

**CRESCENDO CORPORATION BERHAD**  
(Company No. : 359750-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.10.2017 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.10.2016 RM'000	CURRENT YEAR TO-DATE 31.10.2017 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.10.2016 RM'000
Revenue	71,174	72,445	205,963	169,956
Cost of sales	(49,081)	(53,322)	(138,878)	(119,718)
<b>Gross profit</b>	<b>22,093</b>	<b>19,123</b>	<b>67,085</b>	<b>50,238</b>
Other income	3,095	2,859	8,866	50,241
Administration expenses	(8,363)	(7,009)	(23,037)	(21,314)
Finance costs	(2,375)	(2,082)	(6,962)	(6,031)
<b>Profit before tax</b>	<b>14,450</b>	<b>12,891</b>	<b>45,952</b>	<b>73,134</b>
Tax expenses	(3,483)	(3,920)	(11,196)	(11,120)
<b>Profit for the period</b>	<b>10,967</b>	<b>8,971</b>	<b>34,756</b>	<b>62,014</b>
<b>Other comprehensive income, net of tax</b>				
Net movement on cash flow hedges	(735)	2,679	(3,549)	(227)
Tax relating to cash flow hedges	177	(643)	852	54
<b>Total other comprehensive income for the period, net of tax</b>	<b>(558)</b>	<b>2,036</b>	<b>(2,697)</b>	<b>(173)</b>
<b>Total comprehensive income for the period</b>	<b>10,409</b>	<b>11,007</b>	<b>32,059</b>	<b>61,841</b>
<b>Profit attributable to:</b>				
Owners of the Company	10,263	7,983	32,582	58,847
Non-controlling interests	704	988	2,174	3,167
	<b>10,967</b>	<b>8,971</b>	<b>34,756</b>	<b>62,014</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	9,701	10,014	29,876	58,686
Non-controlling interests	708	993	2,183	3,155
	<b>10,409</b>	<b>11,007</b>	<b>32,059</b>	<b>61,841</b>
<b>Earnings per share attributable to owners of the Company:</b>				
Basic (sen)	3.67	2.86	11.66	21.06

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2017 and the accompanying explanatory notes attached to the interim financial statements.

**CRESCENDO CORPORATION BERHAD**  
(Company No. : 359750-D)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>AS AT 31.10.2017 RM'000</b>	<b>AS AT 31.1.2017 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	178,501	167,587
Land use rights	5,748	5,986
Biological assets	1,102	1,149
Investment properties	286,696	286,696
Other investment	19,292	19,730
Land held for property development	584,232	569,209
Deferred tax assets	26,274	22,162
Derivative financial assets	18,516	22,433
	<u>1,120,361</u>	<u>1,094,952</u>
<b>Current assets</b>		
Property development costs	100,160	92,579
Inventories	70,584	78,473
Trade and other receivables	80,546	81,498
Other current assets	21,646	20,252
Tax recoverable	2,234	1,879
Cash and bank balances	52,840	58,561
	<u>328,010</u>	<u>333,242</u>
<b>TOTAL ASSETS</b>	<u><b>1,448,371</b></u>	<u><b>1,428,194</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	280,462	280,462
Share premium	19,110	19,110
Treasury shares	(3,115)	(3,115)
Other reserves	83,061	85,767
Retained earnings	544,214	528,340
	<u>923,732</u>	<u>910,564</u>
<b>Non-controlling interests</b>	<u>44,632</u>	<u>44,389</u>
<b>Total equity</b>	<u><b>968,364</b></u>	<u><b>954,953</b></u>
<b>Non-current liabilities</b>		
Loans and borrowings	291,822	282,408
Deferred tax liabilities	16,991	17,563
Derivative financial liabilities	1,772	2,140
	<u>310,585</u>	<u>302,111</u>
<b>Current liabilities</b>		
Trade and other payables	113,659	119,617
Due to customers on contracts	52	55
Loans and borrowings	38,426	47,548
Tax payable	8,902	3,910
Dividend payable	8,383	-
	<u>169,422</u>	<u>171,130</u>
<b>Total liabilities</b>	<u><b>480,007</b></u>	<u><b>473,241</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>1,448,371</b></u>	<u><b>1,428,194</b></u>
Net assets per share (RM)	<u>3.31</u>	<u>3.26</u>

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2017 and the accompanying explanatory notes attached to the interim financial statements.

**CRESCENDO CORPORATION BERHAD**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to owners of the Company →							Non-Controlling Interests RM'000
	← Non-distributable →			← Distributable →				
	Total Equity RM'000	Total RM'000	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	
<b>9 months ended 31 October 2017</b>								
<b>Balance as at 1 February 2017</b>	954,953	910,564	280,462	19,110	85,767	528,340	(3,115)	44,389
<b>Total comprehensive income</b>	32,059	29,876	-	-	(2,706)	32,582	-	2,183
<b>Transactions with owners</b>								
Acquisition of interest in a subsidiary	(1,883)	57	-	-	-	57	-	(1,940)
Dividends	(16,765)	(16,765)	-	-	-	(16,765)	-	-
Total transactions with owners	(18,648)	(16,708)	-	-	-	(16,708)	-	(1,940)
<b>Balance as at 31 October 2017</b>	<b>968,364</b>	<b>923,732</b>	<b>280,462</b>	<b>19,110</b>	<b>83,061</b>	<b>544,214</b>	<b>(3,115)</b>	<b>44,632</b>
<b>9 months ended 31 October 2016</b>								
<b>Balance as at 1 February 2016</b>	885,544	850,455	280,462	19,110	82,316	471,661	(3,094)	35,089
<b>Total comprehensive income</b>	61,842	58,687	-	-	(160)	58,847	-	3,155
<b>Transactions with owners</b>								
Purchase of treasury shares	(6)	(6)	-	-	-	-	(6)	-
Issuance of shares to non-controlling interests	7,500	-	-	-	-	-	-	7,500
Dilution of interest in subsidiaries	-	361	-	-	-	361	-	(361)
Dividend paid to non-controlling interests	(1,800)	-	-	-	-	-	-	(1,800)
Dividends	(13,972)	(13,972)	-	-	-	(13,972)	-	-
Total transactions with owners	(8,278)	(13,617)	-	-	-	(13,611)	(6)	5,339
<b>Balance as at 31 October 2016</b>	<b>939,108</b>	<b>895,525</b>	<b>280,462</b>	<b>19,110</b>	<b>82,156</b>	<b>516,897</b>	<b>(3,100)</b>	<b>43,583</b>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2017 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>9 MONTHS ENDED</b>	
	<b>31.10.2017</b>	<b>31.10.2016</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Cash receipts from customers	213,191	180,961
Cash paid to suppliers and employees	(167,965)	(168,645)
Cash generated from operations	<u>45,226</u>	<u>12,316</u>
Deposit interest received	1,199	919
Interest paid	(12,707)	(9,996)
Tax paid	(10,391)	(9,860)
Net cash from/(used in) operating activities	<u>23,327</u>	<u>(6,621)</u>
<b>Cash flows from investing activities</b>		
Acquisition of biological assets, land use rights and property, plant and equipment	(19,564)	(19,818)
Acquisition of investment properties	-	(127)
Acquisition of additional shares in a subsidiary	(1,883)	-
Acquisition of other investment	(574)	(11,315)
Capital realisation from investment	1,012	1,440
(Pledge)/Withdrawal of time deposits	(6)	643
Proceeds from disposal of plant and equipment	52	69
Net cash used in investing activities	<u>(20,963)</u>	<u>(29,108)</u>
<b>Cash flows from financing activities</b>		
Acquisition of treasury shares	-	(6)
Proceeds from loans and borrowings	31,190	77,636
Repayment of loans and borrowings	(24,365)	(34,100)
Dividend paid	(8,383)	(8,383)
Dividend paid to non-controlling interest	-	(1,800)
Proceeds from issuance of shares to non-controlling interest	-	7,500
Net cash (used in)/from financing activities	<u>(1,558)</u>	<u>40,847</u>
<b>Net increase in cash and cash equivalents</b>	806	5,118
<b>Cash and cash equivalents at the beginning of the financial year</b>	41,190	47,132
<b>Cash and cash equivalents at the end of the financial year</b>	<u>41,996</u>	<u>52,250</u>
<b>Cash and cash equivalents at the end of the financial year</b>		
Deposits with licensed banks	15,492	7,695
Cash and bank balances	37,348	57,253
Bank overdrafts	(6,248)	(8,110)
	<u>46,592</u>	<u>56,838</u>
Time deposits pledged	(4,596)	(4,588)
	<u>41,996</u>	<u>52,250</u>

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2017 and the accompanying explanatory notes attached to the interim financial statements.

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**PART A - EXPLANATORY NOTES PURSUANT TO FRS 134**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2017. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 January 2017.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those of the annual financial statements for the year ended 31 January 2017 except for the adoption of the following new and amended FRSs and Issues Committee ("IC") Interpretations relevant to the current operations of the Group with effect from 1 February 2017.

Amendments to FRS 107	Disclosure Initiative
Amendments to FRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
Annual Improvements to FRSs 2014-2016 Cycle :	
Amendments to FRS 12	Disclosure of Interests in Other Entities

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

The Group has not elected for early adoption of the following new and amended FRSs and IC Interpretations relevant to the current operations of the Group, which were issued but not yet effective for the financial year ending 31 January 2018:

	Effective for financial periods beginning on or after	
Annual Improvements to FRSs 2014-2016 Cycle :		
(i) Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 Jan 2018
(ii) Amendments to FRS 128	Investments in Associates and Joint Ventures	1 Jan 2018
Amendments to FRS 2	Classification and Measurement of Share-based Payment Transactions	1 Jan 2018
FRS 9	Financial Instruments	1 Jan 2018
Amendments to FRS 140	Transfers of Investment Property	1 Jan 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 Jan 2018
IC Interpretation 23	Uncertainty over Income Tax Treatments	1 Jan 2019
Amendments to FRS 10 and FRS128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

These new and amended FRSs are not expected to have any significant impact on the financial statements of the Group and the Company upon their initial application other than:

**Malaysia Financial Reporting Standards (MFRS framework)**

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141, Agriculture and/or IC Interpretation 15 Agreements for the Construction of Real Estate, including its parent, significant investor and joint venture (herein called "Transitioning Entities"). Generally, Transitioning Entities are entities involved in the real estate and agriculture industries that had been given the option to continue applying the FRS Framework.

On 8 September 2015, MASB confirmed that the effective date of MFRS 15 will be deferred to annual periods beginning on or after 1 January 2018. As a result, the effective date for Transitioning Entities to apply the MFRS framework will also be deferred to annual periods beginning on or after 1 January 2018.

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The core principle of MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. For the real estate industry, MFRS 15 is expected to enable property developers to recognise revenue progressively. MFRS 15 includes new disclosures (quantitative and/or qualitative information) to help investors better understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. The new comprehensive disclosures are in response to investors' comments that companies present revenue in isolation which make it difficult for them to relate to the entity's financial position.

The Group expect to present their first set of MFRS financial statements from the financial year ending 31 January 2019. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

**A2 Audit qualification**

The auditor's report of the preceding annual financial statements of the Group did not contain any qualification.

**A3 Seasonal or cyclical factors**

There were no significant seasonal factors affecting the operations of the Group. However, the economic cyclical factors will have an impact on property development and construction sector.

**A4 Unusual items**

There were no unusual items that have material effects on the assets, liabilities, equity, net income or cash flows for the current financial year-to-date.

**A5 Material changes in estimates**

There were no changes in estimates that have had a material effect in the current quarter results.

**A6 Debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the nine months ended 31 October 2017.

**A7 Dividends paid**

The dividend paid during the nine months ended 31 October 2017 was a final single tier dividend of 3 sen per ordinary share in respect of financial year 2017, paid on 29 August 2017.

**A8 Segmental information**

Major segments by activity:-	Revenue		Results	
	9 months ended		9 months ended	
	31.10.2017	31.10.2016	31.10.2017	31.10.2016
	RM'000	RM'000	RM'000	RM'000
Property development and construction	156,463	120,634	45,290	31,313
Manufacturing and trading	41,558	48,268	4,803	6,211
Property investment	1,308	1,003	560	42,017
Education, management services and others	23,802	14,322	12,688	9,041
	<u>223,131</u>	<u>184,227</u>	<u>63,341</u>	<u>88,582</u>
Inter-segment eliminations	<u>(17,168)</u>	<u>(14,271)</u>	<u>(8,076)</u>	<u>(7,191)</u>
	<u>205,963</u>	<u>169,956</u>	55,265	81,391
Unallocated expenses			(2,351)	(2,226)
Finance costs			<u>(6,962)</u>	<u>(6,031)</u>
			<u>45,952</u>	<u>73,134</u>

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### A9 Valuation of non-current assets

The valuations of property, plant and equipment, and investment properties stated in the previous annual financial statements have been brought forward without amendment.

### A10 Material subsequent events

As at 15 December 2017, there were no subsequent material events that have not been reflected in the financial statements for the current financial period.

### A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current year including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring or discontinuing of operations except for Unibase Construction Sdn. Bhd. ("UCSB"), a wholly-owned subsidiary of the Company and Unibase Concrete Industries Sdn. Bhd. ("UCISB"), a 60% owned subsidiary of UCSB, had on 1 March 2017 acquired from Dato' Tan Sui Hou 7,500 and 1,500 ordinary shares fully paid in Unibase Resources Sdn. Bhd. ("URSB"), previously a 79.12% owned subsidiary of UCSB, at the price of RM251 per share for a total cash consideration of RM1,882,500 and RM376,500 respectively. As a result of the acquisition, UCSB and UCISB own 87.36% and 1.65% equity interest in URSB respectively.

### A12 Contingent liabilities

The contingent liabilities of the Group as at 15 December 2017 which comprise Bankers' guarantees issued by financial institutions in favour of third parties are as follows:-

	RM'000
Secured	33,473
Unsecured	-
	<u>33,473</u>

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**PART B - ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1 Financial review for current quarter and financial year to date**

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 31.10.2017 RM'000	Preceding Year Corresponding Quarter 31.10.2016 RM'000	Changes %	Current Year To-date 31.10.2017 RM'000	Preceding Year Corresponding Period 31.10.2016 RM'000	Changes %
Revenue	71,174	72,445	-2%	205,963	169,956	21%
Earnings before interest, tax, depreciation and amortisation	17,958	15,676	15%	56,503	81,633	-31%
Profit before interest and tax	16,825	14,973	12%	52,914	79,165	-33%
Profit before tax	14,450	12,891	12%	45,952	73,134	-37%
Profit after tax	10,967	8,971	22%	34,756	62,014	-44%
Profit attributable to owners of the Company	10,263	7,983	29%	32,582	58,847	-45%

The Group's revenue for the nine months ended 31 October 2017 increased 21% as compared to the corresponding period in last year mainly contributed by higher properties sales.

By excluding the gain from fair value adjustment of investment properties amounting RM41.4 million recognised in the second quarter of last financial year, the Group's profit before tax ("PBT") for the nine months ended 31 October 2017 increased 45% as compared to RM31.8 million for the corresponding period in last year mainly contributed by higher properties sales compounded by change of sales mix with higher proportion of industrial properties sales which have a higher margin.

Performance analysis of the Group's operating segments are as follows:

	Revenue			
	Quarter ended		Year-to-date ended	
	31.10.2017 RM'000	31.10.2016 RM'000	31.10.2017 RM'000	31.10.2016 RM'000
Property development and construction	53,824	53,856	156,463	120,634
Manufacturing and trading	14,323	18,512	41,558	48,268
Property investment	447	416	1,308	1,003
Education, management services and others	9,055	6,168	23,802	14,322
	<b>77,649</b>	<b>78,952</b>	<b>223,131</b>	<b>184,227</b>

  

	Operating profit			
	Quarter ended		Year-to-date ended	
	31.10.2017 RM'000	31.10.2016 RM'000	31.10.2017 RM'000	31.10.2016 RM'000
Property development and construction	14,113	10,911	45,290	31,313
Manufacturing and trading	1,574	3,214	4,803	6,211
Property investment	192	210	560	42,017
Education, management services and others	4,622	3,889	12,688	9,041
	<b>20,501</b>	<b>18,224</b>	<b>63,341</b>	<b>88,582</b>

Property development and construction operation

For the nine months of financial year 2018, the revenue increased 30% mainly contributed by higher industrial properties sales.

For the current quarter and the nine months of financial year 2018, the operating profit increased 29% and 45% respectively mainly contributed by higher properties sales compounded by change of sales mix with higher proportion of industrial properties sales which have a higher margin.



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Manufacturing and trading operation

For the current quarter and the nine months of financial year 2018, the decreases in revenue and operating profits were mainly due to slower local market demand in concrete products.

Property investment operation

For the nine months of financial year 2018, the decrease in operating profit was mainly due to net gain from fair value adjustment of investment properties amounting to RM41.4 million recognised in the second quarter of last financial year.

Education, management services and others

For the nine months of financial year 2018, the increases in revenue and operating profit were mainly contributed by higher management fees which are charged according to the sales turnover of property development and construction segment.

The increases in revenue were also partly contributed by school fees from the international school which had just commenced its operation in the current financial year.

**B2 Financial review for current quarter compared with immediate preceding quarter**

	Current Quarter 31.10.2017 RM'000	Immediate Preceding Quarter 31.7.2017 RM'000	Changes %
Revenue	71,174	86,938	-18%
Earnings before interest, tax, depreciation and amortisation	17,958	28,473	-37%
Profit before interest and tax	16,825	27,223	-38%
Profit before tax	14,450	24,874	-42%
Profit after tax	10,967	18,342	-40%
Profit attributable to owners of the Company	10,263	17,957	-43%

The Group's revenue and PBT for the current quarter decreased 18% and 42% respectively as compared to the preceding quarter mainly due to lower industries properties sales.

**B3 Group's Prospect**

The Group's major business operation is the property development and construction division. Even though the property development environment for financial year 2018 is expected to remain challenging industry-wide, the demand for landed properties in strategic growth areas with good accessibility and connectivity is expected to remain resilient.

	9 months ended 31.10.2017		Units sold <sup>1</sup>	Sales value <sup>1</sup> RM'mil	Unbilled sales <sup>2</sup> RM'mil
	New launches Units	GDV RM'mil			
Industrial	14	19.1	43	95.2	68.9
Commercial	-	-	16	17.3	20.9
Residential	621	183.9	185	41.9	78.6
	<b>635</b>	<b>203.0</b>	<b>244</b>	<b>154.4</b>	<b>168.4</b>

<sup>1</sup> Includes sales of units from prior years launches

<sup>2</sup> Unbilled sales from total committed sales up to 15 December 2017

During the nine months ended 31 October 2017, the Group has launched 14 units terrace factories at Taman Perindustrian Cemerlang, 166 units of mid market landed residential properties at Bandar Cemerlang and 455 units of affordable housing at Bandar Cemerlang and Taman Dato' Chellam.

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As at 31 October 2017, the Group's land bank is as follows:

<u>Location</u>	<u>Type of development</u>	<u>Acres</u>
Bandar Cemerlang		
- Tebrau, Johor Bahru	Mixed development	826
- Kota Tinggi	Mixed development	526
Taman Perindustrian Cemerlang	Industrial	88
Taman Desa Cemerlang	Residential & commercial	70
Taman Dato' Chellam	Residential & commercial	12
Nusa Cemerlang Industrial Park	Industrial	204
Tanjung Senibong	Residential & commercial	222
Ambok	Resort / Mixed development	794
Others	Residential	5
		2,747

The Group will continue to leverage on its strategic land bank to develop properties that meet current market needs. The Group is planning to launch 24 units of semi-detached and cluster factories at Taman Perindustrian Cemerlang, 102 units of mid market landed residential properties at Bandar Cemerlang, 54 units of shop offices at Bandar Cemerlang and Taman Desa Cemerlang as well as 426 units of affordable housing at Bandar Cemerlang and Tanjung Senibong. However, the Group remains cautious in its launches to avoid holding high level of stock.

With the unbilled sales of RM168.4 million as at 15 December 2017 for the property development operation, the Board expects the performance of the Group to remain satisfactory for the financial year ending 31 January 2018.

**B4 Variance of actual profit from forecast profit and shortfall in profit guarantee**

This is not applicable.

**B5 Tax**

	Current Quarter Ended 31.10.2017 RM'000	Financial Year-to-date Ended 31.10.2017 RM'000
Current tax		
Current year	5,305	15,028
Deferred tax:		
Relating to origination and reversal of temporary difference	(1,965)	(3,956)
Prior years over provision	143	124
	3,483	11,196

The effective income tax rates for the current quarter was lower than the statutory tax rate mainly due to tax incentive enjoyed by a subsidiary.

**B6 Status of corporate proposals**

There were no corporate proposals announced but not completed as at 15 December 2017.

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**B7 Group borrowings and debt securities**

(a) The Group loans and borrowings as at 31 October 2017 and 31 October 2016 were as follows:

	<u>As at 31 October 2017</u>		
	Long term RM'000	Short term RM'000	Total RM'000
Secured:			
Bank overdrafts	-	6,248	6,248
Revolving credit	-	4,800	4,800
Term Loans	291,822	27,378	319,199
	<u>291,822</u>	<u>38,426</u>	<u>330,248</u>

	<u>As at 31 October 2016</u>		
	Long term RM'000	Short term RM'000	Total RM'000
Secured:			
Bank overdrafts	-	8,110	8,110
Revolving credit	-	17,300	17,300
Term Loans	248,897	17,155	266,052
	<u>248,897</u>	<u>42,565</u>	<u>291,462</u>

(b) The increase in loans and borrowings is mainly to finance project expenditure and construction of international school.

(c) As at 31 October 2017, the weighted average interest rate of loan and borrowings were ranging from 4.8% to 7.7% (31.10.2016: 4.8% to 7.8%) and after taking into account the effect of an interest rate swap, approximately 41% (31.10.2016: 49%) of the loans and borrowings are at fixed rate of interest.

(d) Included in term loans is a term loan of RM47.1 million (31.10.2016: RM49.6 million) denominated in USD. The Group had a cross currency interest rate swap ("CCIRS") agreement in place with a notional principal of USD15,038,314 (31.10.2016: USD15,836,526) that entitles the Group to receive interest at a floating rate of one month USD LIBOR plus 2% per annum on the USD notional amount and obliges the Group to pay interest at a fixed rate of 4.95% per annum on the RM notional amount of RM47.1 million (31.10.2016: RM49.6 million) [calculated at USD/RM 3.132]. The CCIRS effectively converts the USD liability into RM liability.

(e) The interest capitalised in the land held for property development and property development costs for the current financial period ended 31 October 2017 is RM5.84 million.

**B8 Material litigation**

As at 15 December 2017, there is no material litigation against the Group.

**B9 Dividend**

(a) No dividend has been declared or proposed for the current quarter ended 31 October 2017.

(b) Total dividend for the current financial year : 3 sen single tier per share.

## CRESCENDO CORPORATION BERHAD

(Company No. : 359750-D)

### B10 Earnings per share ("EPS")

Basic earnings per share amounts are calculated by dividing profit for the period, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Current Quarter Ended 31.10.2017	Financial Year-to-date Ended 31.10.2017
Profit net of tax attributable to owners of the Company (RM'000)	10,263	32,582
Weighted average number of ordinary shares in issue ('000)	279,419	279,419
Basic earnings per share (Sen)	3.67	11.66

### B11 Notes to the statement of comprehensive income

	Current Quarter Ended 31.10.2017 RM'000	Financial Year-to-date Ended 31.10.2017 RM'000
(a) Interest income	385	1,169
(b) Other income including investment income	2,728	7,336
(c) Interest expenses	(2,375)	(6,962)
(d) Depreciation and amortisation	(1,133)	(3,589)
(e) Provision for and (write off) / write back of receivables	-	464
(f) Provision for and write off of inventories	-	-
(g) Gain or loss on disposal of quoted or unquoted investments or properties	-	-
(h) Impairment of assets	-	-
(i) Foreign exchange gain or (loss)	(18)	(103)
(j) Gain or (loss) on derivatives	(735)	(3,549)
(k) Exceptional items	-	-

### B12 Gains / Losses arising from fair value changes of financial liabilities

The Group has no financial liabilities measured at fair value through profit or loss for the current quarter and current year-to-date.

### B13 Realised and unrealised retained earnings

The breakdown of the retained earnings of the Group into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	As at 31.10.2017 RM'000	As at 31.1.2017 RM'000
Total retained earnings of the Company and its subsidiaries		
Realised	579,225	547,796
Unrealised	137,302	135,454
	<u>716,527</u>	<u>683,250</u>
Less: Consolidated adjustments	(172,313)	(154,910)
Total Group retained earnings	<u>544,214</u>	<u>528,340</u>