activities	<u>2,861</u>	<u>(43,033)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(870)	(6,679)
Net cash generated from/(used in) investing activities	<u>(870)</u>	<u>(6,679)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from issuance of share capital	-	49,999
Net cash generated from/(used in) financing activities	<u>-</u>	<u>49,999</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,991	287
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>3,061</u>	<u>2,774</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>5,052</u>	<u>3,061</u>

Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	2023 RM	2022 RM
Cash at bank	2,356	-
Cash and bank balances	2,696	3,061
	<u>5,052</u>	<u>3,061</u>

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

EVENING CREST SDN. BHD.
(Incorporated In Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. CORPORATE INFORMATION

The Company is a private limited company incorporated and domiciled in Malaysia.

The registered office is located at No. 26G, Jalan 4/76C, Desa Pandan, 55100 Kuala Lumpur, Malaysia.

The principal place of business is located at C-3A-01, Colonial Tower Empire City Damansara, Damansara Perdana PJU 8, 47820 Petaling Jaya, Selangor, Malaysia.

The Company has not commenced its business operation since the end of previous financial year.

The financial statements of the Company are presented in Ringgit Malaysia ("RM"), which is the functional currency of the primary economic environment in which the entity operates.

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS") and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements in conformity with MPERS requires the directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 5 to the financial statements. Although these estimates and assumptions are based on the directors' best knowledge of events and actions, actual results could differ from those estimates.

The financial statements of the Company have been prepared on a going concern basis notwithstanding the net capital deficiency of RM402,285 as at 31 December 2023 and as of that date, the Company's current liabilities exceeded its current assets by RM418,795. These factors indicate the existence of a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.

The ability of the Company to continue as a going concern is dependent on the undertaking of to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due.

EVENING CREST SDN. BHD.
(Incorporated In Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. BASIS OF PREPARATION (continued)

If the Company were unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that the assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

3. DATE OF AUTHORISATION OF ISSUE

The financial statements of the Company were authorised for issue by the Board of Directors on 07 June 2024.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by the Company, unless otherwise stated.

4.1 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset would flow to the Company and the cost of the asset could be measured reliably. The carrying amount of parts that are replaced is derecognised. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Company is obligated to incur when the asset is acquired, if applicable.

For major component of an item of property, plant and equipment which have significantly different patterns of consumption of economic benefits, the initial cost of the asset shall be allocated to its major components and depreciate each such component separately over its useful life.

After initial recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses.

EVENING CREST SDN. BHD.
(Incorporated In Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.1 Property, plant and equipment (continued)

Depreciation is provided on a straight-line method so as to write off the depreciable amount of the following assets over their estimated useful lives, as follows:

Office equipments	10%
Furniture and fittings	10%
Renovation	10%

Depreciation of an asset begins when it is ready for its intended use.

If there is an indication of a change in factors affecting the residual value, useful life or asset's depreciation method since the last annual reporting date, the residual values, depreciation method and useful lives of depreciable assets are reviewed, and the changes are accounted for as a change in an accounting estimate and adjusted prospectively.

The carrying amounts of items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from the derecognition of items of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amounts of the item, is recognised in profit or loss.

4.2 IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Company assesses whether there is any indication that an asset (excluding investments in subsidiaries and associates, deferred tax assets, investment properties measured at fair value) may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. When there is an indication that an asset may be impaired but it is not possible to estimate the recoverable amount of the individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset and a cash-generating unit is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of an asset or a cash-generating unit is less than the carrying amount, an impairment loss is recognised to reduce the carrying amount to its recoverable amount. The impairment loss is recognised in profit or loss immediately.

EVENING CREST SDN. BHD.

(Incorporated In Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Impairment of non-financial assets (continued)

All assets that suffered impairment loss are reviewed for possible reversal of the impairment at each reporting date. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

4.3 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognised on the statement of financial position when the Company has become a party to the contractual provisions of the instrument. At initial recognition, a financial instruments is recognised at transaction price, including transaction costs if the financial instruments is not measured at fair value through profit or loss, except a financing transaction. Financing transactions are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Basic financial instruments include cash, debt instruments (receivables and payables), commitments to receive loans that cannot be settled net in cash, investments in non-convertible preference shares and non-puttable ordinary or preference shares.

i. Financial Instruments that are Debt Instruments measured at Amortised Cost

At the end of each reporting period, an entity shall measure financial instruments as follows, without any deduction for transaction costs the entity may incur on sale or other disposal.

Subsequent to initial recognition, debts instruments are measured at amortised cost using the effective interest method, whilst commitments to receive a loan are measured at cost less impairment.

Effective interest method is a method of calculating the amortised cost of financial assets and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash receipts through the expected life of the financial assets or, when appropriate, a shorter period, to the carrying amount of the financial assets.

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired or settled.

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4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Financial instruments (continued)

ii. Financial Assets at Fair Value through Profit or Loss

Financial assets are classified as at fair value through profit or loss when the financial assets are within the scope of Section 12 of the MPERS or if the financial assets are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort.

Changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss, its fair value at the last date that instrument was reliably measurable is treated as the cost of the instrument, and it is measured at this cost amount less impairment until a reliable measure of fair value becomes available.

iii. Financial Assets that are Equity Instruments measured at Cost less Impairment

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort, and contracts linked to such instruments that, if exercised, will result in delivery of such instruments, are measured at cost less impairment.

A financial liability is derecognised only when it is extinguished, i.e. When the obligation specified in the contract is discharged, cancelled or expires. An exchange between an existing borrower and lender of financial instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Any difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4.4 IMPAIRMENT OF FINANCIAL ASSETS

At the end of each reporting period, the Company assesses whether there is any objective evidence that financial assets that are measured at cost or amortised cost, are impaired.

The Company collectively considers factors to determine whether there is objective evidence that an impairment loss on loans and receivables has occurred.

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4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Impairment of financial assets (continued)

If there is objective evidence that impairment losses have been incurred on financial assets measured at cost less impairment, the amount of impairment losses are measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amounts of the financial assets are reduced through the use of an allowance account. Any impairment loss is recognised in profit or loss immediately. If, in subsequent period, the amount of an impairment loss decreases, the previously recognised impairment losses are reversed directly, except for the amounts related to trade receivables which are reversed to write back the amount previously provided in the allowance account. The reversal is recognised in profit or loss immediately.

4.5 FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Transactions in foreign currencies are initially recognised in the functional currency at rate of exchange ruling at the date of the transactions.

At the end of each reporting period, foreign currency monetary items are translated using the closing rate. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of the transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences are recognised in profit or loss in the period in which they arise except when a gain or loss on a non-monetary item is recognised in other comprehensive income. If so, any exchange differences relating to that gain or loss is recognised in other comprehensive income.

4.6 CASH FLOW STATEMENTS

The Company adopts indirect method in the preparation of cash flow statements.

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

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4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 EMPLOYEE BENEFITS

i. Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

ii. Defined contribution plans

The Company makes contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

iii. Termination benefits

Termination benefits are recognised as a liability and an expense when the Company is demonstrably committed to either terminate the employment of the employees before the normal retirement date, or provide termination benefits as a result of an offer made for voluntary redundancy. The Company is demonstrably committed to a termination when the Company has a detailed formal plan for the termination and are without realistic possibility of withdrawal.

Termination benefits in relation to the offer made to encourage voluntary redundancy are measured based on the number of employees expected to accept the offer.

4.8 PROVISIONS

A provision is recognised when the Company has an obligation, legal or constructive, at the reporting date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The risks and uncertainties are taken into account in reaching the best estimate of a provision. When the effect of the time value of money is material, the amount recognised in respect of the provision is the present value of the expenditure expected to be required to settle the obligation at a pre-tax rate.

Provisions are reviewed at the end of each reporting date and adjusted to reflect the current best estimate.

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4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 Provisions (continued)

Provisions are not recognised for future operating losses. If the Company has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

4.9 EQUITY INSTRUMENTS

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

4.10 INCOME TAXES

Income taxes include all domestic taxes on taxable profit. Income taxes also include other taxes, such as withholding taxes, that are payable by the Company, and real property gains taxes payable on disposal of properties, if any.

Tax payable on taxable profit for current and previous periods is recognised as a current tax liability to the extent unpaid. If the amount paid in respect of the current and past periods exceeds the amount payable for those periods, the excess is recognised as a current tax asset.

Current tax assets and liabilities are measured at the amounts expected to be paid or recovered, using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

Current tax liabilities and assets are offset if, and only if the Company has a legally enforceable right to set off the amounts and plan either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised in full on temporary differences which are the differences between the carrying amounts in the financial statements and the corresponding tax base of an asset or liability at the end of the reporting period.

Deferred tax is not recognised in respect of the temporary differences associated with the initial recognition of an asset or a liability in a transaction that is not a business combination and at the time of the transactions, affects neither accounting profit nor taxable profit. Deferred tax are also not recognised for temporary difference associated with the initial recognition of goodwill.

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**NOTES TO THE FINANCIAL STATEMENTS
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4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Income taxes (continued)

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profits would be available to allow the benefit of part or all of that recognised deferred tax asset to be utilised, the carrying amount of the deferred tax asset would be reduced accordingly. When it becomes probable that sufficient taxable profits would be available, such reductions would be reversed to the extent of the taxable profits.

Deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amounts of their assets and liabilities and are measured at the tax rates and laws that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the reporting date. Changes in current or deferred tax balances are recognised as an income tax expense or credit and are recognised in the same component of comprehensive income or equity as the transaction that resulted in the tax expense or credit.

5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

5.1 JUDGEMENTS MADE IN APPLYING ACCOUNTING POLICIES

The management did not make any critical judgment in the process of applying the Company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

5.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

i. Useful lives of plant and equipment

The Company regularly reviews the estimated useful lives of property, plant and equipment based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment would increase the recorded depreciation and decrease the value of property, plant and equipment.

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5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

5.2 Key sources of estimation uncertainty (continued)

ii. Recoverability of receivables

The Company makes allowance for doubtful receivables based on an assessment of the recoverability of trade and other receivables. An allowance is established for trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful receivables requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful receivables expenses in the period in which such estimate has been changed.

iii. Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and unused reinvestment allowances to the extent that it is probable that taxable profit will be available against which the losses, capital allowances and reinvestment allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits. The total carrying value of recognised capital allowances, unrecognised tax losses, capital allowances and reinvestment allowances of the Company was given in Note 7 .

iv. Impairment of property, plant and equipment

The Company assesses impairment of assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value in-use. The value-in-use is the net present value of the projected future cash flow derived from that asset discounted at an appropriate discount rate. Projected future cash flows are based on Company's estimates calculated based on historical, sector and industry trends, general market and economic conditions, changes in technology and other available information. The assumptions used, results and conclusion of the impairment assessment are stated in the Note 6.

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6. PROPERTY, PLANT AND EQUIPMENT

	Office equipment RM	Furniture and fitting RM	Renovation RM	Total RM
2023				
<u>Cost</u>				
At 1 January 2023	3,280	10,919	11,875	26,074
Additions	870	-	-	870
At 31 December 2023	4,150	10,919	11,875	26,944
<u>Accumulated depreciation</u>				
At 1 January 2023	464	2,567	4,751	7,782
Depreciation charge	371	1,093	1,188	2,652
At 31 December 2023	835	3,660	5,939	10,434
<u>Net carrying amount</u>				
At 31 December 2023	3,315	7,259	5,936	16,510
2022				
<u>Cost</u>				
At 1 January 2022	960	6,560	11,875	19,395
Additions	2,320	4,359	-	6,679
At 31 December 2022	3,280	10,919	11,875	26,074
<u>Accumulated depreciation</u>				
At 1 January 2022	136	1,476	3,563	5,175
Depreciation charge	328	1,091	1,188	2,607
At 31 December 2022	464	2,567	4,751	7,782
<u>Net carrying amount</u>				
At 31 December 2022	2,816	8,352	7,124	18,292

7. DEFERRED TAX ASSETS

The components and movement of deferred tax assets are as follows:

	Unutilised capital allowance RM	Unutilised tax losses RM	Total RM
At 1 January 2023	-	-	-
Addition during the year	229	8,152	8,381
At 31 December 2023	229	8,152	8,381

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7. DEFERRED TAX ASSETS (continued)

The unutilised capital allowances and unutilised tax losses are available indefinitely for offset against future taxable profits of the Company in which those items arose. Deferred tax assets have not been recognised because it is not probable that sufficient taxable profit will be available in the future to offset the tax losses.

8. OTHER RECEIVABLES

	2023 RM	2022 RM
Other receivables	2,700	2,700

9. OTHER PAYABLES

	2023 RM	2022 RM
Other payables	417,768	269,602
Accruals	8,779	11,450
	<u>426,547</u>	<u>281,052</u>

10. SHARE CAPITAL

	2023		2022	
	Number of Shares	RM	Number of Shares	RM
Ordinary shares:				
<u>Issued and fully paid:</u>				
As at beginning of the year	50,000	50,000	1	1
Issued during the year	-	-	49,999	49,999
As at end of the year	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

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11. LOSS BEFORE TAX

	2023 RM	2022 RM
Loss before tax is stated after charging:		
Auditors' remuneration	2,500	2,500
Depreciation of property, plant and equipment	2,652	2,607
Directors' allowances	36,000	36,000
Office rental	12,100	12,100
Staff house rental	-	8,400
	<u>-</u>	<u>8,400</u>

12. INCOME TAX EXPENSE

	2023 RM	2022 RM
Income tax expenses	<u>-</u>	<u>-</u>

The reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate of 15% (2022: 17%) to income tax expense of the Company is as follows:

	2023 RM	2022 RM
Loss before taxation	<u>(145,286)</u>	<u>(114,056)</u>
Tax calculated at the tax rate of 15% (2022: 17%)	(21,793)	(19,390)
Expenses not deductible for tax purposes	13,641	19,390
Deferred tax asset not recognised	8,152	-
	<u>-</u>	<u>-</u>

13. SUBSEQUENT EVENTS

On 11 March 2024, the issued and paid up capital was increased from RM50,000 to RM1,000,000 by the issuance of 950,000 ordinary shares at an issue price of RM1.00 each for cash to provide for additional working capital. The newly issued shares rank pari passu with their existing shares of the Company except that the shares do not rank for any interim dividends declared for the financial year.

On 7 May 2024, the Company has entered into a memorandum of understanding with Untang Jaya Sdn. Bhd. to secure the letter of award for the project with cost estimation at RM1,872,000 subject to terms and conditions stipulated in the memorandum of understanding.

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14. FINANCIAL INSTRUMENTS

The table below provides an analysis of financial instruments categorised as follows:

- a. Financial assets and financial liabilities measured at fair value through profit or loss (“FVTPL”);
- b. Financial assets and financial liabilities measured at amortised cost (“AC”); and
- c. Financial assets that are equity instruments measured at cost less impairment (“CLI”).

	Carrying amount RM	AC RM
2023		
Financial assets		
<u>Current</u>		
Other receivables	2,700	2,700
Deposits, cash and bank balances	5,052	5,052
	<u>7,752</u>	<u>7,752</u>
Financial liabilities		
<u>Current</u>		
Other payables	<u>(426,547)</u>	<u>(426,547)</u>
2022		
Financial assets		
<u>Current</u>		
Other receivables	2,700	2,700
Deposits, cash and bank balances	3,061	3,061
	<u>5,761</u>	<u>5,761</u>
Financial liabilities		
<u>Current</u>		
Other payables	<u>(281,052)</u>	<u>(281,052)</u>

The carrying amounts of financial assets and liabilities, such as trade and other receivables, trade and other payables and borrowings, are reasonable approximation of fair value, 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 end of the reporting period.