

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION



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21 August 2024

The Board of Directors
Crest Group Berhad
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Dear Sirs,

CREST GROUP BERHAD (“Crest” or the “Company”)

REPORTING ACCOUNTANTS’ REPORT ON THE COMPILATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 APRIL 2024 INCLUDED IN A PROSPECTUS

We have completed our assurance engagement to report on the compilation of the pro forma combined statements of financial position of Crest Group Berhad and the combining entities, namely Crest Systems (M) Sdn. Bhd., Crest Analytic Sdn. Bhd., Crest Nanosolutions (M) Sdn. Bhd., Matrix Optics (M) Sdn. Bhd., Matrix Biosciences (M) Sdn. Bhd., Crest Lab Sdn. Bhd., Matrix Innovations (M) Sdn. Bhd., Crest Innovation (S) Pte. Ltd., Crest Upstar Pte. Ltd., Crest Nanosolution (Thailand) Co., Ltd. and Crest Systems (Suzhou) Co., Ltd. (collectively referred to as the “Group”) for which the Board of Directors of Crest are solely responsible. The pro forma combined statements of financial position consist of the pro forma combined statements of financial position as at 30 April 2024 together with the accompanying notes thereon, as set out in the accompanying statements, for which we have stamped for the purpose of identification. The applicable criteria on the basis of which the Board of Directors of Crest have compiled the pro forma combined statements of financial position are as described in Note 2 to the pro forma combined statements of financial position and in accordance with the requirements of the *Prospectus Guidelines – Equity* issued by the Securities Commission Malaysia (“Prospectus Guidelines”) (“Applicable Criteria”).

The pro forma combined statements of financial position of the Group has been compiled by the Board of Directors of Crest, for illustrative purposes only, for inclusion in the prospectus of Crest (“Prospectus”) in connection with the initial public offering (“IPO”) in conjunction with the listing and quotation of the entire enlarged issued share capital of Crest on the ACE Market of Bursa Malaysia Securities Berhad comprising the Public Issue and the Offer for Sale (collectively referred to as “IPO Shares”), after making certain assumptions and such adjustments to show the effects on the pro forma combined financial position of the Group as at 30 April 2024 adjusted for the Acquisitions, Public Issue, Offer for Sale and utilisation of proceeds as described in Notes 1.2 and 3.2.2 to the pro forma combined statements of financial position.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)



CREST GROUP BERHAD

Reporting Accountants' Report on the Compilation of the Pro Forma Combined Statements of Financial Position as at 30 April 2024 Included in a Prospectus

As part of this process, information about the Group's pro forma combined financial position has been extracted by the Board of Directors of Crest from the audited combined financial statements of the Group for the financial period ended ("FPE") 30 April 2024, on which a reporting accountants' report dated 21 August 2024 has been issued.

The audited combined financial statements of the Group for the FPE 30 April 2024 were reported by us to the Board of Directors without any modifications.

Directors' Responsibility for the Pro Forma Combined Statements of Financial Position

The Board of Directors of Crest are responsible for compiling the pro forma combined statements of financial position based on the Applicable Criteria.

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the *By-Laws (on Professional Ethics, Conduct and Practice)* issued by the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies *International Standard on Quality Management 1 (ISQM 1), Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, on whether the pro forma combined statements of financial position has been compiled, in all material respects, by the Board of Directors of Crest based on the Applicable Criteria.

We conducted our engagement in accordance with *International Standard on Assurance Engagements (ISAE) 3420: Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the Board of Directors of Crest have compiled, in all material respects, the pro forma combined statements of financial position based on the Applicable Criteria.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)**CREST GROUP BERHAD**

Reporting Accountants' Report on the Compilation of the
Pro Forma Combined Statements of Financial Position
as at 30 April 2024 Included in a Prospectus

Reporting Accountants' Responsibilities (Continued)

For the purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma combined statements of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma combined statements of financial position.

The purpose of the pro forma combined statements of financial position included in the Prospectus is solely to illustrate the impact of significant events or transactions on the unadjusted financial information of the Group as if the events had occurred or the transaction had been undertaken at an earlier date selected for illustrative purposes only. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions would have been as presented.

A reasonable assurance engagement to report on whether the pro forma combined statements of financial position has been compiled, in all material respects, based on the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Board of Directors of Crest in the compilation of the pro forma combined statements of financial position of the Group provide a reasonable basis for presenting the significant effects directly attributable to the Listing Scheme as described in Note 1.2 to the pro forma combined statements of financial position, and to obtain sufficient appropriate evidence about whether:

- (a) The related pro forma adjustments give appropriate effect to those criteria; and
- (b) The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the events or transactions in respect of which the pro forma combined statements of financial position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma combined statements of financial position.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)



CREST GROUP BERHAD

Reporting Accountants' Report on the Compilation of the
Pro Forma Combined Statements of Financial Position
as at 30 April 2024 Included in a Prospectus

Opinion

In our opinion the pro forma combined statements of financial position of Crest has been compiled, in all material respects, on the basis as described in the notes thereon on the pro forma combined statements of financial position and in accordance with the requirements of the Applicable Criteria.

Other matter

This report has been prepared for inclusion in the Prospectus of Crest in connection with the IPO. As such, this report should not be used, circulated, quoted or otherwise referred to in any document or used for any other purpose without our prior written consent. Neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any party in respect of this report contrary to the aforesaid purpose.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Paul Tan Hong".

Paul Tan Hong
No. 03459/11/2025 J
Chartered Accountant

13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

CREST GROUP BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

1. INTRODUCTION

The pro forma combined statements of financial position of Crest Group Berhad (“Crest” or the “Company”) and its combining entities, namely Crest Systems (M) Sdn. Bhd. (“Crest Systems”), Crest Analytic Sdn. Bhd. (“Crest Analytic”), Crest Nanosolutions (M) Sdn. Bhd. (“Crest Nanosolutions”), Matrix Optics (M) Sdn. Bhd. (“Matrix Optics”), Matrix Biosciences (M) Sdn. Bhd. (“Matrix Biosciences”), Crest Lab Sdn. Bhd. (“Crest Lab”), Matrix Innovations (M) Sdn. Bhd. (“Matrix Innovations”), Crest Innovation (S) Pte. Ltd. (“Crest Innovation”), Crest Upstar Pte. Ltd. (“Crest Upstar”), Crest Nanosolution (Thailand) Co. Ltd. (“Crest Thailand”), and Crest Systems (Suzhou) Co., Ltd. (“Crest Suzhou”) (hereinafter collectively referred to as the “Group”) has been compiled by the Board of Directors of Crest, for illustrative purposes only, for inclusion in the prospectus of Crest in connection with the listing and quotation of the entire enlarged issued share capital of RM82,491,540 comprising 865,598,000 ordinary shares in Crest (“Crest Share(s)” or “Share(s)”) on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing”).

1.1 In conjunction with the admission of Crest Shares to the Official List of the ACE Market of Bursa Securities and the Listing, Crest had undertaken the following transactions:

1.2 Listing Scheme

1.2.1 Acquisitions

(a) Acquisitions of Crest Systems, Crest Analytic, Matrix Optics, Crest Lab and Matrix Innovations

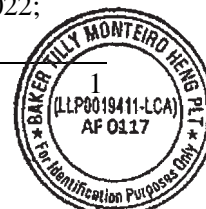
On 17 January 2024, Crest had entered into a conditional share sale agreement for the following:

(i) acquisition of the entire issued share capital of Crest Systems of RM1,000,000 comprising 1,000,000 ordinary shares from the shareholders of Crest Systems for a total purchase consideration of RM12,680,062 to be satisfied entirely via the allotment and issuance of 253,601,240 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM12,680,062 was arrived at after taking into consideration of the audited net assets (“NA”) of Crest Systems as at 31 December 2022 and deducting dividends;

(ii) acquisition of 70% of the issued share capital of Crest Analytic of RM350,000 comprising 350,000 ordinary shares from the shareholders of Crest Analytic for a total purchase consideration of RM1,105,030 to be satisfied entirely via the allotment and issuance of 22,100,600 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM1,105,030 was arrived at after taking into consideration of the audited NA of Crest Analytic as at 31 December 2022;



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

CREST GROUP BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

1. (Continued)

1.2 (Continued)

1.2.1 Acquisitions (continued)

(a) Acquisitions of Crest Systems, Crest Analytic, Matrix Optics, Crest Lab and Matrix Innovations (continued)

On 17 January 2024, Crest had entered into a conditional share sale agreement for the following: (continued)

- (iii) acquisition of the entire issued share capital of Matrix Optics of RM500,000 comprising 500,000 ordinary shares from the shareholders of Matrix Optics for a total purchase consideration of RM8,524,849 to be satisfied entirely via the allotment and issuance of 170,496,980 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM8,524,849 was arrived at after taking into consideration of the audited NA of Matrix Optics as at 31 December 2022;

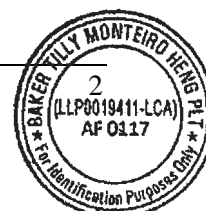
- (iv) acquisition of the entire issued share capital of Crest Lab of RM1,000 comprising 1,000 ordinary shares from the shareholders of Crest Lab for a total purchase consideration of RM911,459 to be satisfied entirely via the allotment and issuance of 18,229,180 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM911,459 was arrived at after taking into consideration of the audited NA of Crest Lab as at 31 December 2022; and

- (v) acquisition of the entire issued share capital of Matrix Innovations of RM100,000 comprising 100,000 ordinary shares from the shareholders of Matrix Innovations for a total purchase consideration of RM2,762,879 to be satisfied entirely via the allotment and issuance of 55,257,580 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM2,762,879 was arrived at after taking into consideration of the audited NA of Matrix Innovations as at 31 December 2022.

The acquisitions were completed on 8 August 2024.



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

CREST GROUP BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

1. (Continued)

1.2 (Continued)

1.2.1 Acquisitions (continued)

(b) Acquisition of Crest Nanosolutions

On 17 January 2024, Crest had entered into a conditional share sale agreement for the acquisition of the entire issued share capital of Crest Nanosolutions of RM500,000 comprising 500,000 ordinary shares from the shareholders of Crest Nanosolutions for a total purchase consideration of RM5,393,837 to be satisfied entirely via the allotment and issuance of 107,876,740 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM5,393,837 was arrived at after taking into consideration of the audited NA of Crest Nanosolutions as at 31 December 2022.

The acquisition was completed on 8 August 2024.

(c) Acquisition of Matrix Biosciences

On 17 January 2024, Crest had entered into a conditional share sale agreement for the acquisition of the entire issued share capital of Matrix Biosciences of RM100 comprising 100 ordinary shares from the shareholders of Matrix Biosciences for a total purchase consideration of RM3.

The purchase consideration of RM3 was arrived at after taking into consideration of the audited NA of Matrix Biosciences as at 31 December 2022. The purchase consideration of Matrix Biosciences is RM3 as the company is inactive.

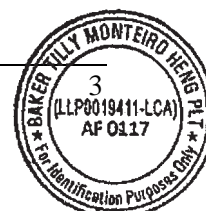
The acquisition was completed on 8 August 2024.

(d) Acquisition of Crest Innovation

On 17 January 2024, Crest had entered into a conditional sale and purchase agreement for the acquisition of 70% of the issued share capital of Crest Innovation of USD29,700 (equivalent to RM97,015) comprising 40,000 ordinary shares from the shareholders of Crest Innovation for a total purchase consideration of RM1,123,777 to be satisfied entirely via the allotment and issuance of 22,475,540 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM1,123,777 was arrived at after taking into consideration of the audited NA of Crest Innovation as at 31 December 2022 and deducting dividends.

The acquisition was completed on 8 August 2024.



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

CREST GROUP BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

1. (Continued)

1.2 (Continued)

1.2.1 Acquisitions (continued)

(e) Acquisition of Crest Upstar

On 17 January 2024, Crest had entered into a conditional sale and purchase agreement for the acquisition of the entire issued share capital of Crest Upstar of USD1,114 (equivalent to RM3,511) comprising 1,500 ordinary shares from the shareholders of Crest Upstar for a total purchase consideration of SGD3 (equivalent to approximately RM10).

The purchase consideration of SGD3 (equivalent to approximately RM10) was arrived at after taking into consideration of the audited NA of Crest Upstar as at 31 December 2022. The purchase consideration of Crest Upstar is SGD3 (equivalent to approximately RM10) as the company is inactive.

The acquisition was completed on 8 August 2024.

(f) Acquisition of Crest Thailand

On 17 January 2024, Crest had entered into a conditional share sale agreement for the acquisition of 100% of the ordinary shares of Crest Thailand of THB6,000,000 (equivalent to RM615,678) comprising 60,000 ordinary shares from the shareholders of Crest Thailand for a total purchase consideration of RM409,375 to be satisfied entirely via the allotment and issuance of 8,187,500 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM409,375 was arrived at after taking into consideration of the audited NA of Crest Thailand as at 31 December 2022 and deducting dividends.

The acquisition was completed on 8 August 2024.

(g) Acquisition of Crest Suzhou

On 17 January 2024, Crest had entered into a conditional equity transfer agreement for the acquisition of 80% of the equity interest of Crest Suzhou of RMB1,800,000 (equivalent to RM826,380) from the shareholders of Crest Suzhou for a total purchase consideration of RM3,833,317 to be satisfied entirely via the allotment and issuance of 76,666,340 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM3,833,317 was arrived at after taking into consideration of the audited NA of Crest Suzhou as at 31 December 2022.

The acquisition was completed on 8 August 2024.



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

CREST GROUP BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

1. (Continued)

1.2 (Continued)

1.2.1 Acquisitions (continued)

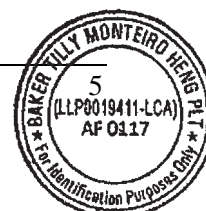
The acquisitions of Crest Systems, Crest Analytic, Matrix Optics, Crest Lab and Matrix Innovations, Acquisition of Crest Nanosolutions, Acquisition of Matrix Biosciences, Acquisition of Crest Innovation, Acquisition of Crest Upstar, Acquisition of Crest Thailand and Acquisition of Crest Suzhou are collectively referred to as the “Acquisitions”.

1.2.2 Public Issue

The Public Issue of 130,705,300 new Crest Shares at the issue price of RM0.35 per Share (“IPO Price”), representing 15.10% of the enlarged share capital of Crest, will be allocated in the following manner:

- (i) 43,280,000 new Issue Shares to be issued under the Public Issue (“Issue Share(s)”), representing 5.00% of enlarged share capital, will be offered to the Bumiputera Malaysian Public and the Malaysian Public;
- (ii) 12,984,000 Issue Shares, representing approximately 1.50% of enlarged share capital, will be made available for application by the eligible Directors and eligible employees of the Group; and
- (iii) 74,441,300 Issue Shares, representing 8.60% of enlarged share capital, will be made available for Ministry of Investment, Trade and Industry, Malaysia (“MITI”) approved Bumiputera investors.

(Collectively hereinafter referred to as “Public Issue”).



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

CREST GROUP BERHAD

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

1. (Continued)

1.2 (Continued)

1.2.3 Offer for Sale

A total of 103,890,000 existing Crest Shares to be offered under Offer for Sale by way of private placement at IPO Price, will be allocated in the following manner:

- (i) 33,758,700 existing Crest Shares, representing 3.90% of enlarged share capital are offered by the selling shareholders to MITI approved Bumiputera investors; and
- (ii) 70,131,300 existing Crest Shares, representing 8.10% of enlarged share capital are offered by the selling shareholders to Selected Investors.

1.2.4 Share Transfer

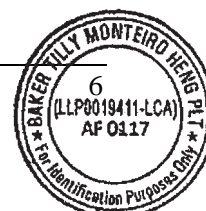
The Share Transfer is an internal reorganisation exercise of Crest, which involves a transfer of Crest Shares by Lim Siong Wai, Au Chun Mun and Yap Kian Meng to Climan Sdn. Bhd., an investment holding company incorporated with the intention to hold their investments during the prescription period.

1.2.5 Listing

Upon completion of the IPO, Crest's entire enlarged issued share capital of approximately RM82.49 million comprising 865,598,000 Crest Shares will be listed on the ACE Market of Bursa Securities.

2. BASIS OF PREPARATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

- 2.1 The pro forma combined statements of financial position have been prepared to illustrate the pro forma combined financial position of Crest and the combining entities as at 30 April 2024, adjusted for the Acquisitions, Public Issue, Offer for Sale and utilisation of proceeds as described in Notes 1.2 and 3.2.2 respectively.



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

CREST GROUP BERHAD

2. BASIS OF PREPARATION OF THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

- 2.2 The pro forma combined statements of financial position have been prepared based on the audited combined financial statements of the Group for the financial period ended ("FPE") 30 April 2024 and after adjusting for significant events subsequent to the financial period.

Significant events subsequent to the financial period

On 17 May 2024, Crest Innovation declared a single-tier dividend of US\$1.49 per ordinary share amounting to RM0.40 million in respect of the financial year ended 31 December 2023, paid on 12 July 2024.

On 10 June 2024, Crest Systems declared a single-tier final dividend of RM3.53 per ordinary share amounting to RM3.53 million in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Crest Analytic declared a single-tier final dividend of RM0.14 per ordinary share amounting to RM0.07 million in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Crest Nanosolutions declared a single-tier final dividend of RM0.13 per ordinary share amounting to RM0.07 million in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Matrix Optics declared a single-tier final dividend of RM1.15 per ordinary share amounting to RM0.58 million in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Crest Lab declared a single-tier final dividend of RM166.49 per ordinary share amounting to RM0.17 million in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Matrix Innovations declared a single-tier final dividend of RM1.06 per ordinary share amounting to RM0.11 million in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

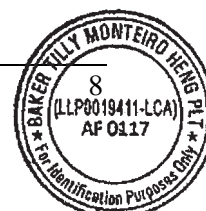
- 2.3 The audited combined financial statements of the Group for the FPE 30 April 2024 were reported by the auditors to the members without any modifications.
- 2.4 The pro forma combined statements of financial position of the Group have been prepared for illustrative purposes only and, such information may not, because of its nature, give a true picture of the actual financial position and the results of the Group and does not purport to predict the future financial position and results of the Group.
- 2.5 The pro forma combined statements of financial position of the Group have been properly prepared on the basis set out in the accompanying notes to the pro forma combined statements of financial position based on the audited combined financial statements of the Group for FPE 30 April 2024, which have been prepared in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards.



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)
CREST GROUP BERHAD
3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP

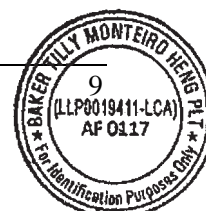
- 3.1 The pro forma combined statements of financial position of the Group as set out below, for which the directors of Crest are solely responsible, have been prepared for illustrative purposes only, to show the effects on the audited statement of financial position of Crest as at 30 April 2024, had the transactions as described in Note 1.2 and utilisation of proceeds as described in Note 3.2.2 been effected on that date, and should be read in conjunction with the notes accompanying thereto.

	Audited Statement of Financial Position as at 30 April 2024 RM'000	Pro Forma I After the Acquisitions RM'000	Pro Forma II After Pro Forma I and the Public Issue and Offer for Sale RM'000	Pro Forma III After Pro Forma II and the Utilisation of Proceeds RM'000
ASSETS				
Non-current assets				
Property, plant and equipment	-	5,895	5,895	5,895
Deferred tax assets	-	782	782	782
Total non-current assets	-	6,677	6,677	6,677
Current assets				
Inventories	-	26,246	26,246	26,246
Trade and other receivables	420	39,241	39,241	38,821
Contract assets	-	1,982	1,982	1,982
Current tax assets	-	2,208	2,208	2,208
Cash and short-term deposits	43	27,601	73,348	71,456
Total current assets	463	97,278	143,025	140,713
TOTAL ASSETS	463	103,955	149,702	147,390



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)
CREST GROUP BERHAD
3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)
3.1 (Continued)

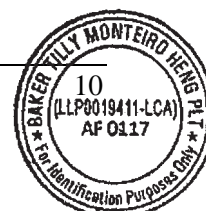
	Audited Statement of Financial Position as at 30 April 2024 RM'000	Pro Forma I After the Acquisitions RM'000	Pro Forma II After Pro Forma I and the Public Issue and Offer for Sale RM'000	Pro Forma III After Pro Forma II and the Utilisation of Proceeds RM'000
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	*	36,745	82,492	80,180
Irredeemable preference shares	-	911	911	911
Other reserves	-	1,296	1,296	1,296
Reorganisation reserve	-	(32,751)	(32,751)	(32,751)
Retained earnings	(3,793)	48,505	48,505	48,505
	(3,793)	54,706	100,453	98,141
Non-controlling interests	-	3,293	3,293	3,293
TOTAL EQUITY	(3,793)	57,999	103,746	101,434
Non-current liabilities				
Loans and borrowings	-	1,989	1,989	1,989
Provisions	-	656	656	656
Deferred tax liabilities	-	20	20	20
Total non-current liabilities	-	2,665	2,665	2,665
Current liabilities				
Loans and borrowings	-	722	722	722
Trade and other payables	4,256	30,867	30,867	30,867
Contract liabilities	-	9,716	9,716	9,716
Current tax liabilities	-	1,986	1,986	1,986
Total current liabilities	4,256	43,291	43,291	43,291
TOTAL LIABILITIES	4,256	45,956	45,956	45,956
TOTAL EQUITY AND LIABILITIES	463	103,955	149,702	147,390



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)
CREST GROUP BERHAD
3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)
3.1 (Continued)

	Audited Statement of Financial Position as at 30 April 2024	Pro Forma I After the Acquisitions	Pro Forma II After Pro Forma I and the Public Issue and Offer for Sale	Pro Forma III After Pro Forma II and the Utilisation of Proceeds
Number of ordinary shares assumed to be in issue ('000)	1	734,893	865,598	865,598
Net assets ("NA")^ (RM'000)	(3,793)	54,706	100,453	98,141
NA per ordinary share (RM)	-	0.07	0.12	0.11
^ attributable to owners of the Company				

* *Less than RM1,000*



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

CREST GROUP BERHAD

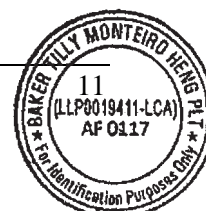
3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 Notes to the pro forma combined statements of financial position are as follows:

3.2.1 The pro forma combined statements of financial position of the Group, for which the directors of Crest are solely responsible, have been prepared for illustrative purposes only, to show the effects on the pro forma combined statements of financial position of the Group as at 30 April 2024, had the transactions as described in Note 1.2 and utilisation of proceeds as described in Note 3.2.2 been effected on that date, and should be read in conjunction with the notes accompanying thereto.

3.2.2 The proceeds from the Public Issue would be used in the following manner:

	RM'000	%
Set up of a new centralised headquarters	15,762	34.45% within 36 months
Business expansion	14,517	31.73% within 36 months
Purchase of additional demonstration equipment	5,868	12.83% within 36 months
Expansion of technical support and maintenance team	3,600	7.87% within 36 months
Estimated listing expenses	6,000	13.12% within 3 months
	<u>45,747</u>	<u>100.00%</u>



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

CREST GROUP BERHAD

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.3 The pro forma combined statements of financial position should be read in conjunction with the notes below:

(a) **Pro Forma I**

Pro Forma I incorporates the effects of the Acquisitions as described in Note 1.2.1 and after adjusting for significant events subsequent to the financial period as described in Note 2.2 on the pro forma combined statements of financial position of the Group as at 30 April 2024.

The reorganisation reserve of the Acquisitions are as below:

	RM'000
Purchase consideration	36,745
Less: Share capital of the proposed subsidiaries	(3,994)
Reorganisation reserve	<u>32,751</u>



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)
CREST GROUP BERHAD
3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

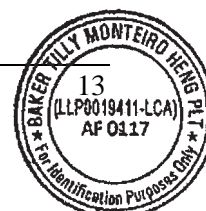
3.2 (Continued)

3.2.3 (Continued)

(a) Pro Forma I (Continued)

The Acquisitions and significant events subsequent to the financial period had the following impact on the pro forma combined statements of financial position of Crest as at 30 April 2024.

	Increase	
	Effects on	Effects on
	Total Assets	Total Equity/ Liabilities
	RM'000	RM'000
Property, plant and equipment	5,895	-
Deferred tax assets	782	-
Inventories	26,246	-
Trade and other receivables	38,821	-
Contract assets	1,982	-
Current tax assets	2,208	-
Cash and short-term deposits	27,558	-
Share capital	-	36,745
Irredeemable preference shares	-	911
Other reserves	-	1,296
Reorganisation reserve	32,751	-
Retained earnings	-	52,298
Non-controlling interests	-	3,293
Loans and borrowings - non-current	-	1,989
Provisions	-	656
Deferred tax liabilities	-	20
Loans and borrowings - current	-	722
Trade and other payables	-	26,611
Contract liabilities	-	9,716
Current tax liabilities	-	1,986
	136,243	136,243



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (*Cont'd*)

CREST GROUP BERHAD

3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.3 (Continued)

(b) Pro Forma II

Pro Forma II incorporates the cumulative effects of Pro Forma I and the Public Issue and Offer for Sale as described in Notes 1.2.2 and 1.2.3 respectively.

The Public Issue will have the following impact on the pro forma combined statements of financial position of the Group as at 30 April 2024:

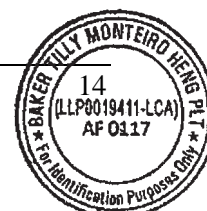
	Increase	
	Effects on Total Assets RM'000	Effects on Total Equity RM'000
Cash and short-term deposits	45,747	-
Share capital	-	45,747
	45,747	45,747

The Offer for Sale does not have an impact on the pro forma combined statements of financial position of the Group as at 30 April 2024.

(c) Pro Forma III

Pro Forma III incorporates the cumulative effects of Pro Forma II and the utilisation of proceeds from the Public Issue of RM45.75 million after netting off RM6.00 million of estimated listing expenses.

The proceeds arising from the Public Issue earmarked for the set up of a new centralised headquarters, business expansion, purchase of additional demonstration equipment and expansion of technical support and maintenance team will be debited to Cash and Bank Balances Account as working capital as the Group has yet to enter into any contracts for these items.



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)
CREST GROUP BERHAD
3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.3 (Continued)

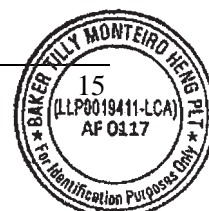
(c) Pro Forma III (continued)

As at 30 April 2024, out of the RM6.00 million estimated listing expenses, RM3.69 million has already been incurred and charged to the Retained Earnings Account and RM0.42 million is recognised in the Prepayment Account as these are directly attributable expenses relating to the new issuance of shares which will be capitalised under the Share Capital Account upon Listing.

Out of the remaining estimated listing expenses to be incurred of RM1.89 million, RM1.89 million will be capitalised in the Share Capital Account as these are directly attributable expenses relating to the new issuance of shares.

The utilisation of proceeds will have the following impact on the pro forma combined statements of financial position of the Group as at 30 April 2024:

	Decrease	
	Effects on Total Assets RM'000	Effects on Total Equity/ Liabilities RM'000
Share capital		(2,312)
Trade and other receivables	(420)	
Cash and short-term deposits	(1,892)	
	(2,312)	(2,312)



13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)
CREST GROUP BERHAD
3. PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION OF THE GROUP (CONTINUED)

3.2 (Continued)

3.2.4 Movements in share capital and reserves are as follows:

	Share capital RM'000	Irredeemable preference shares RM'000	Other reserves RM'000	Reorganisation reserve RM'000	Retained earnings RM'000
Audited Statement of Financial Position as at 30 April 2024	*	-	-	-	(3,793)
Arising from the Acquisitions	36,745	911	1,296	(32,751)	52,298
As per Pro Forma I	36,745	911	1,296	(32,751)	48,505
Arising from the Public Issue and Offer for Sale	45,747	-	-	-	-
As per Pro Forma II	82,492	911	1,296	(32,751)	48,505
Arising from Utilisation of Proceeds	(2,312)	-	-	-	-
As per Pro Forma III	80,180	911	1,296	(32,751)	48,505

 * *Less than RM1,000*

3.2.5 Movements in cash and short-term deposits are as follows:

	RM'000
Audited Statement of Financial Position as at 30 April 2024	43
Arising from the Acquisitions	27,558
As per Pro Forma I	27,601
Arising from the Public Issue and Offer for Sale	45,747
As per Pro Forma II	73,348
Arising from Utilisation of Proceeds	(1,892)
As per Pro Forma III	71,456

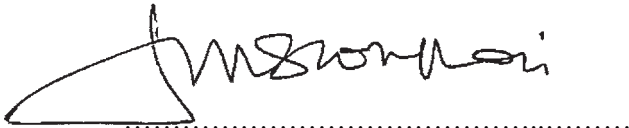


13. REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (Cont'd)

CREST GROUP BERHAD

APPROVAL BY BOARD OF DIRECTORS

Approved and adopted by the Board of Directors of Crest Group Berhad in accordance with a resolution dated 21 August 2024.



Lim Siong Wai
Director



Au Chun Mun
Director



14. ACCOUNTANTS' REPORT

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA)
Chartered Accountants (AF 0117)
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur, Malaysia

21 August 2024

The Board of Directors
Crest Group Berhad
No. 1, Jalan OP 1/2,
One Puchong Business Park,
47160 Puchong,
Selangor Darul Ehsan.

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Dear Sirs/Madam,

Reporting Accountants' opinion on the Combined Financial Statements contained in the Accountants' Report of Crest Group Berhad ("Crest" or the "Company")

Opinion

We have audited the accompanying combined financial statements of the Company and its operating entities as defined in Note 2 to the combined financial statements (collectively referred to as the "Group"), which comprise of the combined statements of financial position as at 31 December 2020, 31 December 2021, 31 December 2022, 31 December 2023 and 30 April 2024 of the Group, the combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for the financial years ended 31 December 2020, 31 December 2021, 31 December 2022, 31 December 2023 and financial period ended 30 April 2024, and notes to the combined financial statements, including material accounting policies, as set out on pages 6 to 92.

In our opinion, the accompanying combined financial statements contained in the Accountants' Report of the Company gives a true and fair view of the combined financial positions of the Group as at 31 December 2020, 31 December 2021, 31 December 2022, 31 December 2023 and 30 April 2024, and of its financial performance and its cash flows for the financial years/period then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and Chapter 10, Part II Division 1: Equity of the Prospectus Guidelines as issued by the Securities Commission Malaysia.

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
(Incorporated 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 *Reporting Accountants' Responsibilities for the Audit of the Combined 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 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.

Responsibilities of the Directors for the Combined Financial Statements

The directors of the Company are responsible for the preparation of the combined financial statements contained in the Accountants' Report of the Company, so as to give a true and fair view in accordance with the Malaysian Financial Reporting Standards and the International Financial Reporting Standards. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the combined financial statements of the Group that are free from material misstatement, whether due to fraud or error.

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

The directors of the Company are responsible for overseeing the Group's financial reporting process.

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements of the Group as a whole are free from material misstatement, whether due to fraud or error, and to issue a Reporting Accountants' 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 combined financial statements.

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
(Incorporated in Malaysia)

Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements (continued)

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 combined financial statements of the Group, 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 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Reporting Accountants' report to the related disclosures in the combined financial statements of the Group 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 Reporting Accountants' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the combined financial statements of the Group, including the disclosures, and whether the combined financial statements of the Group 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 combined 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.

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
(Incorporated in Malaysia)

Other Matter

This report is made solely to the board of directors of the Company and has been prepared solely to comply with the Prospectus Guidelines – Equity issued by the Securities Commission Malaysia and for inclusion in the Prospectus of the Company in connection with the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad and should not be relied upon any other purpose. We do not assume responsibility to any other person for the content of this report.

A handwritten signature in black ink, appearing to read "Baker Tilly Monteiro Heng".

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

A handwritten signature in black ink, appearing to read "Paul Tan Hong".

Paul Tan Hong
No. 03459/11/2025 J
Chartered Accountant

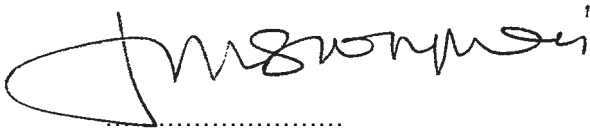
Kuala Lumpur

Date: 21 August 2024

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**STATEMENT BY DIRECTORS**

We, **LIM SIONG WAI** and **AU CHUN MUN**, being two of the directors of CREST GROUP BERHAD, do hereby state that in the opinion of the directors, the accompanying combined financial statements are drawn up in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial positions of the Group as at 31 December 2020, 31 December 2021, 31 December 2022, 31 December 2023 and 30 April 2024 and of its financial performance and cash flows for the financial years/period then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:



.....
LIM SIONG WAI
Director



.....
AU CHUN MUN
Director

Kuala Lumpur

Date: 21 August 2024

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**COMBINED STATEMENTS OF FINANCIAL POSITION**

	Note	←		Audited as at	→	
		31.12.2020 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	30.04.2024 RM'000
ASSETS						
Non-current assets						
Property, plant and equipment	5	5,844	4,178	4,359	5,488	5,895
Deferred tax assets	6	-	-	178	799	782
Trade and other receivables	7	-	369	34	-	-
Total non-current assets		5,844	4,547	4,571	6,287	6,677
Current assets						
Inventories	8	10,262	14,385	16,174	15,316	26,246
Current tax assets		525	759	1,137	1,705	2,208
Trade and other receivables	7	44,192	53,436	40,162	43,641	39,242
Contract assets	9	211	-	284	243	1,982
Cash and short-term deposits	10	39,484	43,271	36,826	48,118	32,511
Total current assets		94,674	111,851	94,583	109,023	102,189
TOTAL ASSETS		100,518	116,398	99,154	115,310	108,866
EQUITY AND LIABILITIES						
Equity attributable to owners of the Group						
Invested equity	11	3,535	3,535	3,625	3,969	3,969
Irredeemable preference shares	12	-	-	-	911	911
Other reserves	13	421	627	660	1,134	1,296
Retained earnings		49,595	47,310	46,770	51,237	53,145
		53,551	51,472	51,055	57,251	59,321
Non-controlling interests		6,212	6,482	3,340	3,321	3,589
TOTAL EQUITY		59,763	57,954	54,395	60,572	62,910

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**COMBINED STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

	Note	← Audited as at →				
		31.12.2020 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	30.04.2024 RM'000
Non-current liabilities						
Lease liabilities	14	536	243	310	1,507	1,989
Provisions	15	363	417	551	668	656
Deferred tax liabilities	6	175	219	183	33	20
Total non-current liabilities		1,074	879	1,044	2,208	2,665
Current liabilities						
Lease liabilities	14	631	451	422	594	722
Current tax liabilities		1,139	2,804	2,800	3,314	1,986
Trade and other payables	16	36,493	51,983	39,390	37,555	30,867
Contract liabilities	9	1,418	2,327	1,103	11,067	9,716
Total current liabilities		39,681	57,565	43,715	52,530	43,291
TOTAL LIABILITIES		40,755	58,444	44,759	54,738	45,956
TOTAL EQUITY AND LIABILITIES		100,518	116,398	99,154	115,310	108,866

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

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**COMBINED STATEMENTS OF COMPREHENSIVE INCOME**

	Note	← Audited →				Audited	Unaudited
		FYE 31 December				FPE 30 April	
		2020	2021	2022	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	17	124,425	148,410	170,202	187,619	49,523	49,823
Cost of sales		(87,871)	(105,024)	(124,501)	(134,089)	(36,110)	(36,754)
Gross profit		36,554	43,386	45,701	53,530	13,413	13,069
Other income	18	1,770	809	1,120	1,748	937	652
Administrative expenses		(12,996)	(13,093)	(14,759)	(18,030)	(7,110)	(5,852)
Sales and marketing expenses		(8,539)	(8,672)	(8,757)	(10,732)	(3,175)	(3,027)
Operating profit		16,789	22,430	23,305	26,516	4,065	4,842
Finance cost	19	(68)	(76)	(47)	(50)	(42)	(11)
Profit before tax	20	16,721	22,354	23,258	26,466	4,023	4,831
Income tax expense	22	(3,219)	(4,982)	(5,275)	(6,370)	(1,093)	(1,108)
Profit for the financial year		13,502	17,372	17,983	20,096	2,930	3,723
Other comprehensive (loss)/income, net of tax							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation of foreign operations	23	(180)	134	41	537	103	163
Other comprehensive (loss)/income for the financial year		(180)	134	41	537	103	163
Total comprehensive income for the financial year		13,322	17,506	18,024	20,633	3,033	3,886
Profit attributable to:							
Owners of the Group		11,926	15,920	17,307	18,225	2,731	3,248
Non-controlling interests		1,576	1,452	676	1,871	199	475
		13,502	17,372	17,983	20,096	2,930	3,723
Total comprehensive income attributable to:							
Owners of the Group		11,779	16,126	17,340	18,690	2,765	3,366
Non-controlling interests		1,543	1,380	684	1,943	268	520
		13,322	17,506	18,024	20,633	3,033	3,886
Earnings per share (RM)							
- Basic and diluted	24	2.86	3.81	4.14	4.23	0.63	0.76

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

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY

	Note	Attributable to owners of the Group				Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
		Invested equity RM'000	Exchange reserve RM'000	Retained earnings RM'000				
At 1 January 2020		3,535	568	39,094	43,197	4,744	47,941	
Total comprehensive income for the financial year		-	-	11,926	11,926	1,576	13,502	
Profit for the financial year		-	-	-	(147)	(33)	(180)	
Other comprehensive income for the financial year	23	-	(147)	11,926	11,779	1,543	13,322	
Transactions with owners		-	-	(1,425)	(1,425)	(75)	(1,500)	
Dividends paid on shares	25	-	-	(1,425)	(1,425)	(75)	(1,500)	
At 31 December 2020		3,535	421	49,595	53,551	6,212	59,763	

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	Attributable to owners of the Group					Total equity RM'000
		Invested equity RM'000	Exchange reserve RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	
At 1 January 2021		3,535	421	49,595	53,551	6,212	59,763
Total comprehensive income for the financial year		-	-	15,920	15,920	1,452	17,372
Profit for the financial year		-	-	-	-	(72)	134
Other comprehensive income for the financial year	23	-	206	-	206	-	-
		-	206	15,920	16,126	1,380	17,506
Transaction with owners		-	-	(18,205)	(18,205)	(1,110)	(19,315)
Dividends paid on shares	25	-	-	(18,205)	(18,205)	(1,110)	(19,315)
At 31 December 2021		3,535	627	47,310	51,472	6,482	57,954

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	Attributable to owners of the Group					Total equity RM'000
		Invested equity RM'000	Exchange reserve RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	
At 1 January 2022		3,535	627	47,310	51,472	6,482	57,954
Total comprehensive income for the financial year							
Profit for the financial year		-	-	17,307	17,307	676	17,983
Other comprehensive income for the financial year	23	-	33	-	33	8	41
		-	33	17,307	17,340	684	18,024
Transactions with owners							
Dividends paid on shares	25	-	-	(21,328)	(21,328)	(255)	(21,583)
Change in ownership interests in the combining entities		90	-	3,481	3,571	(3,571)	-
		90	-	(17,847)	(17,757)	(3,826)	(21,583)
At 31 December 2022		3,625	660	46,770	51,055	3,340	54,395

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Note	Invested equity RM'000	Preference shares RM'000	Attributable to owners of the Group Other reserves RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2023		3,625	-	660	46,770	51,055	3,340	54,395
Total comprehensive income for the financial year		-	-	-	18,225	18,225	1,871	20,096
Profit for the financial year		-	-	-	18,225	18,225	1,871	20,096
Other comprehensive income for the financial year	23	-	-	465	-	465	72	537
		-	-	465	18,225	18,690	1,943	20,633
Transactions with owners								
Issuance of ordinary shares	11	-	-	-	-	-	270	270
Issuance of preference shares	12	-	911	-	-	911	-	911
Issuance of share capital upon incorporation		*	-	-	-	*	-	*
Transfer to statutory reserve		-	-	9	(9)	-	-	-
Dividends paid on shares		-	-	-	(15,112)	(15,112)	(322)	(15,434)
Change in ownership interests in the combining entities	25	344	-	-	1,363	1,707	(1,910)	(203)
		344	911	9	(13,758)	(12,494)	(1,962)	(14,456)
At 31 December 2023		3,969	911	1,134	51,237	57,251	3,321	60,572

* Less than RM1,000

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Invested equity RM'000	Preference shares RM'000	Attributable to owners of the Group		Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
			Other reserves RM'000	Retained earnings RM'000			
At 1 January 2024	3,969	911	1,134	51,237	57,251	3,321	60,572
Total comprehensive income for the financial period							
Profit for the financial period	-	-	-	2,731	2,731	199	2,930
Other comprehensive income for the financial period	-	-	34	-	34	69	103
	-	-	34	2,731	2,765	268	3,033
Transactions with owners							
Transfer to statutory reserve	-	-	128	(128)	-	-	-
Dividends paid on shares	-	-	-	(695)	(695)	-	(695)
	-	-	128	(823)	(695)	-	(695)
At 30 April 2024	3,969	911	1,296	53,145	59,321	3,589	62,910

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**COMBINED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**

	Note	Invested equity RM'000	Attributable to owners of the Group			Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
			Preference shares RM'000	Other reserves RM'000	Retained earnings RM'000			
At 1 January 2023		3,625	-	660	46,770	51,055	3,340	54,395
Total comprehensive income for the financial period		-	-	3,248	3,248	3,248	475	3,723
Profit for the financial period		-	-	3,248	3,248	3,248	475	3,723
Other comprehensive income for the financial period	23	-	-	118	-	118	45	163
		-	-	118	3,248	3,366	520	3,886
Transactions with owners								
Issuance of ordinary shares	11	-	-	-	-	-	270	270
Dividends paid on shares	25	-	-	(1,057)	(1,057)	(1,057)	(264)	(1,321)
Change in ownership interests in the combining entities		30	-	536	566	566	(566)	-
		30	-	(521)	(491)	(491)	(560)	(1,051)
At 30 April 2023 (Unaudited)		3,655	-	778	49,497	53,930	3,300	57,230

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

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**COMBINED STATEMENTS OF CASH FLOWS**

Note	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities						
Profit before tax	16,721	22,354	23,258	26,466	4,023	4,831
Adjustments for:						
Depreciation of property, plant and equipment	2,293	2,146	2,062	2,084	859	671
(Gain)/Loss on disposal of property, plant and equipment	(590)	(72)	(79)	(253)	(379)	-
Unrealised loss/(gain) on foreign exchange	85	580	(403)	(632)	(346)	(363)
Impairment loss/(reversal of impairment loss) on trade receivables	10	4	(8)	46	(23)	2
Finance cost	68	76	47	50	42	11
Finance income	(290)	(360)	(229)	(496)	(169)	(146)
Bad debts written off	-	-	115	-	-	-
Inventories written off	-	32	29	-	-	-
Reversal of inventories written off	-	-	(100)	-	-	-
Property, plant and equipment written off	-	-	-	*	-	-
Operating profit before changes in working capital	18,297	24,760	24,692	27,265	4,007	5,006
Changes in working capital:						
Inventories	(1,724)	(4,188)	(1,664)	1,148	(10,858)	(2,324)
Trade and other receivables	(3,587)	(14,671)	794	(2,412)	5,198	(2,395)
Contract assets	(220)	217	(280)	55	(1,793)	289
Trade and other payables	438	15,351	(3,652)	(2,465)	(7,521)	2,515
Contract liabilities	951	897	(1,251)	9,914	(1,627)	2,961
Net cash generated from/(used in) operations	14,155	22,366	18,639	33,505	(12,594)	6,052
Income tax paid	(3,169)	(3,534)	(5,885)	(7,197)	(2,959)	(1,652)
Interest received	290	360	229	496	169	146
Net cash from/(used in) operating activities	11,276	19,192	12,983	26,804	(15,384)	4,546
Cash flows from investing activities						
Purchase of property, plant and equipment	(a) (3,493)	(275)	(1,643)	(1,178)	(470)	(185)
Proceeds from disposal of property, plant and equipment	2,064	73	185	284	393	-
Proceeds from issuance of share capital upon incorporation	-	-	-	*	-	-
Proceeds from acquisition of equity interest by non-controlling interests	-	-	-	270	-	270
Change in pledged deposits	9,007	(1,471)	155	429	(48)	(74)
Net cash from/(used in) investing activities	7,578	(1,673)	(1,303)	(195)	(125)	11

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)**

	Note	← Audited →				Audited	Unaudited
		← FYE 31 December →				FPE 30 April	
		2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Cash flows from financing activities	(b)						
Proceeds from issuance of preference shares		-	-	-	911	-	-
Repayment of lease liabilities		(691)	(726)	(634)	(651)	(223)	(231)
Net changes in amount owing (by)/to a related company		(9,133)	4,180	13,140	-	28	-
Net changes in amount owing to directors		(2,169)	(614)	(7,384)	-	-	-
Net changes in amount owing to shareholders		-	900	(1,710)	-	-	-
Dividends paid		(1,500)	(19,315)	(21,583)	(15,434)	-	(1,321)
Interest paid		(68)	(76)	(47)	(50)	(42)	(11)
Net cash used in financing activities		(13,561)	(15,651)	(18,218)	(15,224)	(237)	(1,563)
Net increase/(decrease) in cash and cash equivalents		5,293	1,868	(6,538)	11,385	(15,746)	2,994
Cash and cash equivalents at the beginning of the financial year		29,505	34,531	36,847	30,557	42,278	30,557
Effects of exchange rate changes		(267)	448	248	336	91	188
Cash and cash equivalents at the end of the financial year	10	34,531	36,847	30,557	42,278	26,623	33,739

* *Less than RM1,000*

(a) During the financial years/period, the Group made the following cash payments to purchase of property, plant and equipment:

	Note	← Audited →				Audited	Unaudited
		← FYE 31 December →				FPE 30 April	
		2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Purchase of property, plant and equipment	5	4,261	535	2,308	3,170	1,303	185
Operating lease recognised as right-of-use assets		(768)	(260)	(348)	(855)	-	-
Financed by way of lease arrangements		-	-	(317)	(1,137)	(833)	-
Cash payments on purchase of property, plant and equipment		3,493	275	1,643	1,178	470	185

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHADAccountants' Report

COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)

(b) Changes in liabilities arising from financing activities comprise of proceeds from issuance of preference shares, repayment of lease liabilities, net changes in amount owing by a related company, amount owing to directors, amount owing to shareholders and payment of dividend. There were no non-cash changes in liabilities arising from financing activities.

(c) Total cash outflow for leases:

During the financial period/years, the Group has total cash outflow for leases of RM483,279 (31.12.2023: RM1,339,713; 31.12.2022: RM1,204,286; 31.12.2021: RM1,355,810 and 31.12.2020: RM1,312,983).

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

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS****1. GENERAL INFORMATION**

Crest Group Berhad ("Crest" or the "Company") was incorporated on 9 August 2023 as a private limited liability company and is domiciled in Malaysia. The Company was converted to a public company limited by shares and assumed its present name on 8 December 2023. The registered office of the Company is located at 12th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor. The principal place of business of the Company is located at 1, Jalan OP 1/2, One Puchong Business Park, 47160 Puchong, Selangor, Malaysia.

The principal activity of the Company is investment holding. The details of the operating entities for the purposes of the listing on the ACE Market of Bursa Malaysia Securities Berhad are as follows:

Operating entities	Principal place of business/ country of incorporation	Effective equity interest (%)					Principal activities
		31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024	
Crest Systems (M) Sdn. Bhd. ("Crest Systems")	Malaysia	91	91	100	100	100	Engaged in distribution, installation and commissioning of scientific equipment and provision of advanced imaging, and analytical solutions as well as after sales services such as training and technical support.
Crest Analytic Sdn. Bhd. ("Crest Analytic")	Malaysia	70	70	70	70	70	Engaged in distribution, installation and commissioning of analytical and imaging equipment and provision of after sales services such as training and technical support.
Crest Nanosolutions (M) Sdn. Bhd. ("Crest Nanosolutions")	Malaysia	95	95	95	95	95	Engaged in distribution, installation and commissioning of analytical and imaging equipment and provision of after sales services such as training and technical support.
Matrix Optics (M) Sdn. Bhd. ("Matrix Optics")	Malaysia	95	95	95	100	100	Engaged in distribution, installation and commissioning of healthcare and life science related equipment and provision of after sales services such as training and technical support.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)**

Operating entities	Principal place of business/ country of incorporation	Effective equity interest (%)					Principal activities
		31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024	
Matrix Biosciences (M) Sdn. Bhd. ("Matrix Biosciences")	Malaysia	100	100	100	100	100	Previously, the principal activities were to engage in repairing and servicing of healthcare and life science related equipment. The Company has ceased business in 2023.
Crest Lab Sdn. Bhd. ("Crest Lab")	Malaysia	100	100	100	100	100	Engaged in distribution, installation and commissioning of laboratory equipment, quality control scanning services and provision of after sales services such as training and technical support.
Matrix Innovations (M) Sdn. Bhd. ("Matrix Innovations")	Malaysia	95	95	95	100	100	Engaged in distribution, installation and commissioning of optical and portable imaging equipment and provision of after sales services such as training and technical support.
Crest Innovation (S) Pte. Ltd. ("Crest Innovation")*	Singapore	80	80	80	70	70	Engaged in distribution, installation and commissioning of scientific equipment and provision of advanced imaging and analytical solutions as well as after sales services such as training and technical support.
Crest Upstar Pte. Ltd. ("Crest Upstar")*	Singapore	100	100	100	100	100	Previously, the principal activities were to engage in distribution, installation and commissioning of scientific equipment and provision of advanced imaging and analytical solutions as well as after sales service such as training and technical support. The Company has ceased business in 2023.
Crest Nanosolution (Thailand) Co., Ltd. ("Crest Thailand")*	Thailand	49	49	49	100	100	Engaged in distribution, installation and commissioning of imaging and analytical equipment and provision of after sales services such as training and technical support.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)**

Operating entities	Principal place of business/ country of incorporation	Effective equity interest (%)					Principal activities
		31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024	
Crest Systems (Suzhou) Co., Ltd. ("Crest Suzhou")*	China	80	80	80	80	80	Engaged in distribution, installation and commissioning of scientific equipment and provision of advanced imaging and analytical solutions as well as after sales services such as training and technical support.

* *Audited by an independent network firm of Baker Tilly International*

There have been no significant changes in the nature of these activities during the financial years under review.

The combined financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 21 August 2024.

(a) Movement of equity interests in Crest Systems

On 14 December 2022, the directors of Crest acquired the remaining 9% equity interest, representing 90,000 ordinary shares in Crest Systems for a cash consideration of RM2,500,000. The effective ownership in Crest Systems increased from 91% to 100% as a result of the additional shares acquired.

(b) Movement of equity interests in Matrix Optics

On 24 February 2023, the directors of Crest acquired 5% equity interest, representing 25,000 ordinary shares in Matrix Optics for a cash consideration of RM361,445. The effective ownership in Matrix Optics increased from 95% to 100% as a result of the additional shares acquired.

(c) Movement of equity interests in Matrix Innovations

On 24 February 2023, a director of Crest acquired 5% equity interest, representing 5,000 ordinary shares in Matrix Innovations for a cash consideration of RM96,729. The effective ownership in Matrix Innovations increased from 95% to 100% as a result of the additional shares acquired.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(d) Movement of equity interests in Crest Innovation**

On 13 April 2023, Crest Innovation issued 7,143 ordinary shares at a price of SGD11.41 per ordinary share. The effective ownership in Crest Innovation decreased from 80% to 70% as a result of the dilution of shares.

(e) Movement of equity interests in Crest Thailand

On 23 August 2023, the directors of Crest acquired the remaining 51% equity interest, representing 30,600 preference shares in Crest Thailand for a cash consideration of Thai Baht ("THB") 3,366,000. The effective ownership in Crest Thailand increased from 49% to 100% as a result of the additional shares acquired.

(f) Non-controlling interests of the operating entities

The financial information of the Group's operating entities that have non-controlling interests are as follows:

Equity interest held by non-controlling interests:

Name of company	Ownership interest				
	31.12.2020 (%)	31.12.2021 (%)	31.12.2022 (%)	31.12.2023 (%)	30.04.2024 (%)
Crest Systems	9	9	-	-	-
Crest Analytic	30	30	30	30	30
Crest Nanosolutions	5	5	5	5	5
Matrix Optics	5	5	5	-	-
Matrix Innovations	5	5	5	-	-
Crest Innovation	20	20	20	30	30
Crest Thailand	51	51	51	-	-
Crest Suzhou	20	20	20	20	20

Carrying amount of non-controlling interests:

Name of company	Audited as at				
	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	30.04.2024 RM'000
Crest Systems	2,491	2,418	-	-	-
Crest Analytic	483	473	474	544	573
Crest Nanosolutions	446	395	270	281	296
Matrix Optics	347	361	426	-	-
Matrix Innovations	71	97	138	-	-
Crest Innovation	270	473	590	990	1,003
Crest Thailand	1,693	1,502	484	-	-
Crest Suzhou	411	763	958	1,506	1,717

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(f) Non-controlling interests of the operating entities (continued)**

The financial information of the Group's operating entities that has a non-controlling interest is as follows (continued):

Profit or loss allocated to non-controlling interests:

Name of company	←———— Audited —————→				
	←———— FYE 31 December —————→				FPE 30 April
	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000
Crest Systems	527	827	1,153	-	-
Crest Analytic	43	51	-	70	30
Crest Nanosolutions	19	24	75	11	15
Matrix Optics	71	90	120	-	-
Matrix Innovations	22	26	41	-	-
Crest Innovation	69	202	118	396	13
Crest Thailand	334	(192)	(1,018)	919	-
Crest Suzhou	458	352	195	547	210

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(g) Summarised financial information of material non-controlling interests**

The summarised financial information (before intra-group elimination) of the Group's operating entities that have material non-controlling interests as are follows:

	Crest Systems RM'000	Crest Analytic RM'000	Crest Nanosolutions RM'000	Matrix Optics RM'000	Matrix Innovations RM'000	Crest Innovation RM'000	Crest Thailand RM'000	Crest Suzhou RM'000
Summarised statement of financial position								
As at 31 December 2020								
Assets and liabilities:								
Non-current assets	1,901	6	8	1,911	284	157	1,235	242
Current assets	49,882	1,890	10,618	8,953	2,761	5,668	8,118	6,512
Non-current liabilities	(423)	(1)	*	(71)	(14)	-	(540)	(17)
Current liabilities	(23,676)	(287)	(1,702)	(3,856)	(1,606)	(4,477)	(5,493)	(4,683)
Net assets	27,684	1,608	8,924	6,937	1,425	1,348	3,320	2,054
Summarised statement of comprehensive income								
FYE 31 December 2020								
Revenue	72,147	1,422	5,775	12,057	3,365	10,326	19,073	12,157
Profit for the financial year	5,852	142	371	1,424	445	381	708	2,284
Summarised cash flow information								
FYE 31 December 2020								
Assets and liabilities:								
Cash flows (used in)/from operating activities	(655)	(543)	(4,997)	4,168	437	1,825	(100)	2,541
Cash flows from/(used in) investing activities	933	-	-	(2,281)	(152)	(18)	114	(8)
Cash flows (used in)/from financing activities	(358)	-	4,461	(1,500)	-	(148)	(1,590)	-
Net (decrease)/increase in cash and cash equivalents	(80)	(543)	(536)	387	285	1,659	(1,576)	2,533

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(g) Summarised financial information of material non-controlling interests (continued)**

The summarised financial information (before intra-group elimination) of the Group's operating entities that have material non-controlling interests as are follows:
(continued)

	Crest Systems RM'000	Crest Analytic RM'000	Crest Nanosolutions RM'000	Matrix Optics RM'000	Matrix Innovations RM'000	Crest Innovation RM'000	Crest Thailand RM'000	Crest Suzhou RM'000
Summarised statement of financial position								
As at 31 December 2021								
Assets and liabilities:								
Non-current assets	1,189	4	373	1,483	249	271	791	94
Current assets	59,101	1,742	8,568	8,338	5,007	8,042	13,395	11,930
Non-current liabilities	(277)	(1)	*	(28)	(19)	(57)	(480)	-
Current liabilities	(33,142)	(167)	(1,036)	(2,564)	(3,302)	(5,896)	(10,761)	(8,209)
Net assets	26,871	1,578	7,905	7,229	1,935	2,360	2,945	3,815
Summarised statement of comprehensive income								
FYE 31 December 2021								
Revenue	89,573	2,811	5,910	11,985	3,359	9,789	27,385	19,512
Profit/(loss) for the financial year	9,187	170	480	1,791	510	957	(148)	1,596
Summarised cash flow information								
FYE 31 December 2021								
Assets and liabilities:								
Cash flows from/(used in) operating activities	11,287	676	4,529	2,022	1,348	1,686	656	(1,148)
Cash flows used in investing activities	(50)	-	-	(139)	(4)	(8)	(399)	(3)
Cash flows used in financing activities	(10,321)	(200)	(1,529)	(1,500)	-	(141)	(114)	-
Net increase/(decrease) in cash and cash equivalents	916	476	3,000	383	1,344	1,537	143	(1,151)

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****1. GENERAL INFORMATION (CONTINUED)****(g) Summarised financial information of material non-controlling interests (continued)**

The summarised financial information (before intra-group elimination) of the Group's operating entities that have material non-controlling interests as are follows:
(continued)

	Crest Analytic RM'000	Crest Nanosolutions RM'000	Matrix Optics RM'000	Matrix Innovations RM'000	Crest Innovation RM'000	Crest Thailand RM'000	Crest Suzhou RM'000
Summarised statement of financial position							
As at 31 December 2022							
Assets and liabilities:							
Non-current assets	2	7	1,017	328	129	1,163	280
Current assets	2,965	7,019	10,559	3,697	4,955	11,712	11,728
Non-current liabilities	(1)	*	-	(35)	-	(717)	(145)
Current liabilities	(1,387)	(1,632)	(3,052)	(1,227)	(2,132)	(11,210)	(7,071)
Net assets	1,579	5,394	8,524	2,763	2,952	948	4,792
Summarised statement of comprehensive income							
FYE 31 December 2022							
Revenue	1,644	8,620	14,428	5,752	8,847	15,423	19,610
Profit/(loss) for the financial year	1	1,490	2,396	828	466	(2,029)	1,146
Summarised cash flow information							
FYE 31 December 2022							
Assets and liabilities:							
Cash flows (used in)/from operating activities	(100)	1,600	27	(1,787)	(1,895)	1,361	2,242
Cash flows used in investing activities	-	(5)	(30)	(127)	(12)	(663)	(7)
Cash flows used in financing activities	-	(4,019)	(1,150)	-	(145)	(2,231)	-
Net (decrease)/increase in cash and cash equivalents	(100)	(2,424)	(1,153)	(1,914)	(2,052)	(1,533)	2,235

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**1. GENERAL INFORMATION (CONTINUED)****(g) Summarised financial information of material non-controlling interests (continued)**

The summarised financial information (before intra-group elimination) of the Group's operating entities that have material non-controlling interests as are follows:
(continued)

	Crest Analytic RM'000	Crest Nanosolutions RM'000	Crest Innovation RM'000	Crest Suzhou RM'000
Summarised statement of financial position				
As at 31 December 2023				
Assets and liabilities:				
Non-current assets	1	5	464	171
Current assets	3,151	6,728	13,166	19,235
Non-current liabilities	(1)	*	(222)	(45)
Current liabilities	(1,340)	(1,123)	(10,106)	(11,832)
Net assets	1,811	5,610	3,302	7,529
Summarised statement of comprehensive income				
FYE 31 December 2023				
Revenue	3,396	4,487	14,444	27,727
Profit for the financial year	234	216	1,295	2,628
Summarised cash flow information				
FYE 31 December 2023				
Assets and liabilities:				
Cash flows from operating activities	841	1,280	128	2,376
Cash flows used in investing activities	(1)	-	(71)	(18)
Cash flows used in financing activities	-	(19)	(1,236)	(138)
Net increase/(decrease) in cash and cash equivalents	840	1,261	(1,179)	2,220

* *Less than RM1,000*

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**1. GENERAL INFORMATION (CONTINUED)****(g) Summarised financial information of material non-controlling interests (continued)**

The summarised financial information (before intra-group elimination) of the Group's operating entities that have material non-controlling interests as are follows:
(continued)

	Crest Analytic RM'000	Crest Nanosolutions RM'000	Crest Innovation RM'000	Crest Suzhou RM'000
Summarised statement of financial position As at 30 April 2024				
Assets and liabilities:				
Non-current assets	1	1	431	140
Current assets	2,917	7,675	14,594	15,630
Non-current liabilities	(1)	-	(172)	-
Current liabilities	(1,006)	(1,767)	(11,510)	(7,186)
Net assets	<u>1,911</u>	<u>5,909</u>	<u>3,343</u>	<u>8,584</u>
Summarised statement of comprehensive income FPE 30 April 2024				
Revenue	1,444	3,015	970	9,434
Profit/(loss) for the financial period	<u>99</u>	<u>299</u>	<u>(87)</u>	<u>901</u>
Summarised cash flow information FPE 30 April 2024				
Assets and liabilities:				
Cash flows used in operating activities	(278)	(1,109)	(4,297)	(3,107)
Cash flows from/(used in) investing activities	-	33	(9)	(9)
Cash flows (used in)/from financing activities	-	(31)	3,022	(69)
Net decrease in cash and cash equivalents	<u>(278)</u>	<u>(1,107)</u>	<u>(1,284)</u>	<u>(3,185)</u>

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**2. BASIS OF PREPARATION**

The combined financial statements of Crest consist of the financial statements of the following entities under common control which is accounted using merger method of accounting (collectively hereinafter referred to as the "Group") for each of the financial year/period.

Entities under Common Control	FYE 31 December				FPE 30 April	
	2020	2021	2022	2023	2023	2024
Crest Systems	√, #	√, #	√, &	√, &	@	√, &
Crest Analytic	√, #	√, #	√, &	√, &	@	√, &
Crest Nanosolutions	√, #	√, #	√, &	√, &	@	√, &
Matrix Optics	√, #	√, #	√, &	√, &	@	√, &
Matrix Biosciences	√, #	√, #	√, &	√, &	@	√, &
Crest Lab	√, #	√, #	√, &	√, &	@	√, &
Matrix Innovations	√, #	√, #	√, &	√, &	@	√, &
Crest Innovation	α, +	α, +	α, +	α, +	β	α, +
Crest Upstar	α, +	α, +	α, +	α, +	β	α, +
Crest Thailand	α, +	α, +	α, +	α, +	β	α, +
Crest Suzhou	α, +	α, +	α, +	α, +	β	α, +

- √ *The combined financial statements of the Group include the financial statements of these operating entities prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and the International Financial Reporting Standards ("IFRSs") for the respective financial years/period.*
- α *The combined financial statements of the Group include the financial statements of these operating entities prepared in accordance with the International Financial Reporting Standards ("IFRSs") for the respective financial years/period.*
- # *The combined financial statements of the Group for FYE 31 December 2020 and 31 December 2021 have been prepared based on the audited financial statements which were re-audited by Baker Tilly Monteiro Heng PLT for the purpose of inclusion into the combined financial statements of the Group. The audited financial statements which were lodged with Companies Commission of Malaysia were audited by a firm of chartered accountants other than Baker Tilly Monteiro Heng PLT.*
- + *The combined financial statements of the Group for the respective financial years/period have been prepared based on the audited financial statements which were audited by an independent member firm of Baker Tilly International.*
- & *The combined financial statements of the Group for the financial year have been prepared based on the audited financial statements which were audited by Baker Tilly Monteiro Heng PLT.*
- @ *The combined statement of comprehensive income, combined statement of changes in equity, combined statement of cash flows and notes to the combined financial statements of the Group include the statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements of these combining entities prepared in accordance with the MFRSs and IFRSs for the respective financial period.*

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)**

β *The combined statement of comprehensive income, combined statement of changes in equity, combined statement of cash flows and notes to the combined financial statements of the Group include the statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements of these combining entities prepared in accordance with the IFRSs for the respective financial period.*

The audited financial statements of all the operating entities within the Group for the relevant years reported above were not subject to any modifications.

Combined financial statements of the Group for FYE 31 December 2020, FYE 31 December 2021, 31 December 2022, 31 December 2023 and FPE 30 April 2024

The combined financial statements of the Group for the relevant periods were prepared in a manner as if the entities under common control were operating as a single economic enterprise from the beginning of the earliest comparative period covered by the relevant period or the dates of incorporation of the entities within the Group, if later.

Entities under common control are entities which are ultimately controlled by the same parties and that control is not transitory ("commonly controlled entities"). Control exists when the same parties have, as a result of contractual agreements, ultimate collective power to govern the financial and operating policies of each of the commonly controlled entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory. The financial statements of commonly controlled entities are included in the combined financial statements from the day that control commences until the date that control ceases.

The financial information presented in the combined financial statements may not correspond to those in the combined financial statements of the Group had the relevant transactions to legally constitute a group been incorporated in the combined financial statements for the respective financial years. Such financial information in the combined financial statements does not purport to predict the financial position, results and the cash flows of the entities under common control for those financial years/period.

The combined financial statements are prepared under the historical cost convention except otherwise indicated in the material accounting policies.

The accounting policies applied by the Group are consistently applied for all the financial years/period presented in these combined financial statements.

2.1 Statement of compliance

The combined financial statements of the Group have been prepared in accordance with the MFRSs and IFRSs.

2.2 Adoption of amendments/improvements to MFRSs

The adoption of amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and did not result in significant changes to the Group's existing accounting policies.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)****2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective**

- (a) The Group has not adopted the following new MFRS and amendments to MFRSs that have been issued, but yet to be effective:

<u>New MFRS</u>		Effective for financial periods beginning on or after
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

- (b) The Group plans to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group are summarised below.

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.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****2. BASIS OF PREPARATION (CONTINUED)****2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)**

- (b) The Group plans to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group are summarised below. (continued)

Amendments to MFRS 121 The Effect of Changes in Foreign Exchange Rates

Amendments to MFRS 121 respond to the stakeholder feedback and concerns about diversity in practice in accounting for a lack of exchangeability between currencies.

Applying the Amendments, entities will be applying a consistent approach in determining if a currency can be exchanged into another currency. These amendments provide guidance on the spot exchange rate to use when a currency is not exchangeable into another currency and the disclosures entities need to provide to enable users of financial statements to understand the impact on the entities' financial performance, financial position and cash flows as a result of a currency being not exchangeable into another currency.

- (c) The initial application of the above applicable new MFRS and amendments to MFRSs are not expected to have any material impact on the combined financial statements.

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 combined financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been round to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The combined financial statements of the Group have been prepared on the historical cost basis, except as otherwise disclosed.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The Group has adopted the amendments to MFRS 101 *Presentation of Financial Statements* whereby an entity shall disclose material accounting policy information. Accounting policy information is material if, when considered together with other information in the Group's financial statements, it can reasonably be expected to influence decisions that the primary users make on the basis of those financial information.

The Group has early adopted the amendments to MFRS 101 to reporting periods before 1 January 2023. Accordingly, the Group disclosed its material accounting policy information in these combined financial statements. However, the amendments did not result in changes to the accounting policies of the Group.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years/period presented in the combined financial statements of the Group.

3.1 Basis of combination

The combined financial statements comprise the financial statements of Crest, Crest Systems, Crest Analytic, Crest Nanosolutions, Matrix Optics, Matrix Biosciences, Crest Lab, Matrix Innovations, Crest Innovation, Crest Upstar, Crest Thailand and Crest Suzhou. The financial statements used in the preparation of the combined financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(a) Subsidiaries and business combination

The Group applies the merger method of accounting.

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Under the merger method of accounting, the results of subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to reorganisation reserve or merger deficit.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.2 Financial instruments****Financial assets - subsequent measurement and gains and losses**Debt instruments at amortised cost

The Group subsequently measures 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 measurement and gains and losses

The Group classifies the financial liabilities at amortised cost.

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

3.3 Property, plant and equipment

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

Freehold land has an unlimited useful life and therefore is not depreciated. Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

All other property, plant and equipment (other than the right-of-use assets as disclosed in Note 3.4) are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Computer and software	3.33 - 10
Electrical fittings	5 - 10
Office equipment	5 - 10
Furniture and fittings	5 - 10
Renovation	5 - 10
Motor vehicles	4 - 5
Machine equipment	5 - 10
Demonstration units	5 - 10

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.4 Leases****(a) Lessee accounting**

The Group presents right-of-use assets that do not meet the definition of investment property as property, plant and equipment in Note 5 and lease liabilities as loans and borrowings in Note 14.

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.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

3.5 Inventories

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- finished goods: cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.6 Preference shares**

Preference shares are classified as equity if it is non-redeemable, and any dividend payments are discretionary. Dividends thereon are recognised as distributions within equity.

3.7 Revenue and other incomeFinancing components

The Group has applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components if 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.

(a) Sales of goods

The Company sells electronic microscopes and instruments to local and foreign customers. Revenue from sale of goods is recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

Sales are made with a credit term of 60 days to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present.

(b) Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously. This is determined based on the time elapsed (output method).

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Rental income

Rental income 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.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of combined 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 combined financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's accounting policies. Although these estimates and judgement 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 combined financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's combined financial statements within the next financial year are disclosed as follows:

(a) Determination of lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether they are reasonably certain to exercise the option to renew or terminate the lease. The Group considers all relevant factors that create an economic incentive for them to exercise the renewal or termination. After the commencement date, the Group reassessed the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

The carrying amounts of the Group's lease liabilities are disclosed in Note 14.

(b) Impairment of financial assets and contract assets

The impairment provisions for financial assets and contract assets are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's past history and existing market conditions at the end of each reporting period.

The assessment of the correlation between historical observed default rates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecast of economic conditions over the expected lives of the financial assets and contract assets. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the impairment losses on the Group's financial assets and contract assets are as disclosed in Note 26(b).

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT

Cost	Note	Computer and software RM'000	Electrical fittings RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Motor vehicles RM'000	Machine equipment RM'000	Demonstration units RM'000	Work-in-progress RM'000	Right-of-use assets RM'000	Total RM'000
At 1 January 2020		1,060	72	1,449	541	1,731	5,504	2,196	4,738	-	172	17,463
Additions		183	3	61	1	-	-	2,319	926	-	768	4,261
Disposals		(21)	-	-	-	-	-	(314)	(2,548)	-	(168)	(3,051)
Reclassification		15	3	(57)	24	10	-	(309)	314	-	-	-
Exchange difference		(5)	-	(4)	(2)	(3)	(1)	(28)	(3)	-	(11)	(57)
At 31 December 2020		1,232	78	1,449	564	1,738	5,503	3,864	3,427	-	761	18,616

Accumulated depreciation

At 1 January 2020		775	65	1,178	459	1,244	4,741	1,084	2,429	-	108	12,083
Depreciation charge for the financial year	20	194	2	72	22	98	426	489	632	-	358	2,293
Disposals		(14)	-	-	-	-	-	(22)	(1,373)	-	(168)	(1,577)
Reclassification		5	1	(23)	6	6	-	(261)	266	-	-	-
Exchange difference		(3)	-	(2)	(1)	(1)	(1)	(9)	(2)	-	(8)	(27)
At 31 December 2020		957	68	1,225	486	1,347	5,166	1,281	1,952	-	290	12,772

Carrying amount

At 1 January 2020		285	7	271	82	487	763	1,112	2,309	-	64	5,380
At 31 December 2020		275	10	224	78	391	337	2,583	1,475	-	471	5,844

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Computer and software RM'000	Electrical fittings RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Motor vehicles RM'000	Machine equipment RM'000	Demonstration units RM'000	Work-in-progress RM'000	Right-of-use assets RM'000	Total RM'000
Cost												
At 1 January 2021		1,232	78	1,449	564	1,738	5,503	3,864	3,427	-	761	18,616
Additions		68	-	11	1	-	-	138	57	-	260	535
Disposals		(8)	-	-	-	-	-	-	(55)	-	-	(63)
Exchange difference		(18)	-	(5)	(4)	(6)	6	(92)	5	-	2	(112)
At 31 December 2021		1,274	78	1,455	561	1,732	5,509	3,910	3,434	-	1,023	18,976
Accumulated depreciation												
At 1 January 2021		957	68	1,225	486	1,347	5,166	1,281	1,952	-	290	12,772
Depreciation charge for the financial year	20	130	2	66	21	96	279	749	452	-	351	2,146
Disposals		(7)	-	-	-	-	-	-	(55)	-	-	(62)
Exchange difference		(12)	-	(2)	(2)	(4)	1	(50)	3	-	8	(58)
At 31 December 2021		1,068	70	1,289	505	1,439	5,446	1,980	2,352	-	649	14,798
Carrying amount												
At 1 January 2021		275	10	224	78	391	337	2,583	1,475	-	471	5,844
At 31 December 2021		206	8	166	56	293	63	1,930	1,082	-	374	4,178

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Computer and software RM'000	Electrical fittings RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Motor vehicles RM'000	Machine equipment RM'000	Demonstration units RM'000	Work-in-progress RM'000	Right-of-use assets RM'000	Total RM'000
Cost												
At 1 January 2022		1,274	78	1,455	561	1,732	5,509	3,910	3,434	-	1,023	18,976
Additions		106	15	63	36	31	-	544	740	108	665	2,308
Disposals		-	-	-	-	-	-	(205)	-	-	-	(205)
Reclassification		-	-	(1)	-	-	-	1	-	-	-	-
Exchange difference	10	10	-	4	2	4	(5)	33	8	-	26	82
At 31 December 2022		1,390	93	1,521	599	1,767	5,504	4,283	4,182	108	1,714	21,161
Accumulated depreciation												
At 1 January 2022		1,068	70	1,289	505	1,439	5,446	1,980	2,352	-	649	14,798
Depreciation charge for the financial year	20	104	2	68	22	98	53	770	527	-	418	2,062
Disposals		-	-	-	-	-	-	(99)	-	-	-	(99)
Exchange difference		8	-	2	2	3	(5)	18	6	-	7	41
At 31 December 2022		1,180	72	1,359	529	1,540	5,494	2,669	2,885	-	1,074	16,802
Carrying amount												
At 1 January 2022		206	8	166	56	293	63	1,930	1,082	-	374	4,178
At 31 December 2022		210	21	162	70	227	10	1,614	1,297	108	640	4,359

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Computer and software RM'000	Electrical fittings RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Motor vehicles RM'000	Machine equipment RM'000	Demonstration units RM'000	Work-in-progress RM'000	Right-of-use assets RM'000	Total RM'000
Cost												
At 1 January 2023		1,390	93	1,521	599	1,767	5,504	4,283	4,182	108	1,714	21,161
Additions		218	66	157	124	273	1,218	156	103	-	855	3,170
Disposals		(23)	-	(36)	-	-	(1,635)	(28)	(13)	-	-	(1,735)
Written off		(64)	-	(44)	-	(36)	-	(208)	-	-	-	(352)
Reclassification		-	-	12	51	45	332	-	-	(108)	(332)	-
Exchange difference		19	-	13	5	9	16	86	7	-	72	227
At 31 December 2023		1,540	159	1,623	779	2,058	5,435	4,289	4,279	-	2,309	22,471
Accumulated depreciation												
At 1 January 2023		1,180	72	1,359	529	1,540	5,494	2,669	2,885	-	1,074	16,802
Depreciation charge for the financial year	20	110	7	70	33	103	20	867	417	-	457	2,084
Disposals		(23)	-	(33)	-	-	(1,635)	(3)	(11)	-	-	(1,705)
Written off		(63)	-	(40)	-	(32)	-	(217)	-	-	-	(352)
Reclassification		-	-	-	-	-	129	-	-	-	(129)	-
Exchange difference		16	-	10	4	7	12	52	7	-	46	154
At 31 December 2023		1,220	79	1,366	566	1,618	4,020	3,368	3,298	-	1,448	16,983

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computer and software Note	Electrical fittings RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Motor vehicles RM'000	Machine equipment RM'000	Demostration units RM'000	Work-in- progress RM'000	Right-of-use assets RM'000	Total RM'000
Carrying amount											
At 1 January 2023	210	21	162	70	227	10	1,614	1,297	108	640	4,359
At 31 December 2023	320	80	257	213	440	1,415	921	981	-	861	5,488

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Computer and software RM'000	Electrical fittings RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Motor vehicles RM'000	Machine equipment RM'000	Demonstration units RM'000	Work-in-progress RM'000	Right-of-use assets RM'000	Total RM'000
Cost												
At 1 January 2024		1,540	159	1,623	779	2,058	5,435	4,289	4,279	-	2,309	22,471
Additions		28	2	9	4	8	945	218	89	-	-	1,303
Disposals		(5)	-	-	-	-	(885)	-	(277)	-	-	(1,167)
Written off		-	-	-	-	-	-	-	-	-	-	-
Reclassification		-	-	-	-	-	-	-	-	-	-	-
Exchange difference		(7)	-	(4)	(2)	(4)	(12)	(62)	6	-	22	(63)
At 30 April 2024		1,556	161	1,628	781	2,062	5,483	4,445	4,097	-	2,331	22,544
Accumulated depreciation												
At 1 January 2024		1,220	79	1,366	566	1,618	4,020	3,368	3,298	-	1,448	16,983
Depreciation charge for the financial period	20	43	4	23	15	39	144	281	147	-	163	859
Disposals		(2)	-	-	-	-	(885)	-	(267)	-	-	(1,154)
Written off		-	-	-	-	-	-	-	-	-	-	-
Reclassification		-	-	-	-	-	22	-	-	-	(22)	-
Exchange difference		(5)	-	(3)	(2)	(5)	(4)	(43)	6	-	17	(39)
At 30 April 2024		1,256	83	1,386	579	1,652	3,297	3,606	3,184	-	1,606	16,649

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computer and software Note	Electrical fittings RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Motor vehicles RM'000	Machine equipment RM'000	Demostration units RM'000	Work-in- progress RM'000	Right-of-use assets RM'000	Total RM'000
Carrying amount											
At 1 January 2024	320	80	257	213	440	1,415	921	981	-	861	5,488
At 30 April 2024	300	78	242	202	410	2,186	839	913	-	725	5,895

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)****(a) Right-of-use assets**

Information about leases for which the Group is a lessee are presented below:

	Buildings RM'000	Motor vehicles RM'000	Total RM'000
Carrying amount			
At 1 January 2020	64	-	64
Additions	768	-	768
Disposal	*	-	*
Depreciation	(358)	-	(358)
Exchange difference	(3)	-	(3)
At 31 December 2020	471	-	471
Additions	260	-	260
Depreciation	(351)	-	(351)
Exchange difference	(6)	-	(6)
At 31 December 2021	374	-	374
Additions	348	317	665
Depreciation	(358)	(60)	(418)
Exchange difference	15	4	19
At 31 December 2022	379	261	640
Additions	855	-	855
Depreciation	(391)	(66)	(457)
Reclassification	-	(203)	(203)
Exchange difference	18	8	26
At 31 December 2023	861	-	861
Additions	-	-	-
Depreciation	(141)	(22)	(163)
Reclassification	-	22	22
Exchange difference	5	-	5
At 30 April 2024	725	-	725

* *Less than RM1,000*

The Group leases buildings for their office space and operations. The leases for the buildings generally have lease terms of 2 to 6 years.

The Group also leases certain motor vehicles with lease term of 5 years and has the option to purchase the assets at the end of the contract term.

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

6. DEFERRED TAX ASSETS/(LIABILITIES)

	At 1 January 2020	Recognised in profit or loss (Note 22)	At 31 December 2020	Recognised in profit or loss (Note 22)	At 31 December 2021	Recognised in profit or loss (Note 22)	At 31 December 2022	Recognised in profit or loss (Note 22)	Exchange difference	At 31 December 2023	Recognised in profit or loss (Note 22)	Exchange difference	At 30 April 2024
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Deferred tax assets:													
Property, plant and equipment	-	-	-	55	-	55	55	593	-	648	(34)	-	614
Unrealised profit	-	-	-	123	-	123	123	(106)	-	17	4	-	21
Provision for employee retirement benefit	-	-	-	-	-	-	-	130	-	130	3	-	133
Tax losses	-	-	-	-	-	-	-	-	-	-	16	-	16
Exchange difference	-	-	-	-	-	-	-	-	4	4	-	(6)	(2)
	-	-	-	178	-	178	178	617	4	799	(11)	(6)	782
Deferred tax liabilities:													
Property, plant and equipment	(160)	(15)	(175)	(44)	(219)	36	(183)	150	-	(33)	13	-	(20)
	(160)	(15)	(175)	(44)	(219)	214	(5)	767	4	766	2	(6)	762

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****7. TRADE AND OTHER RECEIVABLES**

	Note	← Audited as at →				
		31.12.2020 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	30.04.2024 RM'000
Non-current:						
Trade						
Trade receivables	(a)	-	369	34	-	-
Total trade receivables (non-current)		-	369	34	-	-
Current:						
Trade						
Trade receivables	(a)	22,450	33,793	34,351	32,740	26,800
Less: Impairment for trade receivables	(b)	(10)	(15)	(7)	(53)	(32)
		22,440	33,778	34,344	32,687	26,768
Non-trade						
Other receivables		642	645	153	465	3,255
Deposits		1,816	1,631	1,057	1,010	839
Prepayments		1,974	4,242	4,608	9,479	8,380
Amount owing by a related company	(c)	17,320	13,140	-	-	-
		21,752	19,658	5,818	10,954	12,474
Total trade and other receivables (current)		44,192	53,436	40,162	43,641	39,242
Total trade and other receivables (non-current and current)		44,192	53,805	40,196	43,641	39,242

(a) Trade receivables

Trade receivables are non-interest bearing and normal credit terms offered by the Group is 60 days to 90 days (31.12.2023, 31.12.2022, 31.12.2021 and 31.12.2020: 60 days to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****7. TRADE AND OTHER RECEIVABLES (CONTINUED)****(b) Receivables that are impaired**

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:

	←	←	Audited as at	→	→
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January	-	10	15	7	53
Charge for the financial year	10	4	-	46	-
Reversal	-	-	(8)	-	(23)
Exchange difference	*	1	*	*	2
	10	15	7	53	32

* *Less than RM1,000*

(c) Amount owing by a related company

Amount owing by a related company is unsecured, non-trade in nature, repayable on demand and is expected to be settled in cash.

The information about the credit exposures are disclosed in Note 26(b)(i).

8. INVENTORIES

	←	←	Audited as at	→	→
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
At cost:					
Trading goods	3,368	3,700	3,261	691	3,237
Finished goods	6,894	10,685	12,913	14,625	23,009
	10,262	14,385	16,174	15,316	26,246

The cost of inventories of the Group recognised as an expense in cost of sales during the financial years/period was RM36,528,373 (31.12.2023: RM112,976,973; 31.12.2022: RM132,659,047; 31.12.2021: RM106,719,523 and 31.12.2020: RM94,053,155).

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****9. CONTRACT ASSETS/(LIABILITIES)**

	←	Audited as at			→
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Contract assets relating to rendering of services	211	-	284	243	1,982
Contract liabilities relating to rendering of services	(1,418)	(2,327)	(1,103)	(11,067)	(9,716)

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

9. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

(a) Significant changes in contract balances

	Audited									
	FYE 31 December 2020		FYE 31 December 2021		FYE 31 December 2022		FYE 31 December 2023		FPE 30 April 2024	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities	Contract assets	Contract liabilities	Contract assets	Contract liabilities	Contract assets	Contract liabilities
	Increase/ (decrease) RM'000	(Increase)/ decrease RM'000	Increase/ (decrease) RM'000	(Increase)/ decrease RM'000	Increase/ (decrease) RM'000	(Increase)/ decrease RM'000	Increase/ (decrease) RM'000	(Increase)/ decrease RM'000	Increase/ (decrease) RM'000	(Increase)/ decrease RM'000
Revenue recognised that was included in contract liabilities at the beginning of the financial year/period	-	482	-	1,428	-	2,355	-	1,153	-	3,099
Increase due to value of services billed in advance to customer, but revenue not recognised	-	(1,432)	-	(2,325)	-	(1,104)	-	(11,067)	-	(1,473)
Increase due to revenue recognised for unbilled services transferred to customers	220	-	-	-	280	-	-	-	2,031	-
Transfer from contract assets recognised at the beginning of the financial year to receivables	-	-	(217)	-	-	-	(55)	-	(239)	-
Exchange differences	(9)	2	6	(12)	4	(27)	14	(50)	(53)	(275)

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****9. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)****(b) Revenue recognised in relation to contract balances**

	← Audited →				
	← FYE 31 December →				FPE 30 April
	2020	2021	2022	2023	2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue recognised that was included in contract liability at the beginning of the financial year	482	1,428	2,355	1,153	3,099
Exchange differences	(13)	(10)	(28)	(50)	(275)
	469	1,418	2,327	1,103	2,824

10. CASH AND SHORT-TERM DEPOSITS

	← Audited as at →				
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Cash in hand	23	22	19	15	17
Cash at bank	34,508	36,825	30,538	42,263	26,606
Short-term deposits	4,953	6,424	6,269	5,840	5,888
	39,484	43,271	36,826	48,118	32,511

For the purpose of the combined statements of cash flows, cash and cash equivalents comprise of the following:

	← Audited as at →				
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Short-term deposits	4,953	6,424	6,269	5,840	5,888
Less: Pledged deposits	(4,953)	(6,424)	(6,269)	(5,840)	(5,888)
	-	-	-	-	-
Cash and bank balances	34,531	36,847	30,557	42,278	26,623
	34,531	36,847	30,557	42,278	26,623

Included in the deposits placed with licensed banks of the Group amounting to RM5,887,712 (31.12.2023: RM5,840,112; 31.12.2022: RM6,268,936; 31.12.2021: RM6,424,075 and 31.12.2020: RM4,952,438) is pledged for credit facilities granted to the Group.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****11. INVESTED EQUITY**

Note	← Audited as at →				
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	Number of ordinary shares (Unit'000)				
Issued and fully paid-up (no par value):					
At beginning of the financial year/period	4,177	4,177	4,177	4,267	4,329
Shares issued upon incorporation	-	-	-	1	-
Change in ownership in interests in the operating entities	-	-	90	61	-
At end of the financial year/period	4,177	4,177	4,267	4,329	4,329

Note	← Audited as at →				
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Issued and fully paid-up (no par value):					
At beginning of the financial year/period	3,535	3,535	3,535	3,625	3,969
Shares issued upon incorporation	-	-	-	*	-
Change in ownership in interests in the operating entities	-	-	90	344	-
At end of the financial year/period	3,535	3,535	3,625	3,969	3,969

For the purpose of this report, the invested equity as at 31 December 2020, 31 December 2021, 31 December 2022, 31 December 2023 and 30 April 2024 represent the aggregate number of issued shares of all operating entities within the Group.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meeting of the Group. All ordinary shares rank equally with regards to the Group's residual assets.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**12. IRREDEEMABLE PREFERENCE SHARES**

On 21 September 2023, 62,449 preference shares at par value of THB100 with a premium of THB9.99 per preference shares were issued by Crest Thailand to a shareholder. The salient features of the preference shares are as follows:-

- (a) The preference shares carry voting rights 1 vote per 20 preference shares;
- (b) The preference shares are not redeemable at a fixed date; and
- (c) The preference shares carry a dividend of 3% of the par value of the preference shares in the event the company has a profit after the legal reserve and other necessary reserves have been completed without accumulated loss.

13. OTHER RESERVES

Note	←		Audited as at →		
	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	30.04.2024 RM'000
Exchange reserve (a)	421	627	660	1,124	1,158
Legal reserve (b)	-	-	-	10	138
	421	627	660	1,134	1,296

(a) Exchange reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

(b) Legal reserve

Under the provisions of the Civil and Commercial Code, Crest Thailand is required to set aside as legal reserve at least 5% of its net profit at each dividend declaration until the reserve reaches 10% of authorised capital. The reserve is not available for dividend distribution.

As at 30 April 2024, Crest Thailand had set aside of THB1,073,000 (31.12.2023: THB73,000; 31.12.2022, 31.12.2021 and 31.12.2020: THB Nil) (equivalent to RM137,963; 31.12.2023: RM9,617; 31.12.2022, 31.12.2021 and 31.12.2020: RM Nil) as legal reserve.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****14. LEASE LIABILITIES**

	←	←	Audited as at	→	→
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Non-current:					
Lease liabilities	536	243	310	1,507	1,989
Current:					
Lease liabilities	631	451	422	594	722
Total:					
Lease liabilities	1,167	694	732	2,101	2,711

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	←	←	Audited as at	→	→
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Minimum lease payments:					
- Not later than one year	674	477	480	684	831
- Later than one year and not later than five years	564	246	296	1,473	1,968
- Later than five years	-	-	-	168	224
	1,238	723	776	2,325	3,023
Less: Future finance charges	(71)	(29)	(44)	(224)	(312)
Present value of minimum lease payments	1,167	694	732	2,101	2,711
Present value of minimum lease payment:					
- Not later than one year	631	451	422	594	722
- Later than one year and not later than five years	536	243	310	1,181	1,775
- Later than five years	-	-	-	326	214
	1,167	694	732	2,101	2,711
Less: Amount due within twelve months	(631)	(451)	(422)	(594)	(722)
Amount due after twelve months	536	243	310	1,507	1,989

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****15. PROVISIONS**

	←	←	Audited as at	→	→
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Non-current:					
Liabilities					
Defined benefit pension plan	363	417	551	668	656
	<u>363</u>	<u>417</u>	<u>551</u>	<u>668</u>	<u>656</u>
	←	←	Audited as at	→	→
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
Note	RM'000	RM'000	RM'000	RM'000	RM'000
Included in profit or loss					
Defined benefit pension plan (a)	72	80	125	86	16
	<u>72</u>	<u>80</u>	<u>125</u>	<u>86</u>	<u>16</u>

(a) Defined benefit pension plan

The Group's defined benefit pension plan requires contributions to be made to a separately administered fund. This plan provides benefits to members in the form of a guaranteed level of pension payable in perpetuity. The level of benefits provided depends on members' salary bases, their years of services leading up to retirement and the employee's turnover rate.

The provision of defined benefit pension plan is based on management's best estimate of the expenditure required to settle present obligation according to Thailand's labor law. Employees are not required to contribute to the plans.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****15. PROVISIONS (CONTINUED)****(a) Defined benefit pension plan (continued)**Movement in the defined benefit liability

The following table illustrates a reconciliation of the net defined benefit liability and its components:

	Defined benefit liability RM'000
At 1 January 2020	296
Benefits expense	72
Effects of changes in foreign exchange rates	(5)
	<hr/>
At 31 December 2020	363
Benefits expense	80
Effects of changes in foreign exchange rates	(26)
	<hr/>
At 31 December 2021	417
Benefits expense	125
Effects of changes in foreign exchange rates	9
	<hr/>
At 31 December 2022	551
Benefits expense	86
Effects of changes in foreign exchange rates	31
	<hr/>
At 31 December 2023	668
Benefits expense	16
Effects of changes in foreign exchange rates	(28)
	<hr/>
At 30 April 2024	656
	<hr/>

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****16. TRADE AND OTHER PAYABLES**

		←—————		Audited as at	—————→	
	Note	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	30.04.2024 RM'000
Trade						
Trade payables	(a)	17,578	29,761	28,240	21,492	20,549
Non-trade						
Other payables		4,340	6,001	2,703	6,923	1,617
Accruals		4,740	4,062	4,922	4,070	3,473
Deposit		1,106	3,270	3,525	5,070	4,505
Amount owing to directors	(b)	7,919	7,179	-	-	-
Amount owing to shareholders	(b)	810	1,710	-	-	695
Amount owing to a related company	(b)	-	-	-	-	28
		18,915	22,222	11,150	16,063	10,318
Total trade and other payables		36,493	51,983	39,390	37,555	30,867

(a) Trade payables

Trade payables are non-interest bearing and the normal credit terms granted to the Group is 30 days to 90 days (31.12.2023, 31.12.2022, 31.12.2021 and 31.12.2020: 30 days to 90 days).

(b) Amount owing to directors, shareholders and a related company

Amount owing to directors, shareholders and a related company are non-trade in nature, unsecured, non-interest bearing, repayable upon demand and is expected to be settled in cash.

For explanation on the Group's liquidity risk management processes, refer to Note 26(b)(ii).

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****17. REVENUE**

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from contract customers:						
At a point in time:						
Sale of goods	93,162	119,261	141,368	159,785	40,885	41,739
Rental income	978	1,645	2,106	1,998	522	504
	<u>94,140</u>	<u>120,906</u>	<u>143,474</u>	<u>161,783</u>	<u>41,407</u>	<u>42,243</u>
Over time:						
Services rendered	30,285	27,504	26,728	25,836	8,116	7,580
	<u>124,425</u>	<u>148,410</u>	<u>170,202</u>	<u>187,619</u>	<u>49,523</u>	<u>49,823</u>

18. OTHER INCOME

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Interest income	290	360	229	496	169	146
Realised gain on foreign exchange	129	-	-	-	-	-
Unrealised gain on foreign exchange	-	-	403	632	346	363
Gain on disposal of property, plant and equipment	593	72	79	253	379	-
Rental income	168	168	221	102	-	34
Reversal of impairment loss on trade receivables	-	-	-	-	23	-
Reversal of inventories written off	-	-	100	-	-	-
Deposit forfeited	158	-	-	21	-	16
Government grant and subsidies	311	52	16	8	-	-
Other income from registered provident fund	22	87	20	32	7	-
Sponsorship	-	-	26	151	-	56
Miscellaneous	99	70	26	53	13	37
	<u>1,770</u>	<u>809</u>	<u>1,120</u>	<u>1,748</u>	<u>937</u>	<u>652</u>

19. FINANCE COST

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Interest expense on:						
- Lease liabilities	68	76	47	50	42	11

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****20. PROFIT BEFORE TAX**

Other than as disclosed elsewhere in the combined financial statements, the following items have been charged in arriving at profit before tax:

	Note	← Audited →				Audited	Unaudited
		← FYE 31 December →				FPE 30 April	
		2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Auditors' remuneration							
- current year		85	92	309	367	242	
- prior years		(2)	(3)	110	-	-	
Depreciation of property, plant and equipment	5	2,293	2,146	2,062	2,084	859	
Property, plant and equipment written off		-	-	-	*	-	
Loss on disposal of property, plant and equipment		3	*	-	-	-	
Inventories written off		-	32	29	-	-	
Employee benefits expense	21	19,787	19,218	16,035	20,744	7,632	
Rental expenses on:							
- Premises		30	30	30	-	-	
- Office		524	524	493	640	219	
Realised loss on foreign exchange		-	248	515	573	105	
Unrealised loss on foreign exchange		85	580	-	-	-	
Bad debts written off		-	-	115	-	-	
Impairment loss on trade receivables		10	4	(8)	46	-	
						2	

* Less than RM1,000

21. EMPLOYEE BENEFITS EXPENSE

	2020	2021	2022	2023	Audited	Unaudited				
					← FYE 31 December →				FPE 30 April	
					2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000				
Salaries, allowances and bonuses	17,475	16,980	14,090	18,292	6,804	5,709				
Defined contribution plans	1,974	1,838	1,796	2,070	640	603				
Other staff related benefits	338	400	149	382	188	308				
	19,787	19,218	16,035	20,744	7,632	6,620				

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****21. EMPLOYEE BENEFITS EXPENSE (CONTINUED)**

Included in employee benefits expenses are:

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Directors of the Company						
Executive Director:						
Salaries, allowances and bonuses	1,736	1,863	2,155	3,619	1,437	501
Defined contribution plans	281	280	295	494	183	88
Other staff related benefit	3	4	4	5	12	1
	2,020	2,147	2,454	4,118	1,632	590
Non-executive Director:						
Fees	275	278	-	-	-	-
Total directors' remuneration	2,295	2,425	2,454	4,118	1,632	590

22. INCOME TAX EXPENSE

The major components of income tax expense for the financial years ended 31 December 2020, 31 December 2021, 31 December 2022 and 31 December 2023 and the financial periods ended 30 April 2024 and 30 April 2023 are as follows:

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Combined statements of comprehensive income						
Current income tax:						
- Current income tax charge	3,089	4,938	5,560	6,598	1,095	1,108
- Adjustment in respect of prior years	115	*	(71)	539	-	-
	3,204	4,938	5,489	7,137	1,095	1,108
Deferred tax (Note 6):						
- (Reversal)/origination of temporary difference	(24)	(59)	(194)	(525)	448	-
- Adjustment in respect of prior years	39	103	(20)	(242)	(450)	-
	15	44	(214)	(767)	(2)	-
Income tax expense recognised in profit or loss	3,219	4,982	5,275	6,370	1,093	1,108

* Less than RM1,000

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****22. INCOME TAX EXPENSE (CONTINUED)**

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% of the estimated assessable profit for the financial years.

The income tax rate applicable to small and medium scale enterprise ("SME") incorporated in Malaysia with paid-up capital of RM2,500,000 and below and annual sales less than RM50,000,000 (31.12.2023, 31.12.2022, 31.12.2021 and 31.12.2020: RM50,000,000) is subject to the statutory income tax rate of 15% on chargeable income up to RM150,000; 17% on chargeable income from RM150,001 up to RM600,000 (31.12.2023, 31.12.2022, 31.12.2021 and 31.12.2020: 17% on chargeable income up to RM600,000). For chargeable income in excess of RM600,000 (31.12.2023, 31.12.2022, 31.12.2021 and 31.12.2020: RM600,000), statutory income tax rate of 24% (31.12.2023, 31.12.2022, 31.12.2021 and 31.12.2020: 24%) is still applicable.

The reconciliations from the tax amount at the statutory income tax rate to the Group's tax expenses are as follows:

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Profit before tax	16,721	22,354	23,258	26,466	4,023	4,831
Tax at Malaysian statutory income tax rate of 24%	4,013	5,365	5,582	6,352	965	1,159
Different rate in other countries	(178)	(340)	(58)	(221)	(8)	(89)
SME tax savings	(202)	(202)	(169)	(156)	(88)	(112)
Adjustments:						
- Income not subject to tax	(889)	(458)	(603)	(66)	(6)	(45)
- Non-deductible expenses	349	514	599	444	676	195
- Adjustment in respect of current income tax of prior years	115	*	(71)	539	-	-
- Adjustment in respect of deferred tax of prior years	39	103	(20)	(242)	(450)	-
- (Reversal)/Origination of temporary difference	(93)	4	(6)	-	-	-
- Deferred tax assets not recognised on previously unrecognised temporary differences	65	(4)	21	(280)	25	-
- Utilisation of previously unrecognised tax losses and temporary differences	-	-	-	-	(21)	-
Income tax expense	3,219	4,982	5,275	6,370	1,093	1,108

* *Less than RM1,000*

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****23. OTHER COMPREHENSIVE INCOME**

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Other comprehensive income						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange differences on translation of foreign operations	(180)	134	41	537	103	163

24. EARNINGS PER SHARE**Basic earnings per ordinary share and diluted earnings per ordinary share**

Basic earnings per ordinary share are based on the profit for the financial year/period attributable to owners of the Group and the weighted average number of ordinary shares outstanding during the financial year/period.

Diluted earnings per ordinary share are based on the profit for the financial year/period attributable to owners of the Group and the weighted average number of ordinary shares outstanding during the financial year/period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The basic and diluted earnings per ordinary share are computed as follow:

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Group	11,926	15,920	17,307	18,225	2,731	3,248
Weighted average number of ordinary shares for basic and diluted earnings per share ('000 units) ^	4,177	4,177	4,181	4,304	4,329	4,284
Basic and diluted earnings per share (RM)	2.86	3.81	4.14	4.23	0.63	0.76

^ For the purpose of calculating the earnings per ordinary share for the financial years ended 31 December 2020, 31 December 2021, 31 December 2022 and 31 December 2023 and financial periods ended 30 April 2024 and 30 April 2023, the weighted average number of ordinary shares is the aggregate share capital of the operating entities constituting the Group.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****25. DIVIDENDS**

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Recognised during the financial year:						
Dividends on ordinary shares:						
- Single-tier final dividend of THB90.03 per ordinary share in respect of the financial year ended 31 December 2023, paid on 28 May 2024	-	-	-	-	695	-
- Special final dividend of RM14.00 per ordinary share in respect of the financial year ended 31 December 2022, paid on 12 December 2023	-	-	-	14,000	-	-
- Single-tier final dividend of THB14.26 per ordinary share in respect of the financial year ended 31 December 2022, paid on 11 September 2023	-	-	-	113	-	-
- Single-tier final dividend of US\$6.04 per ordinary share in respect of the financial year ended 31 December 2022, paid on 24 March 2023	-	-	-	1,321	-	1,321
- Single-tier final dividend of RM10,000 per ordinary share in respect of the financial year ended 31 December 2022, paid on 15 December 2022	-	-	1,000	-	-	-
- Single-tier final dividend of RM2.20 per ordinary share in respect of the financial year ended 31 December 2021, paid on 3 March 2022	-	-	1,100	-	-	-
- Single-tier interim dividend of RM13.00 per ordinary share in respect of the financial year ended 31 December 2022, paid on 16 December 2022	-	-	13,000	-	-	-
- Single-tier interim dividend of RM1,500 per ordinary share in respect of the financial year ended 31 December 2022, paid on 15 December 2022	-	-	1,500	-	-	-
- Single-tier interim dividend of RM2.00 per ordinary share in respect of the financial year ended 31 December 2022, paid on 15 December 2022	-	-	1,000	-	-	-
- Single-tier interim dividend of RM6.00 per ordinary share in respect of the financial year ended 31 December 2021, paid on 13 January 2022	-	-	3,000	-	-	-

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****25. DIVIDENDS (CONTINUED)**

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Recognised during the financial year: (continued)						
Dividends on ordinary shares: (continued)						
- Single-tier final dividend of US\$153.21 per ordinary share in respect of the financial year ended 31 December 2022, paid on 16 December 2022	-	-	983	-	-	-
- Single-tier interim dividend of RM3.00 per ordinary share in respect of the financial year ended 31 December 2020, paid on 20 September 2021	-	1,500	-	-	-	-
- Single-tier interim dividend of RM1,000 per ordinary share in respect of the financial year ended 31 December 2020, paid on 1 September 2021	-	1,000	-	-	-	-
- Single-tier interim dividend of RM10.00 per ordinary share in respect of the financial year ended 31 December 2021, paid on 6 September 2021	-	10,000	-	-	-	-
- Single-tier interim dividend of RM0.40 per ordinary shares in respect of the financial year ended 31 December 2020, paid on 23 June 2021	-	200	-	-	-	-
- Single-tier interim dividend of US\$320.58 per ordinary share in respect of the financial year ended 31 October 2021, paid on 2 September 2021	-	2,015	-	-	-	-
- Single-tier interim dividend of US\$493.21 per ordinary share in respect of the financial year ended 31 October 2022, paid on 20 December 2021	-	3,100	-	-	-	-
- Single-tier final dividend of RM3.00 per ordinary share in respect of the financial year ended 31 December 2020, paid on 31 March 2021	-	1,500	-	-	-	-
- Single-tier final dividend of RM3.00 per ordinary share in respect of the financial year ended 31 December 2019, paid on 6 March 2020	1,500	-	-	-	-	-
	1,500	19,315	21,583	15,434	695	1,321

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS****(a) Categories of financial instruments**

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

	Carrying amount RM'000	Amortised cost RM'000
At 31 December 2020		
Financial assets		
Trade and other receivables, less prepayments	42,218	42,218
Cash and short-term deposits	39,484	39,484
	<u>81,702</u>	<u>81,702</u>
Financial liabilities		
Lease liabilities	(1,167)	(1,167)
Trade and other payables	(36,493)	(36,493)
	<u>(37,660)</u>	<u>(37,660)</u>
At 31 December 2021		
Financial assets		
Trade and other receivables, less prepayments	49,563	49,563
Cash and short-term deposits	43,271	43,271
	<u>92,834</u>	<u>92,834</u>
Financial liabilities		
Lease liabilities	(694)	(694)
Trade and other payables	(51,983)	(51,983)
	<u>(52,677)</u>	<u>(52,677)</u>
At 31 December 2022		
Financial assets		
Trade and other receivables, less prepayments	35,588	35,588
Cash and short-term deposits	36,826	36,826
	<u>72,414</u>	<u>72,414</u>
Financial liabilities		
Lease liabilities	(732)	(732)
Trade and other payables	(39,390)	(39,390)
	<u>(40,122)</u>	<u>(40,122)</u>

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(a) Categories of financial instruments (continued)**

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

	Carrying amount RM'000	Amortised cost RM'000
At 31 December 2023		
Financial assets		
Trade and other receivables, less prepayments	34,162	34,162
Cash and short-term deposits	48,118	48,118
	<u>82,280</u>	<u>82,280</u>
Financial liabilities		
Lease liabilities	(2,101)	(2,101)
Trade and other payables	(37,555)	(37,555)
	<u>(39,656)</u>	<u>(39,656)</u>
At 30 April 2024		
Financial assets		
Trade and other receivables, less prepayments	30,862	30,862
Cash and short-term deposits	32,511	32,511
	<u>63,373</u>	<u>63,373</u>
Financial liabilities		
Lease liabilities	(2,711)	(2,711)
Trade and other payables	(30,867)	(30,867)
	<u>(33,578)</u>	<u>(33,578)</u>

(b) Financial risk management

The Group's activities are exposed to a variety of financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and foreign currency risk. The Group's overall financial risk management objective is to optimise value for its shareholders. The Group does not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(i) Credit risk**

Credit risk is the risk of financial loss to the Group that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group is exposure to credit risk arises from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. The Group has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures.

The Group consider a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group in full, without taking into account any credit enhancements held by the Group; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting period, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI 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 that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(i) Credit risk (continued)****Trade receivables and contract assets**

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the combined statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group uses ageing analysis to monitor the credit quality of trade receivables. In managing credit risks of trade receivables, the Group also take appropriate actions (including but not limited to legal actions) to recover long past due balances.

Credit risk concentration profile

At the end of the reporting periods, the Group has no significant concentration of credit risk from its receivables.

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected credit losses provision for all 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 impairment losses also incorporate forward looking information.

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

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

	Contract assets RM'000	Current RM'000	Trade receivables					Total RM'000
			1 to 30 days past due RM'000	31 to 60 days past due RM'000	61 to 90 days past due RM'000	91 to 120 days past due RM'000	> 120 days past due RM'000	
At 31 December 2020								
Gross carrying amount at default	211	9,852	3,532	1,620	2,061	779	4,606	22,450
Impairment losses	-	-	-	-	-	-	(10)	(10)
Net balance	211	9,852	3,532	1,620	2,061	779	4,596	22,440
At 31 December 2021								
Gross carrying amount at default	-	20,505	8,985	1,509	1,773	816	574	34,162
Impairment losses	-	-	-	-	-	-	(15)	(15)
Net balance	-	20,505	8,985	1,509	1,773	816	559	34,147

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows: (continued)

	Contract assets RM'000	Current RM'000	Trade receivables					Total RM'000
			1 to 30 days past due RM'000	31 to 60 days past due RM'000	61 to 90 days past due RM'000	91 to 120 days past due RM'000	> 120 days past due RM'000	
At 31 December 2022								
Gross carrying amount at default	284	16,555	4,358	3,261	3,719	1,462	5,030	34,385
Impairment losses	-	-	-	-	-	-	(7)	(7)
Net balance	284	16,555	4,358	3,261	3,719	1,462	5,023	34,378
At 31 December 2023								
Gross carrying amount at default	243	18,310	5,233	1,678	3,211	1,555	2,753	32,740
Impairment losses	-	-	-	-	-	-	(53)	(53)
Net balance	243	18,310	5,233	1,678	3,211	1,555	2,700	32,687

14. ACCOUNTANTS' REPORT (Cont'd)

CREST GROUP BERHAD
Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows: (continued)

	Contract assets RM'000	Current RM'000	Trade receivables					Total RM'000
			1 to 30 days past due RM'000	31 to 60 days past due RM'000	61 to 90 days past due RM'000	91 to 120 days past due RM'000	> 120 days past due RM'000	
At 30 April 2024								
Gross carrying amount at default	1,982	7,400	5,285	4,431	3,285	1,944	4,455	26,800
Impairment losses	-	-	-	-	-	-	(32)	(32)
Net balance	1,982	7,400	5,285	4,431	3,285	1,944	4,423	26,768

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(i) Credit risk (continued)****Other receivables and other financial assets**

For other receivables and other financial assets (including cash and cash equivalents), the Group minimises credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group'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 combined statements of financial position.

The Group considers 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 compares 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. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- actual or expected significant changes in the operating results of the counterparty;
- significant increases in credit risk on other financial instruments of the same counterparty;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of counterparties in the group and changes in the operating results of the counterparty.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than credit terms in making a contractual payment.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(i) Credit risk (continued)****Other receivables and other financial assets (continued)**

Some intercompany balances between entities within the Group comprise loans or advances which are repayable on demand. The Company regularly monitors the financial performance and position of these entities on an individual basis. When these entities' financial performance and position deteriorates significantly, the Company assumes that there is a significant increase in credit risk, and thereby a lifetime expected credit loss assessment is necessary. As the Company is able to determine the timing of repayment of the loans or advances, the Company will consider the loans or advances to be in default when these entities are unable to pay based on the expected manner of recovery and recovery period. The Company determines the probability of default for these loans or advances using internally available information. The Company considers the loans or advances to be credit-impaired when the entities are unlikely to repay their debts.

As at the end of the reporting date, the Group consider the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations when they fall due. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities between financial assets and liabilities. The Group's exposure to liquidity risk arises principally from trade and other payables and lease liabilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group maintains sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group uses a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's finance department also ensures that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(ii) Liquidity risk**Maturity analysis

The maturity analysis of the Group's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

	Carrying amount RM'000	Contractual cash flows			Total RM'000
		On demand or within 1 year RM'000	Between 1 and 5 years RM'000	More than 5 years RM'000	
At 31 December 2020					
Trade and other payables	36,493	36,493	-	-	36,493
Lease liabilities	1,167	674	564	-	1,238
	37,660	37,167	564	-	37,731
At 31 December 2021					
Trade and other payables	51,983	51,983	-	-	51,983
Lease liabilities	694	477	246	-	723
	52,677	52,460	246	-	52,706
At 31 December 2022					
Trade and other payables	39,390	39,390	-	-	39,390
Lease liabilities	732	480	296	-	776
	40,122	39,870	296	-	40,166
At 31 December 2023					
Trade and other payables	37,555	37,555	-	-	37,555
Lease liabilities	2,101	684	1,473	168	2,325
	39,656	38,239	1,473	168	39,880
At 30 April 2024					
Trade and other payables	30,867	30,867	-	-	30,867
Lease liabilities	2,711	831	1,968	224	3,023
	33,578	31,698	1,968	224	33,890

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(iii) Foreign currency risk**

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when sales and purchases that are denominated in a foreign currency) and the Group's net investments in foreign operating entities.

The Group's unhedged financial assets that are not denominated in their functional currencies are as follows:

	← Audited as at →				
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Financial assets and (liabilities) not held in functional currencies:					
<u>Cash and short-term deposits</u>					
United States Dollar ("USD")	36	5,340	5,288	13,602	4,173
Singapore Dollar ("SGD")	724	1,769	2,996	1,662	737
Euro ("EUR")	-	659	-	682	670
Japanese Yen ("JPY")	-	237	-	703	712
British Pound ("GBP")	-	*	-	17	17
	760	8,005	8,284	16,666	6,309
<u>Trade and other receivables</u>					
USD	3,965	4,146	6,718	10,640	17,808
SGD	121	50	-	549	1,452
EUR	23	-	-	-	-
JPY	5	1,416	1,107	-	-
GBP	5	-	12	8	69
THB	1,880	108	273	-	-
	5,999	5,720	8,110	11,197	19,329

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(iii) Foreign currency risk (continued)**

The Group's unhedged financial assets that are not denominated in their functional currencies are as follows (continued):

	← Audited as at →				
	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.04.2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Financial assets and liabilities not held in functional currencies:					
<u>Trade and other payables</u>					
USD	(3,571)	(4,049)	(7,896)	(9,091)	(12,569)
SGD	(19)	(53)	(262)	(3,730)	(3,024)
EUR	(23)	-	-	(3)	-
JPY	(5)	(1,418)	(1,098)	(1,406)	(26)
GBP	-	-	-	(1)	(86)
Renminbi ("RMB")	(9)	(9)	(9)	(10)	-
THB	(1,858)	-	-	(356)	-
	<u>(5,485)</u>	<u>(5,529)</u>	<u>(9,265)</u>	<u>(14,597)</u>	<u>(15,705)</u>

* *Less than RM1,000*

Sensitivity analysis for foreign currency risk

The Group's principal foreign currency exposure relates mainly to USD, SGD, EUR, JPY and THB.

The following table demonstrates the sensitivity to a reasonable possible change in USD, SGD, EUR, JPY and THB, with all other variables held constant on the Group's total equity and profit for the financial years/period.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(iii) Foreign currency risk (continued)**Sensitivity analysis for foreign currency risk (continued)

	Change in rate %	Effect on profit and equity for the financial year RM'000
31 December 2020		
- USD	+10%	33
	-10%	(33)
- SGD	+10%	63
	-10%	(63)
- THB	+10%	2
	-10%	(2)
31 December 2021		
- USD	+10%	413
	-10%	(413)
- SGD	+10%	134
	-10%	(134)
- EUR	+10%	50
	-10%	(50)
- JPY	+10%	18
	-10%	(18)
- THB	+10%	8
	-10%	(8)
31 December 2022		
- USD	+10%	312
	-10%	(312)
- SGD	+10%	208
	-10%	(208)
- JPY	+10%	1
	-10%	(1)
- THB	+10%	21
	-10%	(21)

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****26. FINANCIAL INSTRUMENTS (CONTINUED)****(b) Financial risk management (continued)****(iii) Foreign currency risk (continued)**Sensitivity analysis for foreign currency risk (continued)

	Change in rate %	Effect on profit for the financial year/ period/equity RM'000
31 December 2023		
- USD	+10%	1,151
	-10%	(1,151)
- SGD	+10%	(115)
	-10%	115
- EUR	+10%	52
	-10%	(52)
- JPY	+10%	(53)
	-10%	53
- THB	+10%	(27)
	-10%	27
		<hr/>
30 April 2024		
- USD	+10%	715
	-10%	(715)
- SGD	+10%	(63)
	-10%	63
- EUR	+10%	51
	-10%	(51)
- JPY	+10%	52
	-10%	(52)
		<hr/>

(c) Fair value measurement

The carrying amount of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There have been no material transfers between Level 1, Level 2 and Level 3 during the financial years/period.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****27. RELATED PARTIES****(a) Identity 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 include:

- (i) Entities in which directors have interests; and
- (ii) Key management personnel of the Group, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly and indirectly.

(b) Significant related party transactions

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Sale of goods						
Entities in which directors have interests	276	-	-	-	-	-
Purchase of goods						
Entities in which directors have interests	1,200	1,020	450	-	-	-
Rental expense						
Entities in which directors have interests	166	166	166	447	210	133

(c) Compensation of key management personnel

	← Audited →				Audited	Unaudited
	← FYE 31 December →				FPE 30 April	
	2020	2021	2022	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Directors' fees	275	278	-	-	-	-
Salaries, allowances and bonuses	1,736	1,863	2,155	3,619	1,437	501
Defined contribution plans	281	280	295	494	183	88
Other staff related benefits	3	4	4	5	12	1
	2,295	2,425	2,454	4,118	1,632	590

Significant outstanding balances with related parties at the end of the reporting periods are disclosed in Notes 7 and 16.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****28. CAPITAL MANAGEMENT**

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholders' value.

The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group 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 financial years ended 31 December 2020, 31 December 2021, 31 December 2022 and 31 December 2023 and financial period ended 30 April 2024.

The Group monitors capital using gearing ratio. The gearing ratio is calculated as total debts divided by total equity. The Group's policy is to keep the gearing ratio within reasonable levels. The gearing ratio as at 31 December 2020, 31 December 2021, 31 December 2022, 31 December 2023 and 30 April 2024 are as follows:

	Note	← Audited as at →				
		31.12.2020 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	30.04.2024 RM'000
Lease liabilities/total debts	14	1,167	694	732	2,101	2,711
Total equity		59,763	57,954	54,395	60,572	62,910
Gearing ratio (times)		0.02	0.01	0.01	0.03	0.04

There were no changes in the Group's approach to capital management during the financial years/period under review.

Certain entities in the Group are required to maintain gearing ratios of not more than 1.5 to 2.5 to comply with bank covenants. The entities have not breached these covenants during the financial years/period.

29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIOD**(a) Coronavirus Disease ("COVID-19") pandemic**

On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak as a pandemic in recognition of its rapid spread across the globe. Many countries including the Malaysian Government had imposed the Movement Control Order ("MCO") to curb the spread of the COVID-19 pandemic. The COVID-19 pandemic also resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the COVID-19 pandemic since early 2020 has brought significant economic uncertainties in Malaysia and markets in which the Group operates.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIOD (CONTINUED)****(a) COVID-19 pandemic (continued)**

The Group has performed an assessment of the overall impact of the situation on the Group's operations and financial implications, including the recoverability of the carrying amount of assets and subsequent measurements of assets and liabilities and concluded that there was no material adverse effects on the financial statements for the financial years ended 31 December 2020, 31 December 2021 and 31 December 2022.

(b) Acquisitions of subsidiaries**(i) Acquisitions of Crest Systems, Crest Analytic, Matrix Optics, Crest Lab and Matrix Innovations**

On 17 January 2024, Crest had entered into a conditional share sale agreement for the following:

- (a) acquisition of the entire issued share capital of Crest Systems of RM1,000,000 comprising 1,000,000 ordinary shares from the shareholders of Crest Systems for a total purchase consideration of RM12,680,062 to be satisfied entirely via the allotment and issuance of 253,601,240 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM12,680,062 was arrived at after taking into consideration of the audited net assets ("NA") of Crest Systems as at 31 December 2022 and deducting dividends;

- (b) acquisition of 70% of the issued share capital of Crest Analytic of RM350,000 comprising 350,000 ordinary shares from the shareholders of Crest Analytic for a total purchase consideration of RM1,105,030 to be satisfied entirely via the allotment and issuance of 22,100,600 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM1,105,030 was arrived at after taking into consideration of the audited NA of Crest Analytic as at 31 December 2022;

- (c) acquisition of the entire issued share capital of Matrix Optics of RM500,000 comprising 500,000 ordinary shares from the shareholders of Matrix Optics for a total purchase consideration of RM8,524,849 to be satisfied entirely via the allotment and issuance of 170,496,980 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM8,524,849 was arrived at after taking into consideration of the audited NA of Matrix Optics as at 31 December 2022;

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIOD (CONTINUED)****(b) Acquisitions of subsidiaries (continued)**

- (i) Acquisitions of Crest Systems, Crest Analytic, Matrix Optics, Crest Lab and Matrix Innovations (continued)

On 17 January 2024, Crest had entered into a conditional share sale agreement for the following: (continued)

- (d) acquisition of the entire issued share capital of Crest Lab of RM1,000 comprising 1,000 ordinary shares from the shareholders of Crest Lab for a total purchase consideration of RM911,459 to be satisfied entirely via the allotment and issuance of 18,229,180 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM911,459 was arrived at after taking into consideration of the audited NA of Crest Lab as at 31 December 2022; and

- (e) acquisition of the entire issued share capital of Matrix Innovations of RM100,000 comprising 100,000 ordinary shares from the shareholders of Matrix Innovations for a total purchase consideration of RM2,762,879 to be satisfied entirely via the allotment and issuance of 55,257,580 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM2,762,879 was arrived at after taking into consideration of the audited NA of Matrix Innovations as at 31 December 2022.

The acquisitions were completed on 8 August 2024.

- (ii) Acquisitions of Crest Nanosolutions

On 17 January 2024, Crest had entered into a conditional share sale agreement for the acquisition of the entire issued share capital of Crest Nanosolutions of RM500,000 comprising 500,000 ordinary shares from the shareholders of Crest Nanosolutions for a total purchase consideration of RM5,393,837 to be satisfied entirely via the allotment and issuance of 107,876,740 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM5,393,837 was arrived at after taking into consideration of the audited NA of Crest Nanosolutions as at 31 December 2022.

The acquisition was completed on 8 August 2024.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIOD (CONTINUED)****(b) Acquisitions of subsidiaries (continued)****(iii) Acquisition of Matrix Biosciences**

On 17 January 2024, Crest had entered into a conditional share sale agreement for the acquisition of the entire issued share capital of Matrix Biosciences of RM100 comprising 100 ordinary shares from the shareholders of Matrix Biosciences for a total purchase consideration of RM3.

The purchase consideration of RM3 was arrived at based on nominal value of RM3. The purchase consideration of Matrix Biosciences is RM3 as the company is inactive.

The acquisition was completed on 8 August 2024.

(iv) Acquisition of Crest Innovation

On 17 January 2024, Crest had entered into a conditional sale and purchase agreement for the acquisition of 70% of the issued share capital of Crest Innovation of USD29,700 (equivalent to RM97,015) comprising 40,000 ordinary shares from the shareholders of Crest Innovation for a total purchase consideration of RM1,123,777 to be satisfied entirely via the allotment and issuance of 22,475,540 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM1,123,777 was arrived at after taking into consideration of the audited NA of Crest Innovation as at 31 December 2022 and deducting dividends.

The acquisition was completed on 8 August 2024.

(v) Acquisition of Crest Upstar

On 17 January 2024, Crest had entered into a conditional sale and purchase agreement for the acquisition of the entire issued share capital of Crest Upstar of USD1,114 (equivalent to RM3,511) comprising 1,500 ordinary shares from the shareholders of Crest Upstar for a total purchase consideration of SGD3 (equivalent to approximately RM10).

The purchase consideration of SGD3 (equivalent to approximately RM10) was arrived at after taking into consideration of the audited NA of Crest Upstar as at 31 December 2022. The purchase consideration of Crest Upstar is SGD3 (equivalent to approximately RM10) as the company is inactive.

The acquisition was completed on 8 August 2024.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****29. SIGNIFICANT EVENTS DURING THE FINANCIAL YEARS/PERIOD (CONTINUED)****(b) Acquisitions of subsidiaries (continued)****(vi) Acquisition of Crest Thailand**

On 17 January 2024, Crest had entered into a conditional share sale agreement for the acquisition of 100% of the ordinary shares of Crest Thailand of THB6,000,000 (equivalent to RM615,678) comprising 60,000 ordinary shares from the shareholders of Crest Thailand for a total purchase consideration of RM409,375 to be satisfied entirely via the allotment and issuance of 8,187,500 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM409,375 was arrived at after taking into consideration of the audited NA of Crest Thailand as at 31 December 2022 and deducting dividends.

The acquisition was completed on 8 August 2024.

(vii) Acquisition of Crest Suzhou

On 17 January 2024, Crest had entered into a conditional equity transfer agreement for the acquisition of 80% of the equity interest of Crest Suzhou of RMB1,800,000 (equivalent to RM826,380) from the shareholders of Crest Suzhou for a total purchase consideration of RM3,833,317 to be satisfied entirely via the allotment and issuance of 76,666,340 new Crest Shares at an issue price of RM0.05 per Crest Share.

The purchase consideration of RM3,833,317 was arrived at after taking into consideration of the audited NA of Crest Suzhou as at 31 December 2022.

The acquisition was completed on 8 August 2024.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****30. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD****Dividends declared**

On 17 May 2024, Crest Innovation declared a single-tier final dividend of US\$1.49 per ordinary share in respect of the financial year ended 31 December 2023, paid on 12 July 2024.

On 10 June 2024, Crest Systems declared a single-tier final dividend of RM3.53 per ordinary share in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Crest Analytic declared a single-tier final dividend of RM0.14 per ordinary share in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Crest Nanosolutions declared a single-tier final dividend of RM0.13 per ordinary share in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Matrix Optics declared a single-tier final dividend of RM1.15 per ordinary share in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Crest Lab declared a single-tier final dividend of RM166.49 per ordinary share in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

On 10 June 2024, Matrix Innovations declared a single-tier final dividend of RM1.06 per ordinary share in respect of the financial year ended 31 December 2023, paid on 11 June 2024.

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****31. SEGMENT INFORMATION**

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by directors for the purpose of making decisions about resource allocation and performance assessment. For management purposes, the Group is organised into business units based on the type of customers for its services.

The two reportable operating segments are as follows:

Segments	Product and services
Provision of imaging, analytical and test solutions	Offers pre-sales consulting, sale and customisation of equipment, installation and commissioning and user-training
Provision of after-sales services	Offers technical support and maintenance and sale of spare parts and consumables

Segment assets and liabilities

Segment assets and liabilities are not included in the internal reports that are reviewed by the directors, hence no disclosures are made on segment assets and liabilities.

Inter-segment pricing is determined on negotiated basis.

	Provision of imaging, analytical and test solutions RM'000	Provision of after-sales service RM'000	Total RM'000
31 December 2020			
Revenue:			
Revenue from external customers	91,752	32,673	124,425
Segment profit	23,377	13,177	36,554
Other income			1,770
Unallocated expenses			(21,535)
Finance cost			(68)
Income tax expense			(3,219)
Profit for the financial year			13,502
Results:			
<i>Included in the measure of segments profit are:</i>			
Employee benefits expense			(19,787)
Depreciation of property, plant and equipment			(2,293)

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****31. SEGMENT INFORMATION (CONTINUED)**Segment assets and liabilities (continued)

	Provision of imaging, analytical and test solutions RM'000	Provision of after-sales service RM'000	Total RM'000
31 December 2021			
Revenue:			
Revenue from external customers	115,920	32,490	148,410
Segment profit	31,917	11,469	43,386
Other income			809
Unallocated expenses			(21,765)
Finance cost			(76)
Income tax expense			(4,982)
Profit for the financial year			17,372
Results:			
<i>Included in the measure of segments profit are:</i>			
Employee benefits expense			(19,218)
Depreciation of property, plant and equipment			(2,146)

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****31. SEGMENT INFORMATION (CONTINUED)**Segment assets and liabilities (continued)

	Provision of imaging, analytical and test solutions RM'000	Provision of after-sales service RM'000	Total RM'000
31 December 2022			
Revenue:			
Revenue from external customers	142,239	27,963	170,202
Segment profit	36,210	9,491	45,701
Other income			1,120
Unallocated expenses			(23,516)
Finance cost			(47)
Income tax expense			(5,275)
Profit for the financial year			17,983
Results:			
<i>Included in the measure of segments profit are:</i>			
Employee benefits expense			(16,035)
Depreciation of property, plant and equipment			(2,062)

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****31. SEGMENT INFORMATION (CONTINUED)**Segment assets and liabilities (continued)

	Provision of imaging, analytical and test solutions RM'000	Provision of after-sales service RM'000	Total RM'000
31 December 2023			
Revenue:			
Revenue from external customers	159,442	28,177	187,619
Segment profit	43,637	9,893	53,530
Other income			1,748
Unallocated expenses			(28,762)
Finance cost			(50)
Income tax expense			(6,370)
Profit for the financial year			20,096
Results:			
<i>Included in the measure of segments profit are:</i>			
Employee benefits expense			(20,744)
Depreciation of property, plant and equipment			(2,084)

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****31. SEGMENT INFORMATION (CONTINUED)**Segment assets and liabilities (continued)

	Provision of imaging, analytical and test solutions RM'000	Provision of after-sales service RM'000	Total RM'000
30 April 2024			
Revenue:			
Revenue from external customers	40,143	9,380	49,523
Segment profit	10,399	3,014	13,413
Other income			937
Unallocated expenses			(10,286)
Finance cost			(42)
Income tax expense			(1,093)
Profit for the financial period			2,929
Results:			
<i>Included in the measure of segments profit are:</i>			
Employee benefits expense			(7,632)
Depreciation of property, plant and equipment			(859)

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****31. SEGMENT INFORMATION (CONTINUED)**Segment assets and liabilities (continued)

	Provision of imaging, analytical and test solutions RM'000	Provision of after-sales service RM'000	Total RM'000
30 April 2023			
Revenue:			
Revenue from external customers	41,384	8,439	49,823
Segment profit	10,350	2,719	13,069
Other income			652
Unallocated expenses			(8,879)
Finance cost			(11)
Income tax expense			(1,108)
Profit for the financial period			3,723
Results:			
<i>Included in the measure of segments profit are:</i>			
Employee benefits expense			(6,620)
Depreciation of property, plant and equipment			(671)

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**

Accountants' Report

NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)**31. SEGMENT INFORMATION (CONTINUED)**Geographical information

Revenue and non-current assets information based on the geographical location of customers are as follows:

	Revenue RM'000	Non-current assets RM'000
31 December 2020		
Malaysia	61,697	4,210
China	23,045	242
Thailand	25,812	1,235
Singapore	11,151	157
Others	2,720	-
	<u>124,425</u>	<u>5,844</u>
31 December 2021		
Malaysia	67,862	3,391
China	29,127	94
Thailand	37,932	791
Singapore	11,262	271
Others	2,227	-
	<u>148,410</u>	<u>4,547</u>
31 December 2022		
Malaysia	79,933	2,821
China	47,838	280
Thailand	29,733	1,163
Singapore	9,886	129
Others	2,812	-
	<u>170,202</u>	<u>4,393</u>
31 December 2023		
Malaysia	70,538	3,733
China	45,035	171
Thailand	50,860	1,120
Singapore	16,305	464
Others	4,881	-
	<u>187,619</u>	<u>5,488</u>

14. ACCOUNTANTS' REPORT (Cont'd)**CREST GROUP BERHAD**
Accountants' Report**NOTES TO THE COMBINED FINANCIAL STATEMENTS (CONTINUED)****31. SEGMENT INFORMATION (CONTINUED)**Geographical information (continued)

Revenue and non-current assets information based on the geographical location of customers are as follows: (continued)

	Revenue RM'000	Non-current assets RM'000
30 April 2024		
Malaysia	25,399	4,381
China	9,572	140
Thailand	8,622	943
Singapore	2,556	431
Others	3,374	-
	49,523	5,895

15. ADDITIONAL INFORMATION

15.1 SHARE CAPITAL

- (i) The share capital of our Company and our subsidiaries as at the LPD and changes in their respective share capital for the Financial Years Under Review and up to the LPD are set out in Sections 6.4 and 6.5 of this Prospectus.
- (ii) No securities will be allotted, issued or offered on the basis of this Prospectus later than 6 months after the date of issue of this Prospectus.
- (iii) As at the date of this Prospectus, we have only one class of shares in our Company, namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.
- (iv) Save for the new Shares issued pursuant to the Acquisitions as disclosed in Section 6.2 of this Prospectus and the outstanding registered capital of Crest Suzhou as disclosed in Section 6.5.10, no shares, debentures, outstanding warrants, options or convertible securities or uncalled capital of our Company or any of our subsidiaries have been issued or proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the 3 years preceding the LPD.
- (v) As at the date of this Prospectus, save for our Pink Form Shares as disclosed in Section 4.3.1(ii) of this Prospectus, there is currently no other scheme involving our Directors and employees in the share capital of our Company or any of our subsidiaries.
- (vi) None of the share capital of our Company or any of our subsidiaries is under option or agreed conditionally or unconditionally to be put under option, as at the date of this Prospectus.

15.2 EXTRACTS OF OUR CONSTITUTION

The following provisions are extracted from our Constitution which complies with the Listing Requirements, the Act and the Rules of Bursa Depository. The words, terms and expressions appearing in the following provisions will bear the same meanings used in our Constitution unless they are otherwise defined herein or the context otherwise requires.

15.2.1 Director's remuneration

Clause 105(g) – Alternate Director

“(g) An Alternate Director shall not be entitled to receive remuneration otherwise than out of the remuneration of the Director appoint him.”

Clause 106 – Directors' remuneration

“The Directors shall be paid by way of remuneration for their services, such fees and any other benefits payable to such directors (if any) subject to annual shareholder approval at General Meeting and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine, PROVIDED ALWAYS that:

- (a) save as provided in this Clause 106(a) hereof, an executive Director shall, subject to the terms and any agreement (if any) entered into any particular case, receive such remuneration as the Directors may determine. All remuneration, other than the fees provided for in this Clause 106(a) hereof, payable to the non-executive Directors shall be determined by a resolution of the Company in General Meeting;

15. ADDITIONAL INFORMATION (Cont'd)

- (b) fees payable to Non-Executive Directors shall be a fixed sum, and not by a commission on or percentage of profits or turnover;
- (c) salaries payable to Executive Directors may not include a commission or on percentage of turnover;
- (d) fees and any benefits payable to Directors shall be subject to annual shareholder approval at a General Meeting, where notice of the proposed increase has been given in the notice convening the meeting; and
- (e) the fees and / or benefits payable to Non-Executive Directors who are also Director(s) of the subsidiaries include but are not limited to directors' fees, meeting allowances, travelling allowances and benefits, but does not include insurance premium or any issue of securities."

Clause 107 – Reimbursement of expenses

"The Directors shall be paid all their travelling and other expenses properly and necessary expended by them in and about the business of the Company including their travelling and other expenses incurred in attending Board of Directors' Meeting or any committee meeting of the Directors or General Meeting of the Company."

Clause 108

"If any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company as a member of a committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or otherwise (other than by a sum to include a commission on or percentage of turnover) as may be determined by the Board in General Meeting and such remuneration may be either in addition to or in substitution for his or their share in the remuneration from time to time provided for the Directors. Extra remuneration payable to Non-Executive Director(s) shall not include a commission or percentage of turnover or profits."

Clause 115 - Power to maintain Pension or Fund

"The Directors may establish or arrange any contributory or non-contributory pension superannuation fund or life assurance scheme for the benefit of, or pay a gratuity, pension or emolument to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a Director or other officer of and holds or has held salaried employment in the Company or any such subsidiary, and to widow, family or dependents of any such person. The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any such subsidiary or any such persons as aforesaid and make payments for or towards any hospital or scholastic expenses, and make payments for or towards any hospital or any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only, where the provisions of the Act requires, to proper disclosure to the Members and the approval of the Company in General Meeting."

Clause 149 – Managing Director

"The remuneration of the Managing Director shall, subject to the terms of any agreement entered into in any particular case may be by way of salary or commission or participation in profits or otherwise or by any or all of these modes but such remuneration shall not include a commission on or percentage of turnover but it may be a term of their appointment that they shall receive pension, gratuity or other benefits upon their retirement."

15. ADDITIONAL INFORMATION (Cont'd)

15.2.2 Voting and Borrowing powers of DirectorsClause 113 – Directors' borrowing power and issue debentures

"The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures and other Securities whether outright or as security for any debt, liability or obligation of the Company or any person or persons or of any company, whether or not having powers or engaged or intending to engage in business similar to those of the Company, including (without limitation) any company which is for the time being associated or allied with the Company in business or which is the holding company or a subsidiary (as defined in Section 4 of the Act) or an associated company."

Clause 129 – Chairman to have casting vote

"Subject to this Constitution any question arising at any meeting of Directors shall be decided by a majority of votes and a determination by a majority of Directors shall for all purposes be deemed a determination of the Directors. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote except where the quorum is made up of only two (2) Directors and only such a quorum is present at the meeting or where only two (2) Directors are competent to vote on the question at issue."

Clause 133 - Restriction on voting

"A Director shall not vote in regard to any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest. Without prejudice to the generality of the foregoing, a Director shall also not vote in regard to any contract or proposed contract or arrangement with any other company in which he is interested either as an officer of that other company or as a holder of shares or other securities in that other company."

Clause 134 - Director may vote on the giving of security or indemnity where he is interested

"Subject to Clause 133, a Director may vote in respect of:

- (a) any arrangement for giving the Director himself or any other Director any security or indemnity in respect of money lent by him to or obligations undertaken by him for the benefit of the Company; and
- (b) any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which the Director himself or any other Director has assumed responsibility in whole or in part under a guarantee or indemnity or by a deposit of security.

By Ordinary Resolution of the Company, the provisions of this Clause may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction, and any particular contract, arrangement or transaction carried out in contravention of this Clause may be ratified."

15. ADDITIONAL INFORMATION (Cont'd)Clause 135

“A Director of the Company may be or become a director or other officer of or otherwise interested in any corporation promoted by the Company or in which the Company may be interested as shareholder or otherwise or any corporation which is directly and indirectly interested in the Company as shareholder or otherwise and no such Director shall be accountable to the Company for any remuneration or other benefit received by him as a director or officer of, or from his interest in, such corporation unless the Company otherwise directs at the time of his appointment. The Directors may exercise the voting power conferred by the shares or other interest in any such other corporation held or owned by the Company, or exercisable by them as Directors of such other corporation, in such manner and in all aspects as they may think fit (including the exercise thereof in any favour of any resolution appointing themselves or any of the Directors or other officers of such corporation), and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be or is about to be appointed a director or other officer of such corporation and as such is or may become interested in the exercise of such voting rights in the manner aforesaid.”

15.2.3 Changes in share capital, rights, preferences, restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights and variation of class rightsClause E

“The share capital of the Company is its issued share capital. The capital of the Company may be increased and the shares in the capital for the time being either forming part of the original capital or of any increase thereof may be divided from time to time into several classes and there may be attached to any of such shares such preferential deferred qualified or special rights privileges or conditions or restrictions as to dividend, capital, voting or otherwise as may be determined upon by or in accordance with this Constitution. The Company shall have power to issue shares at any time and any part of the capital may be issued as fully or partly paid up, and every issue of shares shall (unless the conditions of issue shall otherwise expressly declare) be subject to the foregoing provisions.”

Clause 5 – Allotment of Shares and power to issue Shares

“Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares and subject to the provisions of this Constitution, the Act and the provisions of any resolution of the Company, shares in the Company may be issued by the Directors, who may allot, or otherwise dispose of such shares to such persons, on such terms and conditions, with such preferred, deferred or other special rights, limited or conditional voting rights and subject to such restrictions and at such times as the Directors may determine but the Directors in making any issue of shares shall comply with the following conditions:-

- (a) in the case of shares of a class, other than ordinary shares, no special rights shall be attached until the same have been expressed in this Constitution and in the resolution creating the same;
- (b) every issue of shares or options to Directors and/or employees shall be approved by Members in General Meeting and such approval shall specifically detail the amount of shares or options to be issued to such Directors and/or employees;

15. ADDITIONAL INFORMATION (Cont'd)

- (c) except in the case an issue of securities on a pro rata basis to shareholders or pursuant to a back-to-back placement undertaken in compliance with the Listing Requirements or pursuant to a dividend reinvestment scheme, a Director of the Company shall not participate, directly or indirectly, in an issue of ordinary shares or other securities with rights of conversion to ordinary shares or in a share issuance scheme unless the shareholders of the Company in General Meeting have approved the specific allotment to be made to the Director and the Director has abstained from voting on the relevant resolution;
- (d) without limiting the generality of Section 76 of the Act, the Company must not issue any ordinary shares or other securities with rights of conversion to ordinary shares if the total number of those shares or securities, when aggregated with the total number of any such shares or securities which the Company has issued during the preceding twelve (12) months, exceeds ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company, except where the shares or securities are issued with the prior shareholder approval in a General Meeting of the precise terms and conditions of the issue; and
- (e) in working out the number of shares or securities that may be issued by the Company, if the security is a convertible security, each such security is counted as the maximum number of shares into which it can be converted or exercised.”

Clause 13 – Pre-emptive rights

“Subject to the Listing Requirements and any direction to the contrary that may be given by the Company in a General Meeting, all new Shares or other convertible Securities shall before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as nearly as the circumstances admit, to the amount of the existing Shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of Shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Shares or Securities offered, the Directors may dispose of those Shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new Shares or Securities which by reason of the ratio which the new Shares or Securities bear the Shares or Securities held by persons entitled to an offer of new Shares or Securities cannot, in the opinion of the Directors, be conveniently offered under this Constitution.”

Clause 14 – Shares issued for purposes of raising money for the construction of works or building

“Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on the amount of such share capital as is for the time being paid up for the period and subject to the conditions and restrictions mentioned in Section 130 of the Act and may charge the same to share capital as part of the cost of the construction of any works or buildings or the provision of any plant.”

15. ADDITIONAL INFORMATION (Cont'd)

Clause 16 – Purchase by Company of its own Shares

“Subject to the provisions of the Act and the requirements and any rules, regulations and/or guidelines thereunder issued by the Exchange and/or any other relevant authority in respect thereof for the time being in force, the Company shall have the power and may purchase its own Shares and thereafter the Directors may resolve and shall have the fullest power to deal with such purchased shares in accordance with the provisions of the Act and such other relevant laws, regulation and/or guidelines. Any ordinary Shares in the Company so purchased by the Company shall be dealt with in accordance with the provisions of the Act, the requirements and any rules, regulations and guidelines thereunder issued by the Exchange and/or any other relevant authority in respect thereof.”

Clause 36 – Transfer of securities

“The instrument of transfer of any listed Securities shall be in writing and in the form approved in the Rules and shall be executed by or on behalf of the transferor and transferee, and the transferor shall be deemed to remain the holder of the securities until the name of the transferee is entered in the Record of Depositors in respect thereof. The transfer of any listed Securities or class of listed Securities of the Company shall be by way of book entry by the Depository in accordance with the Rules and notwithstanding Sections 105, 106 and 110 of the Act, but subject to Subsection 148(2) of the Act and any exemption may be made from compliance with Subsection 148(1) of the Act, the Company shall be precluded from registering and effecting any transfer of listed Securities.”

Clause 37

“Subject to the Rules and Listing Requirements, the transfer of any Securities may be suspended at such times and for such periods as the Directors may from time to time determine. Ten (10) Market Days’ notice, or such other period as may from time to time be specified by the Exchange governing the Register concerned, of intention to close the Register shall be given to the Exchange. At least three (3) Market Days’ or such other period as may from time to time be specified by the governing authority, prior notice shall be given to the Bursa Depository to prepare the appropriate Record of Depositors.”

Clause 38

“The Bursa Depository may refuse to register any transfer of Deposited Security that does not comply with the Central Depositories Act and the Rules. No Securities shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.”

Clause 39

“Subject to the provisions of this Constitution, the Directors may recognise a renunciation of the allotment of any share by the allottee thereof in favour of some other person.”

15. ADDITIONAL INFORMATION (Cont'd)

Clause 40

“Subject to any law in Malaysia for the time being in force, neither the Company nor the Directors nor any of its officers shall incur any liability for the act of the Bursa Depository in registering or acting upon a transfer of Securities apparently made by a Member or any person entitled to the Securities by reason of death, bankruptcy or insanity of a Member although the same may, by reason of any fraud or other causes not known to the Company or the Directors or the Bursa Depository or other officers, be legally inoperative or insufficient to pass the property in the Securities proposed or professed to be transferred, and although the transfer may as between the transferor Member and the transferee, be liable to be set aside and notwithstanding that the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor Member in the blank as to the name of the transferee, of the particulars of the Securities transferred or otherwise in defective manner. And in every case, the person registered as transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such Securities and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.”

Clause 47 – Modification of class rights

“The Company may from time to time by Ordinary Resolution increase the share capital by the creation and issue of new Shares, such new capital to be of such amount to be divided into Shares of such respective amounts and to carry such rights or to be subject to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company may direct in the resolution authorising such increase.”

Clause 49 – Modification of class rights

“If at any time, the share capital by reason of the issue of preference shares or otherwise is divided into different classes the repayment of such preferred capital or all or any of the rights and privileges attached to each class may subject to the provisions of the Act be varied modified commuted affected abrogated or dealt with by a written consent representing not less than seventy-five per centum (75%) of the total voting rights of the preference shareholders or by Special Resolution passed by the holders at least seventy-five per centum (75%) of the total voting rights at a separate General Meeting of the holders of that class and all the provisions hereinafter contained as to General Meetings shall equally apply to every such meeting except that the quorum hereof shall be Members holding or representing by proxy at least one-third (1/3) of the issued shares of the class. Provided however that in the event of the necessary majority for such a Special Resolution not having been obtained in the manner aforesaid consent in writing may be secured from Members holding at least seventy-five per centum (75%) of the total voting rights and such consent if obtained within two (2) months from the date of the separate General Meeting shall have the force and validity of a resolution duly carried by a vote in person or by proxy.”

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15. ADDITIONAL INFORMATION (Cont'd)Clause 51 – Alteration of Capital

"The Company may alter its share capital in any one or more of the following ways by passing an Ordinary Resolution:

- (a) to consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the share from which the subdivided Share is derived;
- (b) to convert all or any of its paid-up Shares into stock and may reconvert that stock into paid-up Shares;
- (c) to subdivide its share capital or any part thereof, whatever is in the subdivision, the proportions between the amount paid and the amount, if any, unpaid on each subdivided Share shall be the same as it was in the case of the Shares from which the subdivided Share is derived;
- (d) to increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe; or
- (e) to cancel any Shares which at the date of the passing of the resolution which have been forfeited and diminish the amount of its Share capital by the amount of the Shares so cancelled."

Clause 52 – Power to reduce capital

"Notwithstanding any other authorisation and consent that may be required by the provisions of the Act, the Company may reduce its share capital by:

- (a) Special Resolution and confirmation by the High Court in accordance with Section 116 of the Act; or
- (b) Special Resolution supported by a solvency statement in accordance with Section 117 of the Act."

Clause 53 – Share buy-back and financial assistance

Subject always to the provisions of this Constitution, the Act and the Listing Requirements, the Company shall be empowered to purchase its own Shares provided that such power shall be exercised if:

- (a) the Company is solvent at the date of the purchase and will not become insolvent by incurring the debts involved in the obligation to pay for the Shares so purchased;
- (b) the purchase is made through the stock exchange on which Shares of the Company are quoted and in accordance with the relevant rules of the stock exchange; and
- (c) the purchase is made in good faith and in the interests of the Company.

15. ADDITIONAL INFORMATION (Cont'd)

Where the Company has purchased its own Shares, the Directors may, subject to and in accordance with the Act and the Listing Requirements or any other stock exchange upon which the Company's Shares are listed and any other authority:

- (a) cancel the Shares so purchased; and/or
- (b) retain the Shares so purchase in treasury (the "Treasury Shares");
- (c) retain part of the Shares and cancel the remainder of the Shares so purchased; and/or
- (d) resell to the market.

15.3 DEPOSITED SECURITIES AND RIGHTS OF DEPOSITORS

Pursuant to Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as securities to be deposited into the CDS. Following this, we will deposit our Shares directly with Bursa Depository and any dealings in our Shares will be carried out in accordance with the SICDA and Depository Rules. We will not issue any share certificates to successful applicants.

Dealing in Shares deposited with Bursa Depository may only be effected by a Depositor by means of entries in the securities account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares will be deemed to be a shareholder of our Company and will be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

15.4 LIMITATION ON THE RIGHT TO HOLD SECURITIES AND/OR EXERCISE VOTING RIGHTS

Subject to Section 15.3 above and Clauses 81 and 84(c) which have been reproduced below from our Constitution, there is no limitation on the right to own our Shares, including any limitation on the right of a non-resident or foreign shareholders to hold or exercise voting rights on our Shares which is imposed by Malaysian law or by our Constitution.

Clause 81 – Vote of Member of unsound mind

A Member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person who properly has the management of his estate, and any such committee or other person may vote by proxy or attorney and any person entitled under this Constitution to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares provided that forty-eight (48) hours at the least before the time of holding the General Meeting or adjourned General Meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to transfer such Shares unless the Directors shall have previously admitted his right to vote at such General Meeting in respect thereof.

Clause 84(c) - No Member to vote unless calls paid

Subject to Clauses 58, 59 and 60 above, a Member of the Company shall be entitled to be present and to vote at any General Meeting in respect of any Share or Shares upon which all calls due to the Company have been paid. No person shall be entitled to be present or to vote on any resolution either as a Member or otherwise as a proxy, or attorney, or representative at any General Meeting or demand a poll or be reckoned in the quorum in respect of any Shares upon which calls are due and unpaid.

15. ADDITIONAL INFORMATION (Cont'd)

15.5 REPATRIATION OF CAPITAL, REMITTANCE OF PROFIT AND TAXATION

(i) Malaysia

There are no significant restrictions on remittances of profit by Crest Lab, Crest Nanosolutions, Crest Systems, Matrix Innovations, Matrix Optics, Crest Analytic and/or Matrix Biosciences to its shareholder(s) or Crest, subject to anti-money laundering; counter-financing of terrorism and taxation related considerations under the relevant and applicable Malaysian laws.

Under the Act, a company may only pay dividends to its shareholders out of profits of the company available if the company is solvent. Such distribution must be authorised by the board of directors of the company and if the directors are satisfied that the company will be solvent immediately after the distribution is made.

All corporations in Malaysia are required to adopt a single-tier dividend. All dividends distributed by Malaysian resident companies under a single-tier dividend are tax-exempt in the hands of shareholders. Further, the Malaysian Government does not levy withholding tax on dividend payments. Therefore, there is no withholding tax imposed on dividends paid to non-residents by Malaysian resident companies. There is no Malaysian capital gains tax arising from the disposal of listed shares.

(ii) Singapore

There are generally no restrictions or time frame stipulated on the repatriation or remittance of profits, whether in the form of dividends or interests, or capital (meaning funds in general, instead of the share capital of Crest Innovation and/or Crest Upstar) into or out of Singapore, or significant restrictions on remittances, capital movements and foreign currency exchange transactions, by Crest Innovation and/or Crest Upstar to its shareholder(s), subject to anti-money laundering; counter-financing of terrorism; taxation related considerations under the relevant and applicable Singapore laws.

Generally, repatriation of profits and remittance of funds out of a company's share capital is entirely dependent on the ability of such company to pay funds to its shareholder(s) in accordance with its constitution and the provisions of the Companies Act 1967 of Singapore ("**Companies Act**"). Under Singapore laws, Crest Innovation and/or Crest Upstar may repatriate capital to their shareholders (including foreign shareholders) if the same is effected through a capital reduction exercise or a share buyback in accordance with its constitution and the Companies Act.

Under the Companies Act, Crest Innovation and/or Crest Upstar are permitted to remit profits to their shareholders if the same is effected through payment of dividends. Under section 403 of the Companies Act, a company may only pay dividends to shareholders out of profits of the company. Crest Innovation and/or Crest Upstar may declare dividends in accordance with its constitution and the directors may make a recommended rate to be paid as dividends, which will be voted on and approved by shareholders at the company's annual general meeting or extraordinary general meeting. There is no requirement to withhold tax on such dividend payments, whether the same is paid to resident shareholders or non-resident shareholders.

Under Section 13(1)(za) of the Income Tax Act 1947 of Singapore ("**Income Tax Act**"), Singapore adopts the one-tier corporate taxation system whereby any dividends paid on or after 1st January 2008 by any company resident in Singapore is exempt from income tax, so long as said dividend is not paid wholly or in part out of income exempted from tax. Such dividends are tax-exempt in the hands of the shareholders, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident. Further, as dividend payments is an exempted income under the Income Tax Act, dividend payments to both resident and non-resident shareholders will not be subject to withholding tax.

15. ADDITIONAL INFORMATION (Cont'd)

(iii) PRC

Pursuant to the Foreign Investment Law of PRC, foreign investors may in accordance with law, freely remit into or out of the PRC, their capital contributions, profits, capital gains, income from asset disposal, intellectual property royalties, compensation or indemnification obtained in accordance with law, liquidation income and so forth, that are made or obtained in the PRC, in RMB or other foreign currency.

The key regulation governing foreign exchange in the PRC is the Foreign Exchange Administration Regulations which became effective on 5 August 2008. Pursuant to the Foreign Exchange Administration Regulations, foreign exchange transactions are categorized into current account items and capital account items. Payments of current account items, such as trade and service-related foreign exchange transactions and profits, can be made freely without prior approval from the State Administration of Foreign Exchange (the “SAFE”) so long as they are genuine and legitimate transactions and certain procedural requirements are complied with. However, payments of capital account items, such as capital transfers, loans and repatriation of investments can only be made with SAFE’s prior approval or prior registration with SAFE (currently handled by qualified banks) for conversion of RMB into other foreign currency and remittance of the foreign currency outside the PRC.

Under PRC Company Law, Crest Suzhou may only make dividend payments out of its accumulated profits. Prior to distributing dividends, Crest Suzhou is required to, amongst others, pay corporate income tax at the rate of 25%, make up the accumulated losses in previous years (if any) and set aside 10% of its after-tax profit to a statutory surplus reserve fund until such reserve fund reaches 50% of its registered capital.

Pursuant to the PRC Enterprise Income Tax Law and its Implementing Regulation (the “EIT Law”) which became effective on 1 January 2008 and subsequently amended in 2017 and 2018, non-resident enterprises (i.e. an entity established under foreign law whose de facto management bodies are not within the PRC but which have an establishment or place of business in the PRC, or which have no such establishment or place of business but have income generated from within the PRC) are subject to income tax for the income deriving from or accruing in the PRC, for example, the dividends received by the foreign shareholders of Crest Suzhou and other gains from investment received by the foreign shareholders of Crest Suzhou. The tax rate is generally 10% and Crest Suzhou will be responsible to withhold such tax prior to repatriating any dividends or profits to its foreign shareholders.

(iv) Thailand

Capital of a company incorporated in Thailand (“**Thai Company**”) may be returned to its shareholders pursuant to a capital reduction exercise or dissolution of the company, in accordance with the Civil and Commercial Code of Thailand and the company’s articles of association. There are no restrictions on the repatriation of reduced capital from Crest Thailand to its foreign shareholders or the repatriation of capital return due to dissolution of company from Crest Thailand (if dissolved) to its foreign shareholders, and no approval is required for such repatriation under the Exchange Control Act of Thailand (B.E. 2485) (1942), as amended (the “**Exchange Control Act**”).

Dividend payments in Thailand are categorized as payments for goods and services and are allowed up to the amount of the obligations imposed upon the payer. Under the Civil and Commercial Code of Thailand, dividends can be declared and paid, in the case of final dividends, by the resolution of a meeting of its shareholders and in the case of interim dividends, by the resolution of the board of directors.

15. ADDITIONAL INFORMATION (Cont'd)

There are no restrictions on or approvals required for the repatriation of dividend payments by Crest Thailand to Malaysia under the Exchange Control Act, save that dividends can only be paid out of the profits of Crest Thailand. The dividend payments made by Crest Thailand to its foreign shareholders are deemed taxable income and subject to a withholding tax at the rate of 10% of the taxable income.

Dividend payments and the repatriation of capital proceeds pursuant to a capital reduction exercise or dissolution of a Thai Company to its foreign shareholders must be converted into foreign currency prior to outward remittance from Thailand. Such foreign exchange transaction must be conducted through commercial banks or certain other entities which the Bank of Thailand has authorized to conduct foreign exchange transactions as authorized agents of the Bank of Thailand.

If the amount per remittance is less than US\$200,000 or its equivalent in the relevant currency, such remittance may be made without filing supporting documents unless requested by the authorised commercial bank. If the amount is US\$200,000 or its equivalent in the relevant currency or more, particulars of such foreign exchange transaction and supporting evidence will need to be submitted to the authorized commercial bank, such documents may include:

- (a) in the case of dividend payments, resolutions from a meeting of its shareholders or its board of directors, and an up-to-date list of the shareholders of the Thai Company; and
- (b) in the case of repatriation of reduced capital or capital return due to dissolution of the Thai Company, the affidavit showing the reduced capital or minutes of the shareholders' meeting or evidence certifying the completion of liquidation issued by a liquidator or minutes of the shareholders' meeting approving the dissolution of the Thai Company.

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15. ADDITIONAL INFORMATION (Cont'd)

15.6 MATERIAL CONTRACTS

Save as disclosed below, our Group has not entered into any material contracts (including contracts not in writing) that are not in the ordinary course of our Group's business within the Financial Years Under Review and up to the date of this Prospectus:

- (i) Conditional share sale agreement dated 17 January 2024 entered into by the Crest Vendors (as the vendors) and our Company (as the purchaser) for the acquisition of the share capital held by the Crest Vendors in Crest Lab, Crest Systems, Matrix Innovations, Matrix Optics and Crest Analytic, respectively, comprising of 1,951,000 ordinary shares for a purchase consideration of RM25,984,279 which shall be satisfied by the issuance of 519,685,580 new ordinary shares in our Company to the Crest Vendors at an issue price of RM0.05 each, which was completed on 8 August 2024;
- (ii) Conditional share sale agreement dated 17 January 2024 entered into by the Crest Vendors (as the vendors) and our Company (as the purchaser) for the acquisition of the entire issued share capital in Matrix Biosciences, comprising of 100 ordinary shares for a purchase consideration of RM3, which was completed on 8 August 2024 ;
- (iii) Conditional share sale agreement dated 17 January 2024 entered into by the Crest Vendors and KKY (as the vendors) and our Company (as the purchaser) for the acquisition of the entire issued share capital in Crest Nanosolutions, comprising of 500,000 ordinary shares for a purchase consideration of RM5,393,837 which shall be satisfied by the issuance of 107,876,740 new ordinary shares in our Company to the Crest Vendors and KKY at an issue price of RM0.05 each, which was completed on 8 August 2024;
- (iv) Conditional sale and purchase agreement dated 17 January 2024 entered into by the Crest Vendors (as the vendors) and our Company (as the purchaser) for the acquisition of 70.00% equity interest in Crest Innovation, comprising of 40,000 ordinary shares for a purchase consideration of RM1,123,777 which shall be satisfied by the issuance of 22,475,540 new ordinary shares in our Company to the Crest Vendors at an issue price of RM0.05 each, which was completed on 8 August 2024;
- (v) Conditional sale and purchase agreement dated 17 January 2024 entered into by the Crest Vendors (as the vendors) and our Company (as the purchaser) for the acquisition of the entire issued share capital in Crest Upstar, comprising of 1,500 ordinary shares for a purchase consideration of SGD3, which was completed on 8 August 2024;
- (vi) Conditional equity transfer agreement dated 17 January 2024 entered into by the Crest Vendors (as the vendors) and our Company (as the purchaser) for the acquisition of 80.00% equity interest in Crest Suzhou for a purchase consideration of RM3,833,317 which shall be satisfied by the issuance of 76,666,340 new ordinary shares in our Company to the Crest Vendors at an issue price of RM0.05 each, which was completed on 8 August 2024;
- (vii) Conditional share sale agreement dated 17 January 2024 entered into by the Crest Vendors (as the vendors) and our Company (as the purchaser) for the acquisition of 49.00% equity interest in Crest Thailand, comprising of 60,000 ordinary shares for a purchase consideration of RM409,375 which shall be satisfied by the issuance of 8,187,500 new ordinary shares in our Company to the Crest Vendors at an issue price of RM0.05 each, which was completed on 8 August 2024; and
- (viii) Underwriting Agreement dated 21 August 2024 entered into between our Company and MIDF Investment as the Underwriter for the underwriting of up to 56,264,000 Issue Shares under the Public Issue.

15. ADDITIONAL INFORMATION (Cont'd)

15.7 MATERIAL LITIGATION

As at the LPD, our Group is not involved in any material litigation, claim or arbitration, either as plaintiff, defendant or third party, including those relating to bankruptcy, receivership or similar proceedings which may have or have had a material adverse effect on the business or financial position of our Group. Our Directors confirm that there are no proceedings pending or threatened or of any fact likely to give rise to any proceedings which might materially and adversely affect our financial or business position.

15.8 CONSENTS

- (i) The written consents of our Principal Adviser, Sponsor, Underwriter, Placement Agent, Company Secretaries, Solicitors, Share Registrar and Issuing House as listed in the Corporate Directory of this Prospectus for the inclusion in this Prospectus of their names in the form and context in which such names appear have been given before the issuance of this Prospectus and have not subsequently been withdrawn.
- (ii) The written consent of our Auditors and Reporting Accountants for the inclusion of its name, the Accountants' Report and the Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position of our Group and all references thereto in the form and context in which they are contained in this Prospectus have been given before the issuance of this Prospectus and have not subsequently been withdrawn.
- (iii) The written consent of our IMR for the inclusion of its name, the IMR Report and all references thereto in the form and context in which they are contained in this Prospectus has been given before the issuance of this Prospectus and has not subsequently been withdrawn.

15.9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at our registered office at 12th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia during office hours for a period of 6 months from the date of this Prospectus:

- (i) our Constitution;
- (ii) IMR Report prepared by IMR as included in Section 8 of this Prospectus;
- (iii) Reporting Accountants' Report on the Pro Forma Combined Statements of Financial Position of our Group as at 30 April 2024 as included in Section 13 of this Prospectus;
- (iv) Accountants' Report as included in Section 14 of this Prospectus;
- (v) audited financial statements of our Group for the Financial Years Under Review;
- (vi) audited interim financial statements of our Company for the FPE 2024;
- (vii) the material contracts as referred to in Section 15.6 of this Prospectus; and
- (viii) letters of consent referred to in Section 15.8 of this Prospectus.

15. ADDITIONAL INFORMATION (Cont'd)

15.10 RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholders have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

MIDF Investment as our Principal Adviser, Sponsor, Underwriter and Placement Agent in relation to our IPO, acknowledges that, based on all available information, and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning our IPO.

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16. PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF PROCEDURES FOR APPLICATION AND ACCEPTANCE DOES NOT CONTAIN THE DETAILED PROCEDURES AND FULL TERMS AND CONDITIONS AND YOU CANNOT RELY ON THIS SUMMARY FOR PURPOSES OF ANY APPLICATION FOR OUR IPO SHARES. YOU MUST REFER TO THE DETAILED PROCEDURES AND TERMS AND CONDITIONS AS SET OUT IN THE “DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE” ACCOMPANYING THE ELECTRONIC COPY OF OUR PROSPECTUS ON THE WEBSITE OF BURSA SECURITIES. YOU SHOULD ALSO CONTACT THE ISSUING HOUSE FOR FURTHER ENQUIRIES.

Unless otherwise defined, all words and expressions used in this Section shall carry the same meaning as ascribed to them in our Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

16.1 OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10:00 A.M., 18 September 2024.

CLOSING OF THE APPLICATION PERIOD: 5:00 P.M., 25 September 2024.

Applications for our IPO Shares will open and close at the times and dates stated above. In the event there is any change to the dates and times stated above, we will advertise the notice of changes in a widely circulated English and Bahasa Malaysia daily newspaper in Malaysia.

Late Applications will not be accepted.

16.2 METHODS OF APPLICATIONS

16.2.1 Application for our IPO Shares by the Malaysian Public and Eligible Persons

Applications must accord with our Prospectus and our Constitution. The submission of an Application Form does not mean that your Application will succeed. You agree to be bound by our Constitution.

<u>Type of Application and category of investors</u>	<u>Application method</u>
Applications by our Directors, eligible employees of our Group (including directors of our subsidiaries) and persons who have contributed to the success of our Group	Pink Application Form only
Applications by the Malaysian Public	
(i) Individuals	White Application Form or Electronic Share Application or Internet Share Application
(ii) Non-individuals	White Application Form only

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.2.2 Application by Selected Investors via private placement

Types of Application	Application method
(i) Applications by Selected Investors	The Placement Agent will contact the Selected Investors directly. They should follow the Placement Agent's instructions
(ii) Applications by Bumiputera investors approved by the MITI	MITI will contact the Bumiputera investors directly. They should follow MITI's instructions

Selected Investors and Bumiputera investors approved by the MITI may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

16.3 ELIGIBILITY

16.3.1 General

You must have a CDS account and a correspondence address in Malaysia. If you do not have a CDS account, you may open a CDS account by contacting any of the ADAs set out Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities. The CDS account must be in your own name. Invalid, nominee or third party CDS accounts will not be accepted for the Applications.

Only **ONE** Application Form for each category from each applicant will be considered and **APPLICATIONS MUST BE FOR AT LEAST 100 IPO SHARES OR MULTIPLES OF 100 IPO SHARES.**

MULTIPLE APPLICATIONS WILL NOT BE ACCEPTED UNLESS EXPRESSLY ALLOWED IN THESE TERMS AND CONDITIONS. AN APPLICANT WHO SUBMITS MULTIPLE APPLICATIONS IN HIS OWN NAME OR BY USING THE NAME OF OTHERS, WITH OR WITHOUT THEIR CONSENT, COMMITS AN OFFENCE UNDER SECTION 179 OF THE CMSA AND IF CONVICTED, MAY BE PUNISHED WITH A MINIMUM FINE OF RM1,000,000 AND A JAIL TERM OF UP TO 10 YEARS UNDER SECTION 182 OF THE CMSA.

AN APPLICANT IS NOT ALLOWED TO SUBMIT MULTIPLE APPLICATIONS IN THE SAME CATEGORY OF APPLICATION.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMIZES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

16.3.2 Application by the Malaysian Public

You can only apply for our Issue Shares if you fulfill all of the following:

- (i) you must be one of the following:
 - (a) a Malaysian citizen who is at least 18 years old as at the date of the application for our Issue Shares with a Malaysian address; or
 - (b) a corporation/institution incorporated in Malaysia with a majority of Malaysian citizens on your board of directors/trustees and if you have a share capital, more than half of the issued share capital, excluding preference share capital, is held by Malaysian citizens; or
 - (c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia;
- (ii) you must not be a director or employee of the Issuing House or an immediate family member of a director or employee of the Issuing House; and
- (iii) you must submit the Applications by using only one of the following methods:
 - (a) White Application Form; or
 - (b) Electronic Share Application; or
 - (c) Internet Share Application.

16.3.3 Application by Eligible Persons

The Eligible Persons (including any entities, wherever established) will be provided with Pink Application Forms and letters from us detailing their respective allocation. The Eligible Persons must follow the notes and instructions in the said document and where relevant, in this Prospectus. All duly completed Pink Application Forms should be submitted to our Company through the Human Resources or Finance Department.

The Eligible Persons may request for a copy of the printed Prospectus from our Company at no cost and are given an option to have the printed Prospectus delivered to them free of charge, or to obtain the printed Prospectus from our Company, Issuing House, MIDF Investment, Participating organisations of Bursa Securities and Members of the Association of Banks in Malaysia or Malaysian Investment Banking Association.

16.4 PROCEDURES FOR APPLICATION BY WAY OF APPLICATION FORMS

The Application Form must be completed in accordance with the notes and instructions contained in the respective category of the Application Form. Applications made on the incorrect type of Application Form or which do not conform **STRICTLY** to the terms of our Prospectus or the respective category of Application Form or notes and instructions or which are illegible will not be accepted.

The FULL amount payable is RM0.35 for each IPO Share.

Payment must be made out in favour of “**MIH SHARE ISSUE ACCOUNT NO. 647**” and crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Each completed Application Form, accompanied by the appropriate remittance and legible photocopy of the relevant documents may be submitted using one of the following methods:

- (i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Malaysian Issuing House Sdn Bhd
(199301003608 (258345-X))
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

or

P.O. Box 00010
Pejabat Pos Jalan Sultan
46700 Petaling Jaya
Selangor Darul Ehsan
Malaysia

- (ii) **DELIVER BY HAND AND DEPOSIT** in the drop-in boxes provided at the front portion of Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

so as to arrive not later than 5.00 p.m. on 25 September 2024 or by such other time and date specified in any change to the date or time for closing.

We, together with the Issuing House, will not issue any acknowledgement of the receipt of your Application Forms or Application monies. Please direct all enquiries in respect of the White Application Form to the Issuing House.

The abovementioned methods are not applicable to the submission of Pink Application Forms. All duly completed Pink Application Forms should be submitted to our Company through the Human Resources or Finance Department.

16.5 APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

Only Malaysian individuals may apply for our Issue Shares offered to the Malaysian Public by way of Electronic Share Application.

Electronic Share Applications may be made through the ATM of the following Participating Financial Institutions and their branches, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, AmBank (M) Berhad, CIMB Bank Berhad, Malayan Banking Berhad, Public Bank Berhad and RHB Bank Berhad. A processing fee will be charged by the respective Participating Financial Institutions (unless waived) for each Electronic Share Application.

The exact procedures, terms and conditions for Electronic Share Application are set out on the ATM screens of the relevant Electronic Participating Financial Institutions.

16.6 APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

Only Malaysian individuals may use the Internet Share Application to apply for our Issue Shares offered to the Malaysian Public.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

Internet Share Applications may be made through an internet financial services website of the Internet Participating Financial Institutions, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd (formerly known as CGS-CIMB Securities Sdn Bhd), Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd and Public Bank Berhad. A processing fee will be charged by the respective Internet Participating Financial Institutions (unless waived) for each Internet Share Application.

The exact procedures, terms and conditions for Internet Share Application are set out on the internet financial services website of the respective Internet Participating Financial Institutions.

16.7 AUTHORITY OF OUR BOARD AND THE ISSUING HOUSE

The Issuing House, on the authority of our Board, reserves the right to:

- (i) reject the Applications which:
 - (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or
 - (b) are illegible, incomplete or inaccurate; or
 - (c) are accompanied by an improperly drawn up, or improper form of, remittance; or
- (ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and
- (iii) bank in all Application monies (including those from unsuccessful/partially successful applicants) which would subsequently be refunded, where applicable (without interest) in accordance with Section 16.9 below.

If you are successful in your Application, our Board reserves the right to require you to appear in person at the registered office of the Issuing House at any time within 14 days of the date of the notice issued to you to ascertain that your Application is genuine and valid. Our Board shall not be responsible for any loss or non-receipt of the said notice nor shall it be accountable for any expenses incurred or to be incurred by you for the purpose of complying with this provision.

16.8 OVER/UNDER-SUBSCRIPTION

In the event of over-subscription, the Issuing House will conduct a ballot in the manner approved by our Directors to determine the acceptance of Applications in a fair and equitable manner. In determining the manner of balloting, our Directors will consider the desirability of allotting and allocating our Issue Shares to a reasonable number of applicants for the purpose of broadening the shareholding base of our Company and establishing a liquid and adequate market for our Shares.

The basis of allocation of Shares and the balloting results in connection therewith will be furnished by the Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at www.mih.com.my within one market day after the balloting date.

Pursuant to the Listing Requirements, we are required to have a minimum of 25.0% of our Company's issued share capital to be held by at least 200 public shareholders holding not less than 100 Shares each upon Listing and completion of our IPO. We expect to achieve this at the point of Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In the event thereof, monies paid in respect of all Applications will be returned in full (without interest).

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE *(Cont'd)*

In the event of an under-subscription of our Issue Shares by the Malaysian Public and/or Eligible Persons, subject to the underwriting and reallocation as set out in Section 4.3.4 of this Prospectus, any of the abovementioned Issue Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

16.9 UNSUCCESSFUL/PARTIALLY SUCCESSFUL APPLICANTS

If you are unsuccessful/partially successful in your Application, your Application monies (without interest) will be refunded to you in the following manner.

16.9.1 For applications by way of Application Forms

- (i) The Application monies or the balance of it, as the case may be, will be returned to you through the self-addressed and stamped Official "A" envelope you provided by ordinary post (for fully unsuccessful applications) or by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or if you have not provided such bank account information to Bursa Depository, the balance of Application monies will be refunded via banker's draft sent by ordinary/registered post to your registered or correspondence address last maintained with Bursa Depository (for partially successful applications) within 10 Market Days from the date of the final ballot at your own risk.
- (ii) If your Application is rejected because you did not provide a CDS account number, your Application monies will be refunded via banker's draft sent by ordinary/registered post to your address as stated in the National Registration Identity Card or any official valid temporary identity document issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) at your own risk.
- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected or unsuccessful or only partly successful will be refunded (without interest) by the Issuing House as per items (i) and (ii) above (as the case may be).
- (iv) The Issuing House reserves the right to bank into its bank account all Application monies from unsuccessful applicants. These monies will be refunded (without interest) within 10 Market Days from the date of the final ballot by crediting into your bank account (the same bank account you have provided to Bursa Depository for the purposes of cash dividend/distribution) or by issuance of banker's draft sent by registered post to your last address maintained with Bursa Depository if you have not provided such bank account information to Bursa Depository or as per item (ii) above (as the case may be).

16.9.2 For applications by way of Electronic Share Applications and Internet Share Applications

- (i) The Issuing House shall inform the Participating Financial Institutions or Internet Participating Financial Institutions of the unsuccessful or partially successful Applications within 2 Market Days after the balloting date. The full amount of the Application monies or the balance of it will be credited without interest into your account with the Participating Financial Institutions or Internet Participating Financial Institutions (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.
- (ii) You may check your account on the 5th Market Day from the balloting date.

16. PROCEDURES FOR APPLICATION AND ACCEPTANCE (Cont'd)

- (iii) A number of Applications will be reserved to replace any successfully balloted Applications that are subsequently rejected. The Application monies relating to these Applications which are subsequently rejected will be refunded (without interest) by the Issuing House, by crediting into your account with the Participating Financial Institutions or Internet Participating Financial Institutions (or arranged with the Authorised Financial Institutions) not later than 10 Market Days from the date of the final ballot. For Applications that are held in reserve and which are subsequently unsuccessful or partially successful, the relevant Participating Financial Institutions will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

16.10 SUCCESSFUL APPLICANTS

If you are successful in your Application:

- (i) Our Issue Shares allotted to you will be credited into your CDS account.
- (ii) A notice of allotment will be despatched to you at the last address you maintained with Bursa Depository, at your own risk, before our Listing. This is your only acknowledgement of acceptance of your Application.
- (iii) In accordance with Section 14(1) of the SICDA, Bursa Securities has prescribed our Shares as Prescribed Securities. As such, our IPO Shares issued/offered through our Prospectus will be deposited directly with Bursa Depository and any dealings in these Shares will be carried out in accordance with the SICDA and Rules of Bursa Depository.
- (iv) In accordance with Section 29 of the SICDA, all dealings in our IPO Shares will be by book entries through CDS accounts. No physical share certificates will be issued to you and you shall not be entitled to withdraw any deposited securities held jointly with Bursa Depository or its nominee as long as our Shares are listed on Bursa Securities.

16.11 ENQUIRIES

Enquiries in respect of the applications may be directed as follows:

Mode of application	Parties to direct the queries
Application Form	Issuing House Enquiry Services at telephone no. +603-7890 4700
Electronic Share Application	Participating Financial Institutions
Internet Share Application	Internet Participating Financial Institutions or Authorised Financial Institutions

You may check the status of your Application at the Issuing House's website at www.mih.com.my, by entering your CDS Account number on the site on the allotment date, after 3:00 PM. Alternatively, you may contact any of the ADAs set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the Electronic Prospectus on the website of Bursa Securities.

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS

OUR MAJOR LICENCES, PERMITS AND APPROVALS

As at the LPD, a summary of the details of our major licences, permits and approvals for our operations are set out as follows:

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
<u>Malaysia</u>							
1.	Crest Systems	Atomic Energy Licence for:- <u>Class C</u> To manufacture, trade in, produce, process, purchase, own, possess, use, transfer, handle, sell or store irradiating apparatus <u>Class E</u> To export or import radioactive materials, nuclear materials, prescribed substances, irradiating apparatus or their wastes <u>Class G</u> (a) To dispose of radioactive materials, nuclear materials, prescribed substances or their wastes (b) To store radioactive materials, nuclear materials, prescribed substances or their waste prior to their disposal (c) To decommission a milling installation, nuclear installation, waste treatment facility, irradiating apparatus or sealed source apparatus	Department of Atomic Energy (Atom Malaysia) ("AELB")	5 June 2024 ^(a) / 4 June 2027	LPTA/A/753	(i) Crest Systems is required to ensure that only YKM (as both the person responsible for the licence and the radiation protection officer) and Dennis Chin Boon Jin (as the supervisor) deal with the AELB. (ii) Crest Systems is required to obtain the approval of the AELB at least 14 days before any recognition, change or recruitment, of the person responsible for the licence, the radiation protection officer, the supervisor or the maintenance operator as the case may be. (iii) Crest Systems is prohibited from making any modifications to all licensed radiation equipment without obtaining the prior approval of the AELB. (iv) This licence is non-transferable.	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
		<u>Class H</u> For the control of activities not covered by Classes A to G, inclusive					
2.	Crest Analytic	<p>Certificate of Registration of Company for government procurement matters</p> <p>The individual authorized by the company to manage the government procurement matters is as follows:</p> <p>(i) Mr. Wong Kam Fui (General Manager)</p> <p>(ii) Ms. Chong Kha Hwee (Accounts and Admin Executive)</p> <p>(iii) Mr. Yap Jun Weng (Sales Engineer)</p>	Ministry of Finance	21 March 2024 ^(a) / 5 June 2027	<p>Certificate No.: K66115871603808199</p> <p>Registration Reference No.: 357-02232380</p>	<p>(i) Any changes to the information submitted by Crest Analytic to the Ministry of Finance must be updated online at Modul Kemaskini Profil at www.eperolehan.gov.my within 21 days from the date of occurrence of such change and a failure to do so may result in action such as item (iii) below.</p> <p>(ii) Crest Analytic is required to ensure that the fields which have been registered under this certificate do not overlap with the fields which have been approved for such companies which:</p> <p>(a) Have the same owner or Board of Directors, management and employees; or</p> <p>(b) Operate at the same premise.</p> <p>(iii) Failure to comply with the conditions of registration and/or field codes may result in the suspension or cancellation of the registration of Crest Analytic and disciplinary action including blacklisted without any notice taken against Crest Analytic, the owner and Board of Directors if it is found that the information given is not true.</p>	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
						<p>(iv) The registration of Crest Analytic will be suspended or cancelled if it is found that Crest Analytic has committed an offence as follows:</p> <p>(a) It/ its owner/ director/ any of the management members have committed a crime and found to be guilty by the courts of Malaysia or outside Malaysia or suffer from civil liability.</p> <p>(b) It withdraws the offer before the tender is considered or reject an offer.</p> <p>(c) It fails to perform its contractual obligations for contracts which have been signed with the government.</p> <p>(d) It is found to have amended its Certificate of Registration of Company for purposes of fraud.</p> <p>(e) It is found to have allowed its Certificate of Registration of Company to be misused by other individuals/companies.</p> <p>(f) It is found to be involved in price fixing with other companies while participating in a government tender or subcontract without prior consent from the relevant government agency.</p>	

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
3.	Crest Nanosolutions	Atomic Energy Licence for:- <u>Class C</u> To manufacture, trade in, produce, process, purchase, own, possess, use, transfer, handle, sell or store irradiating apparatus	AELB	27 July 2023 ^(b) / 26 July 2026	LPTA/A/3530	(v) CrestAnalytic is required to submit an application for renewal of registration three months* prior to the expiry of the registration period. (i) Crest Nanosolutions is required to ensure that only Lyn Meng Keong (as the person responsible for the licence) or Tan Chun Hau (as the radiation protection officer) and the supervisor deal with the AELB. (ii) Crest Nanosolutions is required to obtain the approval of the AELB at least 14 days before any recognition, change or recruitment, of the person responsible for the licence, the radiation protection officer, the supervisor or the maintenance operator as the case may be. (iii) Crest Nanosolutions is prohibited from making any modifications to all licensed radiation equipment without obtaining the prior approval of the AELB. (iv) This licence is non-transferable.	Complied
4.	Crest Lab	Atomic Energy Licence for:- <u>Class C</u> To manufacture, trade in, produce, process, purchase, own, possess, use, transfer, handle, sell or store irradiating apparatus	AELB	9 November 2022 ^(e) / 8 November 2025	LPTA/A/2166	(i) Crest Lab is required to ensure that only YKM (as the person responsible for the licence) or Teh Beng Choy (as the radiation protection officer) and Lim Jun Lee (as the supervisor) deal with the AELB.	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
		<p><u>Class E</u> To export or import radioactive materials, nuclear materials, prescribed substances, irradiating apparatus or their wastes</p> <p><u>Class G</u> (a) To dispose of radioactive materials, nuclear materials, prescribed substances or their wastes (b) To store radioactive materials, nuclear materials, prescribed substances or their waste prior to their disposal (c) To decommission a milling installation, nuclear installation, waste treatment facility, irradiating apparatus or sealed source apparatus</p> <p><u>Class H</u> For the control of activities not covered by Classes A to G, inclusive</p>				<p>(ii) Crest Lab is required to obtain the approval of the AELB at least 14 days before any recognition, change or recruitment, of the person responsible for the licence, the radiation protection officer, the supervisor or the maintenance operator as the case may be.</p> <p>(iii) Crest Lab is prohibited from making any modifications to all licensed radiation equipment without obtaining the prior approval of the AELB.</p> <p>(iv) This licence is non-transferable.</p>	
5.	Matrix Innovations	<p>Atomic Energy Licence for:- <u>Class C</u> To manufacture, trade in, produce, process, purchase, own, possess, use, transfer, handle, sell or store irradiating apparatus</p>	AELB	11 January 2024 ^(e) / 10 January 2027	LPTA/A/2256	(i) Matrix Innovations is required to ensure that only YKM (as the person responsible for the licence) or Yew Li Li (as the radiation protection officer) and the supervisor deal with the AELB.	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
6.	Matrix Innovations	<p>Certificate of Registration of Company for government procurement matters</p> <p>The individuals authorized by the company to manage the government procurement matters are as follows:</p> <ul style="list-style-type: none"> (i) Mr. Au Chun Mun (Director) (ii) Mr. Lim Siong Wai (Director) (iii) Mr. Yap Kian Meng (Director) (iv) Mr. Te Win Ping (Sales Manager) (v) Ms. Ng Sock Yoke (Accounts Executive) (vi) Mr. Isfahan Amin Sulaimaan (Sales Engineer) (vii) Mr. Muhammad Adam Ariff Bin Ariffadzillah (Sales Engineer) (viii) Mr. Wong Weng Kwai (Sales Engineer) 	Ministry of Finance	13 February 2024 ^(a) / 16 April 2027	<p>Certificate No.: K6011336695375 5899</p> <p>Registration Reference No.: 357-02002775</p>	<ul style="list-style-type: none"> (ii) Matrix Innovations is required to obtain the approval of the AELB at least 14 days before any recognition, change or recruitment, of the person responsible for the licence, the radiation protection officer, the supervisor or the maintenance operator as the case may be. (iii) Matrix Innovations is prohibited from making any modifications to all licensed radiation equipment without obtaining the prior approval of the AELB. (iv) This licence is non-transferable. 	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
						<p>(iii) Failure to comply with the conditions of registration and/or field codes may result in the suspension or cancellation of the registration of Matrix Innovations and disciplinary action including blacklisted without any notice taken against Matrix Innovations, the owner and Board of Directors if it is found that the information given is not true.</p> <p>(iv) The registration of Matrix Innovations will be suspended or cancelled if it is found that Matrix Innovations has committed an offence as follows:</p> <p>(a) It/ its owner/ director/ any of the management members have committed a crime and found to be guilty by the courts of Malaysia or outside Malaysia or suffer from civil liability.</p> <p>(b) It withdraws the offer before the tender is considered or reject an offer.</p> <p>(c) It fails to perform its contractual obligations for contracts which have been signed with the government.</p> <p>(d) It is found to have amended its Certificate of Registration of Company for purposes of fraud.</p> <p>(e) It is found to have allowed its Certificate of Registration of Company to be misused by other individuals/ companies.</p>	

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
7.	Matrix Innovations	Certificate of Registration for import (Form V1) ⁽³⁾ pursuant to section 4(k) of the Electricity Supply Act 1990	Energy Commission	4 March 2022 ^(b) / 4 March 2027	Approval No. JKKE/KI/22/00033	<p>(f) It is found to be involved in price fixing with other companies while participating in a government tender or subcontract without prior consent from the relevant government agency.</p> <p>(v) Matrix Innovations is required to submit an application for renewal of registration three months* prior to the expiry of the registration period.</p>	Not applicable
8.	Matrix Optics	Establishment Licence of Matrix Optics as authorized representative, distributor and importer, pursuant to section 24(1) of the Medical Device Act 2012 (Act 737) ("MDA")	Medical Device Authority	29 April 2024 ^(e) / 28 April 2027	Licence No. MDA-5638-WDP124	<p>(i) This licence is non-transferable.</p> <p>(ii) The licensee shall not permit this licence to be abused in any way by any individual/ another party.</p> <p>(iii) Any changes or amendments to the information concerning licence shall be notified to the Medical Device Authority.</p> <p>(iv) This licence will be suspended or revoked if the licensee is found to have committed an offense in contravention of the MDA, regulations or licence conditions as stated in Section 22 of the MDA.</p>	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Certificate No.	Major conditions imposed	Status of compliance				
9.	Matrix Optics	<p>Medical Device Registration Certificate pursuant to Section 5(1) of the MDA:</p> <table border="1"> <tr> <td>Class</td> <td>Class D⁽¹⁾</td> </tr> <tr> <td>Group</td> <td>System⁽²⁾</td> </tr> </table>	Class	Class D ⁽¹⁾	Group	System ⁽²⁾	Medical Device Authority	3 July 2023 ^(c) / 2 July 2028	<p>Registration No. GD4900823-138256 (Serial 061809) No.</p>	<p>(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions.</p> <p>(ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable.</p> <p>(iii) This certificate does not exempt any other regulatory requirements applicable to the medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).</p>	Complied
Class	Class D ⁽¹⁾										
Group	System ⁽²⁾										
10.	Matrix Optics	<p>Medical Device Registration Certificate pursuant to Section 5(1) of the MDA:</p> <table border="1"> <tr> <td>Class</td> <td>Class A⁽¹⁾</td> </tr> <tr> <td>Group</td> <td>System⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	System ⁽²⁾	Medical Device Authority	14 January 2021 ^(c) / 13 January 2026	<p>Registration No. IVDA3524821-52345 (Serial 038369) No.</p>	<p>(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions.</p> <p>(ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable.</p>	Complied
Class	Class A ⁽¹⁾										
Group	System ⁽²⁾										

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance				
11.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="842 1413 932 1771"> <tr> <td data-bbox="842 1585 884 1771">Class</td> <td data-bbox="842 1413 884 1585">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="884 1585 932 1771">Group</td> <td data-bbox="884 1413 932 1585">System⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	System ⁽²⁾	Medical Device Authority	2 June 2021 ^(c) / 1 June 2026	Registration No. IVDA2274021-62454 (Serial No. 040328)	(iii) It is the responsibility of the Establishment to ensure that the medical device complies with any other requirements of the law. This certificate does not exclude any regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	System ⁽²⁾										
						(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) It is the responsibility of the Establishment to ensure that the medical device complies with any other requirements of the law. This certificate does not exclude any regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).					

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Certificate No.	Major conditions imposed	Status of compliance				
12.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="469 1413 560 1771"> <tr> <td data-bbox="469 1413 512 1585">Class</td> <td data-bbox="469 1585 512 1771">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="512 1413 560 1585">Group</td> <td data-bbox="512 1585 560 1771">Family⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Family ⁽²⁾	Medical Device Authority	31 December 2022 ^(c) / 30 December 2027	Registration No. IVDA58833100018 (Serial No. 054429)	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) This certificate does not exempt any other regulatory requirements applicable to the medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	Family ⁽²⁾										

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ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Certificate No.	Major conditions imposed	Status of compliance				
13.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="469 1413 560 1771"> <tr> <td data-bbox="469 1413 512 1585">Class</td> <td data-bbox="469 1585 512 1771">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="512 1413 560 1585">Group</td> <td data-bbox="512 1585 560 1771">System⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	System ⁽²⁾	Medical Device Authority	27 September 2023 ^(c) / 26 September 2028	Registration No. IVDA5888823-148862	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) This certificate does not exempt any other regulatory requirements applicable to the medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	System ⁽²⁾										

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ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Certificate No.	Major conditions imposed	Status of compliance				
14.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="467 1413 560 1771"> <tr> <td data-bbox="467 1682 512 1771">Class</td> <td data-bbox="467 1413 512 1682">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="512 1682 560 1771">Group</td> <td data-bbox="512 1413 560 1682">Single⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Medical Device Authority	1 July 2020 ^(c) / 30 June 2025	Registration No. IVDA3370920-44536 (Serial No. 035549)	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) It is the responsibility of the Establishment to ensure that the medical device complies with any other requirements of the law. This certificate does not exclude any regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	Single ⁽²⁾										
15.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="1137 1413 1230 1771"> <tr> <td data-bbox="1137 1682 1182 1771">Class</td> <td data-bbox="1137 1413 1182 1682">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="1182 1682 1230 1771">Group</td> <td data-bbox="1182 1413 1230 1682">Single⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Medical Device Authority	1 July 2020 ^(c) / 30 June 2025	Registration No. IVDA3970920-44525 (Serial No. 035550)	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable.	Complied
Class	Class A ⁽¹⁾										
Group	Single ⁽²⁾										

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance				
16.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="842 1413 932 1771"> <tr> <td data-bbox="842 1585 884 1771">Class</td> <td data-bbox="842 1413 884 1585">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="884 1585 932 1771">Group</td> <td data-bbox="884 1413 932 1585">Family⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Family ⁽²⁾	Medical Device Authority	28 July 2020 ^(c) / 27 July 2025	Registration No. IVDA9618520-45303 (Serial No. 035875)	(iii) It is the responsibility of the Establishment to ensure that the medical device complies with any other requirements of the law. This certificate does not exclude any regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984). (i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) It is the responsibility of the Establishment to ensure that the medical device complies with any other requirements of the law. This certificate does not exclude any regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	Family ⁽²⁾										

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance				
17.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="469 1413 560 1771"> <tr> <td data-bbox="469 1682 512 1771">Class</td> <td data-bbox="469 1413 512 1682">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="512 1682 560 1771">Group</td> <td data-bbox="512 1413 560 1682">Single⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Medical Device Authority	29 April 2023 ^(c) / 28 April 2028	Registration No. IVDA1452623-129081 (Serial No. 058427)	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) This certificate does not exempt any other regulatory requirements applicable to the medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	Single ⁽²⁾										
18.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="1029 1413 1120 1771"> <tr> <td data-bbox="1029 1682 1072 1771">Class</td> <td data-bbox="1029 1413 1072 1682">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="1072 1682 1120 1771">Group</td> <td data-bbox="1072 1413 1120 1682">Family⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Family ⁽²⁾	Medical Device Authority	27 April 2023 ^(c) / 26 April 2028	Registration No. IVDA1643857517 (Serial No. 057434)	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable.	Complied
Class	Class A ⁽¹⁾										
Group	Family ⁽²⁾										

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance				
19.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="730 1413 820 1771"> <tr> <td data-bbox="730 1585 772 1771">Class</td> <td data-bbox="730 1413 772 1585">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="772 1585 820 1771">Group</td> <td data-bbox="772 1413 820 1585">Single⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Medical Device Authority	28 July 2020 ^(c) / 27 July 2025	Registration No. IVDA9534920-45293 (Serial No. 035876)	(iii) This certificate does not exempt any other regulatory requirements applicable to the medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	Single ⁽²⁾										
(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) It is the responsibility of the Establishment to ensure that the medical device complies with any other requirements of the law. This certificate does not exclude any regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).											

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Certificate No.	Major conditions imposed	Status of compliance				
20.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="464 1413 560 1771"> <tr> <td data-bbox="464 1682 512 1771">Class</td> <td data-bbox="464 1413 512 1682">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="512 1682 560 1771">Group</td> <td data-bbox="512 1413 560 1682">Single⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Medical Device Authority	10 May 2023 ^(c) / 9 May 2028	Registration No. IVD67096360317 A (Serial 058900) No.	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) This certificate does not exempt any other regulatory requirements applicable to the medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	Single ⁽²⁾										
21.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="1023 1413 1118 1771"> <tr> <td data-bbox="1023 1682 1070 1771">Class</td> <td data-bbox="1023 1413 1070 1682">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="1070 1682 1118 1771">Group</td> <td data-bbox="1070 1413 1118 1682">Single⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Medical Device Authority	2 September 2020 ^(c) / 1 September 2025	Registration No. IVDA2754920-46236 (Serial 036325) No.	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable.	Complied
Class	Class A ⁽¹⁾										
Group	Single ⁽²⁾										

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance				
22.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="842 1413 932 1771"> <tr> <td data-bbox="842 1585 884 1771">Class</td> <td data-bbox="842 1413 884 1585">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="884 1585 932 1771">Group</td> <td data-bbox="884 1413 932 1585">Single⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Medical Device Authority	13 February 2020 ^(c) / 12 February 2025	Registration No. IVDA2401020-39936 (Serial No. 033645)	(iii) It is the responsibility of the Establishment to ensure that the medical device complies with any other requirements of the law. This certificate does not exclude any regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	Single ⁽²⁾										
(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) It is the responsibility of the Establishment to ensure that the medical device complies with any other requirements of the law. This certificate does not exclude any regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).											

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance								
23.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="469 1413 560 1767"> <tr> <td data-bbox="469 1413 512 1581">Class</td> <td data-bbox="469 1581 512 1767">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="512 1413 560 1581">Group</td> <td data-bbox="512 1581 560 1767">System⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	System ⁽²⁾	Medical Device Authority	19 November 2024 ^(c) / 18 November 2029	Registration No. IVDA5551319-36234	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) This certificate does not exempt any other regulatory requirements applicable to the medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied				
Class	Class A ⁽¹⁾														
Group	System ⁽²⁾														
24.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="512 1413 655 1767"> <tr> <td data-bbox="512 1413 555 1581">Class</td> <td data-bbox="512 1581 555 1767">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="555 1413 598 1581">Group</td> <td data-bbox="555 1581 598 1767">Single⁽²⁾</td> </tr> <tr> <td data-bbox="598 1413 641 1581">Discipline</td> <td data-bbox="598 1581 641 1767">Histology/ Cytology</td> </tr> <tr> <td data-bbox="641 1413 655 1581">Category</td> <td data-bbox="641 1581 655 1767">Histology/ Cytology Reagents</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Discipline	Histology/ Cytology	Category	Histology/ Cytology Reagents	Medical Device Authority	18 September 2022 ^(c) / 17 September 2027	Registration No. IVD34069273917 A (Serial No. 051663)	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable.	Complied
Class	Class A ⁽¹⁾														
Group	Single ⁽²⁾														
Discipline	Histology/ Cytology														
Category	Histology/ Cytology Reagents														

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance				
25.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="847 1413 940 1771"> <tr> <td data-bbox="847 1682 895 1771">Class</td> <td data-bbox="847 1413 895 1682">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="895 1682 940 1771">Group</td> <td data-bbox="895 1413 940 1682">Single⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Medical Device Authority	20 August 2023 ^(e) / 19 August 2028	Registration No. IVD71660250617 A (Serial 064003) No.	(iii) It is the responsibility of the Establishment to ensure that the medical device complies with any other requirements of the law. This certificate does not exclude any regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984). (i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) This certificate does not exempt any other regulatory requirements applicable to medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	Single ⁽²⁾										

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance				
26.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="470 1411 558 1769"> <tr> <td data-bbox="470 1680 510 1769">Class</td> <td data-bbox="470 1411 510 1680">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="510 1680 558 1769">Group</td> <td data-bbox="510 1411 558 1680">Single⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Single ⁽²⁾	Medical Device Authority	1 April 2024 ^(c) / 31 March 2029	Registration No. IVD68337698718 A	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable. (iii) This certificate does not exempt any other regulatory requirements applicable to medical device for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).	Complied
Class	Class A ⁽¹⁾										
Group	Single ⁽²⁾										
27.	Matrix Optics	Medical Device Registration Certificate pursuant to Section 5(1) of the MDA: <table border="1" data-bbox="1029 1411 1120 1769"> <tr> <td data-bbox="1029 1680 1069 1769">Class</td> <td data-bbox="1029 1411 1069 1680">Class A⁽¹⁾</td> </tr> <tr> <td data-bbox="1069 1680 1120 1769">Group</td> <td data-bbox="1069 1411 1120 1680">Family⁽²⁾</td> </tr> </table>	Class	Class A ⁽¹⁾	Group	Family ⁽²⁾	Medical Device Authority	3 July 2024 ^(c) / 2 July 2029	Registration No. IVDA5839624-175712	(i) The Medical Device Authority may cancel the Medical Device Registration or take legal action if the Establishment fails to comply with any medical device registration conditions. (ii) Medical Device Registration Certificate issued by the Medical Device Authority shall not be transferable or assignable.	Complied
Class	Class A ⁽¹⁾										
Group	Family ⁽²⁾										

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
28.	Matrix Optics	<p>Certificate of Registration of Company for government procurement matters</p> <p>The individuals authorized by the company to manage the government procurement matters are as follows:</p> <ul style="list-style-type: none"> (i) Mr. Lyn Meng Keong (General Manager) (ii) Ms. Maya Sari Binti Ahmat Arbi (Technical Manager) (iii) Mr. Akmal Hakim bin Yukhanis (Technical Support Engineer) (iv) Mr. Mohamad Azahar bin Abdul Hamid (Technical Support Engineer) (v) Mr. Mohammad Zahiruddin bin Zainal Abidin (Technical Support Engineer) (vi) Mr. Muhammad Aqil Arif bin Zaharinuddin (Sales Executive) (vii) Mr. Muhammad Amirul Shafiq bin Shufrin (Technical Support Engineer) 	Ministry of Finance	30 May 2023 ^(e) / 29 May 2026	<p>Certificate No.: K11701527613539055</p> <p>Registration Reference No.: 357-00043457</p>	<p>(ii) This certificate does not exempt any other regulatory requirements applicable to the medical device (for examples: Medical Device containing scheduled poison is subjected to the Poisons Act 1952; medical devices using ionizing radiation is subjected to the Atomic Energy Licensing Act 1984).</p> <p>(i) Any changes to the information submitted by Matrix Optics to the Ministry of Finance must be updated online at Modul Kemaskini Profil at www.eperolehan.gov.my within 21 days from the date of occurrence of such change and a failure to do so may result in action such as item (iii) below.</p> <p>(ii) Matrix Optics is required to ensure that the fields which have been registered under this certificate do not overlap with the fields which have been approved for such companies which:</p> <ul style="list-style-type: none"> (a) Have the same owner or Board of Directors, management and employees; or (b) Operate at the same premise. 	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
		(viii) Mr. Parthiban A/L Sathappan (Product Specialist)				(iii) Failure to comply with the conditions of registration and/or field codes may result in the suspension or cancellation of the registration of Matrix Optics and disciplinary action including blacklisted without any notice taken against Matrix Optics, the owner and Board of Directors if it is found that the information given is not true.	
		(ix) Mrs. Noor Erwani Azura Binti Shuhaimi (Sales Admin)				(iv) The registration of Matrix Optics will be suspended or cancelled if it is found that Matrix Optics has committed an offence as follows:	
		(x) Mrs. Nurul Hafinaz Binti Zulkifli (Product Specialist)				(a) It/ its owner/ director/ any of the management members have committed a crime and found to be guilty by the courts of Malaysia or outside Malaysia or suffer from civil liability. (b) It withdraws the offer before the tender is considered or reject an offer. (c) It fails to perform its contractual obligations for contracts which have been signed with the government. (d) It is found to have amended its Certificate of Registration of Company for purposes of fraud. (e) It is found to have allowed its Certificate of Registration of Company to be misused by other individuals/ companies.	

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
29.	Matrix Optics	Wholesaler's Poisons Licence (Type B Licence – to import, store and sell by wholesale such poisons as may be specified in such licence) granted to Mr. Parthiban A/L Sathappan ⁽⁴⁾ of Matrix Optics pursuant to Section 26(2) of the Poisons Act, 1952 (Act 366) (" Poisons Act ")	Selangor Health Department	30 January 2024 ^(a) / 31 December 2024	Licence No. 013974 Register No. MBB0519/2024	(f) It is found to be involved in price fixing with other companies while participating in a government tender or subcontract without prior consent from the relevant government agency. (v) Matrix Optics is required to submit an application for renewal of registration three months* prior to the expiry of the registration period.	Complied
						In the event Mr. Parthiban A/L Sathappan changes work place or resign in the following manner: (i) Resign as a licence holder in a firm/company and works in a different firm/company in the same country. (ii) Resign as a licence holder in a firm/company and works in a different firm/company in a different country. (iii) Changes address of work place/ business address but there is no change to the firm which he is working in.	

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
						<p>The licence holder is required to take the following actions:-</p> <p>(a) The authority that issues the poison license, which is the Licensing Officer of any state or the Federal Territory (“Licensing Officer”)⁽⁵⁾, must be informed about the change of name or address of the place of work/business before any change is carried out. The licence holder is also required to explain to the officer the action which the licence holder is proposing to take for the stored poisons at the firm where the licence holder will resign as a licence holder;</p> <p>(b) The licence holder is also required to submit his license to the Licensing Officer for cancellation. The license cancellation will be carried out when there is a change as mentioned in sub-paragraphs (i) to (iii) in the above paragraph.</p> <p>(c) Together with the surrender of licence holder’s license to be cancelled, the licence holder can apply for a new licence from the same Licensing Officer if the place where the licence holder resigned and the firm where the licence holder wants to work/conduct business are located in the same state. But, if the firm where the licence holder resigns and the firm where the licence holder wants to work/conduct business have addresses in different states, the</p>	

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
						<p>licence holder is required to apply for a new licence from the Licensing Officer of the State where the licence holder wants to work/conduct business.</p> <p>(d) It is the licence holder's responsibility to observe that the place of business does not continue to use the licence holder's licence unless licence holder as a licensee are still working at that place of business. If the licence holder does not take the actions mentioned above for any inappropriate or illegal practices regarding poison carried out in the firm/company or place of business where the licence holder last worked, court action will be taken against the licence holder and the firm/company by confiscating the poisons stored in the firm/company or place of business. The licence holder will also face difficulties in applying for a new license for a new place of practice.</p>	

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
<u>Singapore</u>							
30.	Crest Innovation	Licence to manufacture, possess for sale or deal in ionising irradiating apparatus and/or radioactive material	National Environment Agency ("NEA")	20 February 2023 ^(d) / 1 October ^(e)	IR1/2023/00209	<p>Qualified Person: Koh Chee Chung (Director)</p> <p>(i) Notice of every transaction involving any irradiating apparatus or radioactive material must be submitted to the NEA's Radiation Protection and Nuclear Science Group in the form and manner specified by the NEA.</p> <p>(ii) Licensee must ensure that any sealed source supplied has a valid certificate (not older than 12 months from the date of testing at the time the source is supplied) to show each sealed source has been tested for leakage of radioactive material and has been found free of such leakage, and provide such a certificate to the person to whom the sealed source is supplied to.</p> <p>(iii) Licensee must ensure that any individual carrying out installation, demonstration, servicing, operation or maintenance of any irradiating apparatus authorised under this licence has been appropriately trained to do so.</p> <p>(iv) Licensee must ensure that any individual handling any radioactive material authorised under this licence must be suitably trained to do so.</p>	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
31.	Crest Innovation	Licence to keep or possess an ionising irradiating apparatus and/or radioactive material for use (other than sale)	NEA	20 February 2023 ^(d) / 1 July ⁽⁷⁾	IR2/2023/01020	<p>Qualified Person: Koh Chee Chung (Director)</p> <p>(i) For cancellation of this licence, documentary proof of the whereabouts of the apparatus or materials is required to be submitted.</p> <p>(ii) Licensee must ensure that authorised irradiating apparatus and radioactive materials are not used for irradiation of human beings or administered to human beings unless authorised to be used for medical, dental or research (involving human subjects) purposes.</p> <p>(iii) Licensee must ensure that any individual handling any radioactive material authorised under this licence must be suitably trained to do so.</p> <p>(iv) Licensee must ensure that authorised irradiating apparatus and radioactive materials are not used for irradiation of human beings or administered to human beings unless authorised to be used for medical, dental or research (involving human subjects) purposes.</p>	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

No.	Company	Description of licence / permit / approval / certificate	Approving authority / issuer	Issue date / Expiry date	Licence / Permit / Registration / Certificate No.	Major conditions imposed	Status of compliance
32.	Crest Innovation	Licence to manufacture or deal in non-ionising irradiating apparatus	NEA	26 August 2024 ^(b) / 25 August 2025	N1/2024/00193	(i) The licence shall be subject to suspension or cancellation at any time without compensation and without notice by the Director-General of Environmental Protection in the event of but not limited to the following events: (a) breach of any restrictions or conditions subject to which it was issued; or (b) contravention of any of the provisions of the Radiation Protection Act or the Regulations thereunder. (ii) Application for the renewal of this licence shall be made not later than one month before the expiry date as appearing in this N1 licence.	Complied
<u>Thailand</u>							
33.	Crest Thailand	Registration certificate to import medical devices pursuant to the Medical Devices Act B.E. 2551 (2008)	Food and Drug Administration of Thailand	14 September 2023 ^(b) / 31 December 2027	KorTor. SorNor. 277/2566	The licence holder is only permitted to import the medical devices according to the following categories: (i) clinical laboratory; (ii) pathology; and (iii) surgery.	Complied
<u>PRC</u>							
34.	Crest Suzhou	Registration Certificate of Customs Declaration Unit (consignee and consignor of import and export goods)	Customs of Suzhou Industrial Park Administrative Committee	1 June 2017 ^(a) / no date of expiry ^(e)	3205230540	Crest Suzhou shall submit its annual report of Customs Declaration Unit Registration Information to the Customs of Suzhou Industrial Park Administrative Committee prior to 30 June every year.	Complied

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

Notes:

- (a) This issue date is the date such licence / permit / approval / certificate (as applicable) was renewed.
 - (b) This issue date is the date such licence / certificate (as applicable) was first obtained.
 - (c) This issue date refers to the registration date of the respective medical devices under the certificate.
 - (d) This issue date is the date the licence was first obtained. Such licence replaced its preceding licence which was cancelled by operation of law following the change in Singapore regulations with effect from 20 February 2023.
 - (e) Pursuant to the Administrative Provisions of the Customs of the PRC on Registration of Customs Declaration Unit (effective on 1 January 2022), such registration certificate is of a long-term validity.
- * Based on the renewal portal for the submission of the application for renewal of registration, the company may only submit its renewal application once the 90 days' renewal period has commenced.
- (1) Pursuant to the Medical Device Guidance Document, Guidance on the Rules of Classification for General Medical Devices (MDA/GD/0009) (Second Edition) published as at 9 May 2022, medical devices are classified into one of 4 classes based on the risk associated to it at the point of usage (i.e. the risk to patients, users and other persons). The purposes of such risk-based classification are (a) to make sure that the regulatory controls applied to a medical device are proportionate to risk, (b) to assist a manufacturer to allocate its medical device to an appropriate risk class and (c) regulatory authorities have the responsibility of ruling upon matters of interpretation for a particular medical device. The 4 classes of general medical devices are (a) Class A, Low Risk, which device examples are surgical retractors / tongue depressors; (b) Class B, Low-moderate Risk, which device examples are hypodermic needle / suction equipment; (c) Class C, Moderate-high Risk, which device examples are lung ventilator / orthopedic implants and (d) Class D, High Risk, which device examples are heart valves / implantable defibrillator.
 - (2) Pursuant to the Medical Device Guidance Document, General Medical Device-Grouping (MDA/GD/0005) (Second Edition) published as at 30 January 2024, a medical device that is categorised as:
 - "Single" is a medical device from a manufacturer identified by a medical device proprietary name with a specific intended purpose. It is sold as a distinct packaged entity, may be offered in a range of package sizes and it does not meet the criteria for the category of "Family", "System" or "Set";
 - "System" is a medical device comprising of medical devices and accessories and/or a number of constituent-components that are: (a) from the same manufacturer; (b) intended to be used in combination to complete a common intended purpose; (c) compatible when used as a "System"; and (d) sold under a "System" name or the labelling, instruction for use, brochures or catalogues for each constituent component states that the constituent component is intended for use with the "System";
 - "Family" is a collection of medical devices and each medical device "Family" member: (a) is from the same manufacturer; (b) is of the same risk classification; (c) has the same medical device proprietary name; (d) has a common intended purpose; (e) has the same design and manufacturing process; and (f) has variations that are within the scope of the permissible variants. A characteristic of a medical device may be considered a permissible variant if: (a) the physical design and construction of the medical devices are the same, or very similar; (b) the manufacturing processes for the medical devices are the same, or very similar; (c) the intended purpose of the medical devices is the same; and (d) the risk profile of the medical devices, taking into account the aforementioned factors, is the same.

ANNEXURE A OUR MAJOR LICENCES, PERMITS AND APPROVALS (Cont'd)

- (3) The Certificate of Registration in Form V1 is required pursuant to regulation 97(C) of the Guideline for Approval of Electrical Equipment issued by the Energy Commission in exercise of power conferred by the Electricity Supply Act 1990, which provides that any person who manufactures or imports any equipment under regulation 97 shall apply to be registered with the Energy Commission. Regulation 97 states that subject to, among others, regulation 97(C), no person shall manufacture, import, display, sell or advertise (a) any domestic equipment; (b) any low voltage equipment which is usually sold direct to the general public; or (c) any low voltage equipment which does not require special skills in its operation, unless the equipment is approved by the Energy Commission.
- (4) Mr. Parthiban A/L Sathappan is an employee of Matrix Optics. Pursuant to section 26(2) of the Poisons Act, a Type B licence may be issued to any person whom the Licensing Officer may consider to be a fit and proper person to hold such licence, or issued to a responsible officer of a company incorporated under the Companies Act 2016. Such licence shall be personal to the licensee named therein and shall not in any case, be transferable to another person and no licence shall authorize the sale of any poison by any person other than the person named therein or otherwise than under his personal supervision, provided that the Licensing Officer, if he sees fit, may amend on a licence the address of the premises at which the person licensed carries on the business or profession in respect of which he is licensed. If the licensee contravenes any term or condition of such licence, he/she shall be guilty of an offence against the Poisons Act. Any person guilty of an offence against the Poisons Act, for which no other penalty is specifically provided by the Poisons Act or by any regulations made thereunder, shall be punishable by a fine not exceeding RM150,000.00 or by imprisonment for a term not exceeding five (5) years, or to both, provided that if the act or omission with which such person is charged, is in the opinion of the court of such a nature as to amount to wilful default or culpable negligence, which endangered or was likely to endanger human life, such person shall be liable, on conviction, to a fine not exceeding RM200,000.00 or to imprisonment for a term not exceeding ten (10) years, or to both.
- (5) "Licensing Officer" means a person appointed to be a Licensing Officer under section 26 of the Poisons Act and includes the Director General of Health, Malaysia.
- (6) 1 October being the anniversary date or the expiry date of the licence. The licence is automatically renewed once the annual fee is paid before the anniversary date stated in the licence (e.g. if the anniversary date is on 1 October, the annual fee payment due date is on 30 September of each year).
- (7) 1 July being the anniversary date or the expiry date of the licence. The licence is automatically renewed once the annual fee is paid before the anniversary date stated in the licence (e.g. if the anniversary date is on 1 July, the annual fee payment due date is on 30 June of each year).

Aside from the major licences, permits and approvals as listed above, our Group also maintains business premise licences for our premises in various locations where we conduct our business activities. These business premise licences are renewable on an annual basis. The application and renewal process is an ongoing process and at any one point in time, there will be premises which business premise licences are in the midst of being applied for or renewed.

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