

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)

***UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2024***

CONTENTS

INTERIM REPORT

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2024

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	1
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	2
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	3
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	4
PART A : EXPLANATORY NOTES PURSUANT TO PARAGRAPH 16, MFRS 134 INTERIM FINANCIAL REPORTING	5
PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD	9

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

	<u>INDIVIDUAL PERIOD</u>		<u>CUMULATIVE PERIOD</u>	
	Current Year Quarter 31-03-2024 RM'000	Preceding Year Quarter 31-03-2023 RM'000	Current Year To Date 31-03-2024 RM'000	Preceding Year To Date 31-03-2023 RM'000
Revenue	107,926	94,327	107,926	94,327
Cost of sales	<u>(92,054)</u>	<u>(80,808)</u>	<u>(92,054)</u>	<u>(80,808)</u>
Gross profit	15,872	13,519	15,872	13,519
Other income	<u>1,024</u>	<u>1,044</u>	<u>1,024</u>	<u>1,044</u>
	16,896	14,563	16,896	14,563
Administrative and other expenses	<u>(7,377)</u>	<u>(6,281)</u>	<u>(7,377)</u>	<u>(6,281)</u>
Operating profit	9,519	8,282	9,519	8,282
Finance costs	<u>(8,853)</u>	<u>(6,998)</u>	<u>(8,853)</u>	<u>(6,998)</u>
Profit before tax	666	1,284	666	1,284
Income tax expense	<u>67</u>	<u>(855)</u>	<u>67</u>	<u>(855)</u>
Profit for the financial period	733	429	733	429
Other comprehensive income, net of tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the financial period	<u>733</u>	<u>429</u>	<u>733</u>	<u>429</u>
Profit/(Loss) for the financial period / Total comprehensive (loss)/income attributable to:				
Owners of the Company	735	(419)	735	(419)
Non-controlling interests	<u>(2)</u>	<u>848</u>	<u>(2)</u>	<u>848</u>
	<u>733</u>	<u>429</u>	<u>733</u>	<u>429</u>
Profit/(Loss) per share (sen)				
- Basic	<u>0.5</u>	<u>(0.3)</u>	<u>0.5</u>	<u>(0.3)</u>
- Diluted	<u>0.5</u>	<u>(0.3)</u>	<u>0.5</u>	<u>(0.3)</u>

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the quarterly report.

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	As at 31-03-2024 RM'000	As at 31-12-2023 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	39,525	34,214
Investment properties	296,128	296,128
Golf club membership	54	54
Goodwill	23,660	23,660
Operating financial asset	235,903	243,310
Deferred tax assets	<u>50,330</u>	<u>48,970</u>
Total non-current assets	<u>645,600</u>	<u>646,336</u>
Current assets		
Inventories - property under development	293,801	293,579
Inventories - completed properties and others	8,081	8,081
Operating financial asset	14,409	13,990
Trade and other receivables	137,785	172,024
Contract costs	5,458	3,774
Contract assets	47,562	64,108
Current tax assets	1,079	1,050
Short term investments	3,987	3,976
Fixed deposits placed with licensed banks	59,048	48,421
Cash and bank balances	<u>25,472</u>	<u>22,731</u>
Total current assets	<u>596,682</u>	<u>631,734</u>
TOTAL ASSETS	<u>1,242,282</u>	<u>1,278,070</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	181,191	181,191
Treasury shares	(13,661)	(13,661)
Retained earnings	<u>120,931</u>	<u>120,196</u>
	288,461	287,726
Non-controlling interests	<u>(83)</u>	<u>(81)</u>
TOTAL EQUITY	<u>288,378</u>	<u>287,645</u>
Non-current liabilities		
Loans and borrowings	334,486	336,076
Deferred tax liabilities	39,060	38,208
Tax liabilities	1,170	1,561
Trade and other payables	<u>20,770</u>	<u>21,830</u>
Total non-current liabilities	<u>395,486</u>	<u>397,675</u>
Current liabilities		
Loans and borrowings	215,606	234,586
Current tax liabilities	908	751
Trade and other payables	317,038	333,047
Contract liabilities	<u>24,866</u>	<u>24,366</u>
Total current liabilities	<u>558,418</u>	<u>592,750</u>
TOTAL LIABILITIES	<u>953,904</u>	<u>990,425</u>
TOTAL EQUITY AND LIABILITIES	<u>1,242,282</u>	<u>1,278,070</u>
Net assets per share attributable to owners of the Company (RM)	<u>1.78</u>	<u>1.77</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the quarterly report.

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

← **ATTRIBUTABLE TO OWNERS OF THE COMPANY** →

	Share capital RM'000	Treasury shares RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2023	181,191	(13,661)	178,714	346,244	24,478	370,722
Total comprehensive (loss)/income for the financial period	-	-	(419)	(419)	848	429
At 31 March 2023	<u>181,191</u>	<u>(13,661)</u>	<u>178,295</u>	<u>345,825</u>	<u>25,326</u>	<u>371,151</u>
At 1 January 2024	181,191	(13,661)	120,196	287,726	(81)	287,645
Total comprehensive (loss)/income for the financial period	-	-	735	735	(2)	733
At 31 March 2024	<u>181,191</u>	<u>(13,661)</u>	<u>120,931</u>	<u>288,461</u>	<u>(83)</u>	<u>288,378</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the quarterly report.

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

	3 Months Ended 31-03-2024 RM'000	3 Months Ended 31-03-2023 RM'000
Cash flows from operating activities		
Profit before tax	666	1,284
Adjustments for:		
Amortisation of discount on Sukuk Murabahah	508	557
Depreciation of property, plant and equipment	2,207	1,930
Interest expense	8,345	6,441
Interest income	(343)	(369)
Reversal of impairment loss on trade and other receivables	(349)	(354)
Operating profit before changes in working capital	11,034	9,489
Net change in assets	56,216	(7,944)
Net change in liabilities	(16,569)	7,062
	39,647	(882)
Cash generated from operations	50,681	8,607
Income tax paid	(704)	(468)
Income tax refunded	-	-
Net cash from operating activities	49,977	8,139
Cash flows from investing activities		
Interest received	332	322
Purchase of property, plant and equipment	(7,521)	(4,744)
Change in pledged deposits	-	(25)
Net cash used in investing activities	(7,189)	(4,447)
Cash flows from financing activities		
Interest paid	(8,345)	(6,441)
Net repayment of term loans	(7,720)	10,000
Payment of lease liabilities	(876)	(802)
Net (repayment) / drawdown of bankers' acceptances	(650)	714
Net (repayment) / drawdown of revolving credits	(9,600)	884
Net cash (used in) / from financing activities	(27,191)	4,355
Net increase in cash and cash equivalents	15,597	8,047
Cash and cash equivalents brought forward	44,214	21,267
Cash and cash equivalents carried forward	59,811	29,314
Analysis of cash and cash equivalents		
Cash and bank balances	25,472	19,989
Fixed deposits placed with licensed banks	59,048	59,583
	84,520	79,572
Less: Bank overdrafts	(19,853)	(45,435)
Fixed deposits pledged with licensed banks	(4,856)	(4,823)
Cash and cash equivalents	59,811	29,314

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the quarterly report.

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

**PART A: EXPLANATORY NOTES PURSUANT TO PARAGRAPH 16, MFRS 134
INTERIM FINANCIAL REPORTING**

A1. BASIS OF PREPARATION

The unaudited interim financial report has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards (“MFRS”) 134 *Interim Financial Reporting* and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements, and should be read in conjunction with the Group’s audited statutory financial statements presented in the Annual Report for the financial year ended 31 December 2023.

The accounting policies and presentation adopted by the Group in this interim financial report are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following amendments/improvements to MFRSs that are mandatory for the current financial year.

Amendments/Improvements to MFRSs

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

The adoption of the above new MFRS and amendments/improvements to MFRSs did not have significant effect on the financial position and performance of the Group.

A2. AUDIT QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the annual audited financial statements for the financial year ended 31 December 2023 was not qualified.

A3. SEASONALITY AND CYCLICALITY FACTORS

The operations of the Group were not materially affected by any seasonal or cyclical factors.

A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows for the current quarter ended 31 March 2024.

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

A5. CHANGES IN ESTIMATES

Except for reversal of impairment loss on trade and other receivables of RM0.3 million, there were no changes in estimates of amounts reported in prior financial year that have a material effect on the current quarter ended 31 March 2024.

A6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance and repayment of debt securities, share cancellations, and/or resale of treasury shares for the current quarter under review.

A7. DIVIDEND PAID

There was no dividend paid during the current quarter.

A8. SEGMENTAL REPORTING

The segmental reporting by industry of the Group is set out as below:

- (i) For the three (3) months period ended 31 March 2024

Segment Revenue and Segment Results

Business segment	Construction RM'000	Concession arrangement RM'000	Investment RM'000	Property development RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
- External customer	86,775	10,029	2,383	8,739	-	107,926
- Inter-segment	16,932	-	2,084	-	(19,016)	-
Total revenue	103,707	10,029	4,467	8,739	(19,016)	107,926
Results						
- Segment results	(752)	7,850	1,642	1,163	(384)	9,519
Finance costs						(8,853)
Income tax expense						67
Profit for the financial period						733

No geographical segment is presented as the Group operates principally in Malaysia.

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

A8. SEGMENTAL REPORTING (CONTINUED)

The segmental reporting by industry of the Group is set out as below (Continued):

(ii) For the three (3) months period ended 31 March 2023

Segment Revenue and Segment Results

Business segment	Construction RM'000	Concession arrangement RM'000	Investment RM'000	Property development RM'000	Eliminations RM'000	Consolidated RM'000
Revenue						
- External customer	77,496	10,539	2,172	4,120	-	94,327
- Inter-segment	13,952	-	2,390	(1,350)	(14,992)	-
Total revenue	91,448	10,539	4,562	2,770	(14,992)	94,327
Results						
- Segment results	429	8,346	2,586	223	(3,302)	8,282
Finance costs						(6,998)
Income tax expense						(855)
Profit for the financial period						429

No geographical segment is presented as the Group operates principally in Malaysia.

A9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The valuations of property, plant and equipment have been brought forward without amendment from the audited financial statements for the financial year ended 31 December 2023.

A10. SUBSEQUENT MATERIAL EVENTS

There were no material events subsequent to the reporting period up to 15 May 2024, being the latest practicable date, which is not earlier than 7 days from the date of issue of this quarterly report, that have not been reflected in the financial statements for the current quarter ended 31 March 2024.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current quarter ended 31 March 2024.

A12. CAPITAL COMMITMENTS

There were no capital commitments that have a material effect in the current quarter ended 31 March 2024.

A13. SIGNIFICANT RELATED PARTY DISCLOSURES

The Group has no significant related party transactions during the current quarter ended 31 March 2024, except for reversal of impairment loss on trade and other receivables of RM0.3 million from a company in which a director of the Company has interest.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. REVIEW OF PERFORMANCE

For the first quarter under review, the Group recorded revenue of RM107.9 million and profit before tax of RM0.7 million as compared to the corresponding first quarter of the preceding year of RM94.3 million and RM1.3 million respectively.

The construction division recorded revenue of RM86.8 million and loss before tax of RM0.8 million as compared to the corresponding first quarter of the preceding year of RM77.5 million and RM1.5 million respectively. The increase in revenue and decrease in loss before tax were mainly due to higher progress in construction recognised for construction projects during the current quarter under review.

The property development division's revenue and profit before tax amounted to RM8.7 million and RM0.2 million as compared to the corresponding first quarter of the preceding year of RM4.1 million and RM0.4 million respectively. The increase in revenue was due to the current development project, i.e. Bukit Tinggi, Klang (also known as Interpoint). The lower profit was due to higher finance cost.

The concession arrangement division recorded revenue of RM10.0 million and profit before tax of RM2.6 million as compared to the corresponding first quarter of the preceding year of RM10.5 million and RM2.6 million respectively. The decrease in revenue was mainly due to lower finance income recognised.

The investment division recorded revenue of RM2.4 million and loss before tax of RM1.3 million as compared to the corresponding first quarter of the preceding year of RM2.2 million and RM0.2 million respectively. The increase in revenue was mainly due to higher car park income collected during the current quarter. The increase in loss before tax was mainly due to higher finance costs arising from the repayment of short term borrowings.

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	Current 1st Quarter RM'000	Preceding 4th Quarter RM'000	Increase/(Decrease)	
			RM'000	%
Revenue	107,926	150,042	(42,116)	(28%)
Profit/(Loss) before tax	666	(27,261)	27,927	102%
Profit/(Loss) after tax	733	(26,411)	27,144	103%

For the current quarter under review, the Group recorded profit before tax and profit after tax of RM0.7 million and RM0.7 million respectively as compared to loss before tax and loss after tax of RM10.3 million and RM9.5 million respectively in the immediate preceding quarter.

The decrease in revenue as compared to the fourth quarter of the immediate preceding year was mainly due to the lower progress in construction recognised for construction projects and absence of the sales from the inventory of completed properties (RM20.8 million) during the current quarter under review. On the other hand, the increase in profit before tax and profit after tax in the current quarter were mainly because of the absence of write-down of inventories - land held for development which were recognised in the fourth quarter of the immediate preceding year.

B3. CURRENT YEAR PROSPECT

The Group will continue to bid actively for construction projects in order to replenish its order book. The current projects are all progressing efficiently and within expectation of time.

The concession division will continue to contribute positively to the Group with the stable income and profits until year 2034.

With the successful launched of Bukit Tinggi, Klang development project (also known as Interpoint), it will contribute positively to the Group's earnings for the current and next financial years. In addition, we will focus on selling the remaining completed properties.

The Malaysian economy is projected to expand by 4% to 5% in year 2024 which supported by resilient domestic demand and recovery in exports. The construction industry in Malaysia for 2024 is expected to remain challenging with the weakening ringgit, rising of construction overheads cost, shortage of skilled labour and short-term price fluctuations of building materials. The Group will continue to focus on strengthening its financial position and implementing cost optimisation measures and effective resource planning. This year's performance will be driven by larger order book and contribution from the property development project. The Board is cautiously optimistic of the overall prospect of the Group's business and financial performance for 2024.

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B4. VARIANCES ON PROFIT FORECAST AND PROFIT GUARANTEE

Not applicable to the Group.

B5. INCOME TAX EXPENSE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 31-03-2024 (RM'000)	Quarter Ended 31-03-2023 (RM'000)	Year Ended 31-03-2024 (RM'000)	Year Ended 31-03-2023 (RM'000)
Current income tax				
- Current year	440	788	440	788
Deferred tax				
- Current year	(507)	67	(507)	67
	(67)	855	(67)	855
Profit before tax	666	1,284	666	1,284
Tax at Malaysian statutory tax rate of 24%	160	308	160	308
Expenses not deductible for tax purposes	280	547	280	547
Deferred tax assets not recognised on tax losses and temporary differences	(507)	-	(507)	-
	(67)	855	(67)	855

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B6. PROFIT ON SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There was no disposal of unquoted investments and/or properties for the current quarter ended 31 March 2024.

B7. DEALINGS IN QUOTED SECURITIES

The Group did not transact or hold any quoted securities for the current quarter ended 31 March 2024.

B8. CORPORATE PROPOSALS

There were no corporate proposals previously announced but not completed up to 15 May 2024, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

B9. BORROWINGS AND DEBT SECURITIES

The details of the Group's borrowings and debt securities, all of which are denominated in Ringgit Malaysia, as at 31 March 2024 are as follows:

	RM'000	RM'000
Short term borrowings:		
Secured		
- Lease liabilities	2,957	
- Sukuk Murabahah	23,162	
- Term loans	1,268	
- Bank overdrafts	19,853	
- Bankers' acceptances	62,028	
- Revolving credits	106,338	
	215,606	
Long term borrowings:		
Secured		
- Lease liabilities	4,259	
- Term loans	64,131	
- Sukuk Murabahah	266,096	
	334,486	
Total		548,824

CREST BUILDER HOLDINGS BERHAD 200201005719 (573382-P)
INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B10. MATERIAL LITIGATION

Same as previously disclosed in the audited financial statements for the financial year ended 31 December 2023, there were no significant changes in material litigation, including the status of pending material litigation since the previous quarter to 15 May 2024, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

The outcome for a material litigation which was disclosed in the audited financial statements for the financial year ended 31 December 2023 might be known in the coming months. Consistent with the assessment made as of 31 December 2023, no allowance for impairment or provision for liabilities has been made in the current quarter under review.

B11. DIVIDEND

No dividend was proposed or paid in respect of the first quarter ended 31 March 2024.

B12. PROFIT / (LOSS) PER SHARE

a. Basic profit / (loss) per share

The basic profit / (loss) per share has been calculated based on the Group's profit / (loss) after tax attributable to owners of the Company and divided by the weighted average number of ordinary shares in issue during the current quarter ended 31 March 2024.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
Profit / (Loss) after tax attributable to owners of the Company (RM'000)	735	(419)	735	(419)
Weighted average number of ordinary shares in issue ('000)	162,107	162,107	162,107	162,107
Basic loss per share (sen)	0.5	(0.3)	0.5	(0.3)

b. Diluted profit / (loss) per share

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

CREST BUILDER HOLDINGS BERHAD ^{200201005719 (573382-P)}
INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2024

B13. PROFIT FOR THE FINANCIAL PERIOD

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Profit for the financial period is arrived at after charging:				
Amortisation of discount on Sukuk Murabahah	508	557	508	557
Depreciation of property, plant and equipment	2,207	1,930	2,207	1,930
Interest expense	8,345	6,441	8,345	6,441
and after crediting:				
Interest income	343	369	343	369
Reversal of impairment loss on trade and other receivables	349	354	349	354

B14. AUTHORISED FOR ISSUE

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

By Order of the Board

Company Secretary
Heng Chiang Pooch FCIS (CS) (CGP) (MAICSA 7009923)
Date: 21 May 2024