

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.1.2019	PRECEDING YEAR CORRESPONDING QUARTER 31.1.2018 (Restated)	CURRENT YEAR TO-DATE 31.1.2019	PRECEDING YEAR CORRESPONDING PERIOD 31.1.2018 (Restated)
	RM'000	RM'000	RM'000	RM'000
Revenue	76,824	71,198	295,600	277,161
Cost of sales	(48,912)	(54,798)	(206,941)	(195,722)
<b>Gross profit</b>	<b>27,912</b>	<b>16,400</b>	<b>88,659</b>	<b>81,439</b>
Other income	5,483	3,714	16,906	12,580
Administration expenses	(15,618)	(14,460)	(41,193)	(37,497)
Finance costs	(3,030)	(2,328)	(11,131)	(9,290)
<b>Profit before tax</b>	<b>14,747</b>	<b>3,326</b>	<b>53,241</b>	<b>47,232</b>
Tax expenses	(4,101)	(2,055)	(12,823)	(12,975)
<b>Profit for the period</b>	<b>10,646</b>	<b>1,271</b>	<b>40,418</b>	<b>34,257</b>
<b>Other comprehensive income, net of tax</b>				
Net movement on cash flow hedges	(1,806)	(4,507)	1,169	(8,056)
Tax relating to cash flow hedges	433	1,081	(281)	1,933
<b>Total other comprehensive income for the period, net of tax</b>	<b>(1,373)</b>	<b>(3,426)</b>	<b>888</b>	<b>(6,123)</b>
<b>Total comprehensive income for the period</b>	<b>9,273</b>	<b>(2,155)</b>	<b>41,306</b>	<b>28,134</b>
<b>Profit attributable to:</b>				
Owners of the Company	11,182	1,316	37,387	32,128
Non-controlling interests	(536)	(45)	3,031	2,129
	<b>10,646</b>	<b>1,271</b>	<b>40,418</b>	<b>34,257</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	9,809	(2,121)	38,268	25,985
Non-controlling interests	(536)	(34)	3,038	2,149
	<b>9,273</b>	<b>(2,155)</b>	<b>41,306</b>	<b>28,134</b>
<b>Earnings per share attributable to owners of the Company:</b>				
Basic (sen)	4.00	0.47	13.38	11.50

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 2018 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**

	AS AT 31.1.2019  RM'000	AS AT 31.1.2018 (Restated) RM'000	AS AT 1.2.2017 (Restated) RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	162,696	150,502	139,267
Land use rights	5,351	5,668	5,986
Bearer plants	2,937	1,577	1,149
Investment properties	281,240	283,968	286,696
Other investment	15,898	18,231	19,730
Land held for property development	580,615	585,346	569,209
Deferred tax assets	34,285	26,019	21,062
Derivative financial assets	14,409	13,628	22,433
	<u>1,097,431</u>	<u>1,084,939</u>	<u>1,065,532</u>
<b>Current assets</b>			
Property development costs	110,483	114,737	92,579
Inventories	95,590	69,480	78,473
Trade and other receivables	57,121	74,766	81,498
Other current assets	20,527	20,075	20,252
Tax recoverable	1,295	1,407	1,879
Cash and bank balances	64,414	55,569	58,561
	<u>349,430</u>	<u>336,034</u>	<u>333,242</u>
<b>TOTAL ASSETS</b>	<u>1,446,861</u>	<u>1,420,973</u>	<u>1,398,774</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	299,572	299,572	280,462
Share premium	-	-	19,110
Treasury shares	(3,115)	(3,115)	(3,115)
Other reserves	10,638	9,758	15,900
Retained earnings	589,200	568,578	553,158
	<u>896,295</u>	<u>874,793</u>	<u>865,515</u>
<b>Non-controlling interests</b>	<u>52,194</u>	<u>44,558</u>	<u>44,389</u>
<b>Total equity</b>	<u>948,489</u>	<u>919,351</u>	<u>909,904</u>
<b>Non-current liabilities</b>			
Loans and borrowings	259,893	290,058	282,408
Deferred tax liabilities	30,664	30,237	33,192
Derivative financial liabilities	1,003	1,391	2,140
	<u>291,560</u>	<u>321,686</u>	<u>317,740</u>
<b>Current liabilities</b>			
Trade and other payables	112,176	120,279	119,617
Other current liabilities	210	47	55
Loans and borrowings	91,697	56,161	47,548
Tax payable	2,729	3,448	3,910
	<u>206,812</u>	<u>179,935</u>	<u>171,130</u>
<b>Total liabilities</b>	<u>498,372</u>	<u>501,621</u>	<u>488,870</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,446,861</u>	<u>1,420,973</u>	<u>1,398,774</u>
Net assets per share (RM)	<u>3.21</u>	<u>3.13</u>	<u>3.10</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 2018 and the accompanying explanatory notes attached to the interim financial statements.

# CRESCENDO CORPORATION BERHAD

(Company No. : 359750-D)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →							Non-Controlling Interests
	← 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	RM'000
<b>Year ended 31 January 2019</b>								
<b>Balance as at 1 February 2018</b>	967,282	922,724	299,572	-	79,625	546,642	(3,115)	44,558
Effect of adoption of the MFRS framework	(47,931)	(47,931)	-	-	(69,867)	21,936	-	-
<b>Balance as at 1 February 2018 (Restated)</b>	919,351	874,793	299,572	-	9,758	568,578	(3,115)	44,558
<b>Total comprehensive income</b>	41,305	38,267	-	-	880	37,387	-	3,038
<b>Transactions with owners</b>								
Disposal of redeemable preference shares in a subsidiary	5,000	-	-	-	-	-	-	5,000
Dividend paid to non-controlling interest	(402)	-	-	-	-	-	-	(402)
Dividends	(16,765)	(16,765)	-	-	-	(16,765)	-	-
Total transactions with owners	(12,167)	(16,765)	-	-	-	(16,765)	-	4,598
<b>Balance as at 31 January 2019</b>	948,489	896,295	299,572	-	10,638	589,200	(3,115)	52,194
<b>Year ended 31 January 2018</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
Effect of adoption of the MFRS framework	(45,049)	(45,049)	-	-	(69,867)	24,818	-	-
<b>Balance as at 1 February 2017 (Restated)</b>	909,904	865,515	280,462	19,110	15,900	553,158	(3,115)	44,389
<b>Total comprehensive income</b>	28,135	25,986	-	-	(6,142)	32,128	-	2,149
<b>Transactions with owners</b>								
Acquisition of interest in a subsidiary	(1,883)	57	-	-	-	57	-	(1,940)
Dividend paid to non-controlling interests	(40)	-	-	-	-	-	-	(40)
Dividends	(16,765)	(16,765)	-	-	-	(16,765)	-	-
Transition to no-par value regime	-	-	19,110	(19,110)	-	-	-	-
Total transactions with owners	(18,688)	(16,708)	19,110	(19,110)	-	(16,708)	-	(1,980)
<b>Balance as at 31 January 2018 (Restated)</b>	919,351	874,793	299,572	-	9,758	568,578	(3,115)	44,558

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 2018 and the accompanying explanatory notes attached to the interim financial statements.

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	YEAR ENDED	
	31.1.2019 RM'000	31.1.2018 RM'000
<b>Cash flows from operating activities</b>		
Cash receipts from customers	317,279	295,767
Cash paid to suppliers and employees	(244,313)	(241,792)
Cash generated from operations	<u>72,966</u>	<u>53,975</u>
Deposit interest received	1,577	1,640
Interest paid	(18,526)	(17,028)
Tax paid	(21,551)	(18,941)
Net cash from operating activities	<u>34,466</u>	<u>19,646</u>
<b>Cash flows from investing activities</b>		
Acquisition of bearer plants, land use rights and property, plant and equipment	(22,799)	(21,837)
Acquisition of additional shares in a subsidiary	-	(1,882)
Acquisition of other investment	(402)	(198)
Capital realisation from investment	2,736	1,696
Pledge of time deposits	(8)	(8)
Proceeds from disposal of redeemable preference shares in a subsidiary	6,500	-
Proceeds from disposal of plant and equipment	138	126
Net cash used in investing activities	<u>(13,835)</u>	<u>(22,103)</u>
<b>Cash flows from financing activities</b>		
Proceeds from loans and borrowings	47,945	45,541
Repayment of loans and borrowings	(36,916)	(24,394)
Dividend paid	(16,765)	(16,765)
Dividend paid to non-controlling interest	(402)	(40)
Net cash (used in)/from financing activities	<u>(6,138)</u>	<u>4,342</u>
<b>Net increase in cash and cash equivalents</b>	14,493	1,885
<b>Cash and cash equivalents at the beginning of the financial year</b>	43,075	41,190
<b>Cash and cash equivalents at the end of the financial year</b>	<u>57,568</u>	<u>43,075</u>
<b>Cash and cash equivalents at the end of the financial year</b>		
Deposits with licensed banks	22,305	14,080
Cash and bank balances	42,109	41,489
Bank overdrafts	(2,241)	(7,897)
	<u>62,173</u>	<u>47,672</u>
Time deposits pledged	(4,605)	(4,597)
	<u>57,568</u>	<u>43,075</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 2018 and the accompanying explanatory notes attached to the interim financial statements.

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

**PART A - EXPLANATORY NOTES**

**A1 Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") 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 2018 which were prepared under Financial Reporting Standards ("FRS"). 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 2018.

The Group is adopting the MFRS framework for the current financial period beginning 1 February 2018 and MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards has been applied. The Group has consistently applied the same accounting policies in its opening MFRS Statement of Financial Position as at 1 February 2017, being the transition date, and throughout all comparable interim financial statements presented, as if these policies had always been in effect.

A number of new standards and amendments to Standards and Issues Committee ("IC") Interpretations are effective for the current financial period beginning 1 February 2018. None of these is expected to have a significant effect on the consolidated financial statements of the Group except for the following set out below:

- (a) MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards
- (b) MFRS 15: Revenue from Contracts with Customers

In accordance with the exemption in MFRS 1, the Group has elected to measure freehold land and investment properties at fair value as at 1 February 2011 and 1 February 2017 respectively as their deemed cost as at that date. The impact to the Group's reported Financial Position and Comprehensive Income are as follows:

	As previously reported (FRS) RM'000	Effect of restatement RM'000	As restated (MFRS) RM'000
<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION</b>			
<b>As at 1.2.2017</b>			
Property, plant and equipment	167,587	(28,320)	139,267
Deferred tax assets	22,162	(1,100)	21,062
Revaluation reserve	(69,867)	69,867	-
Retained earnings	(528,340)	(24,818)	(553,158)
Deferred tax liabilities	(17,563)	(15,629)	(33,192)
<b>As at 31.1.2018</b>			
Property, plant and equipment	178,822	(28,320)	150,502
Investment properties	287,245	(3,277)	283,968
Deferred tax assets	27,119	(1,100)	26,019
Revaluation reserve	(69,867)	69,867	-
Retained earnings	(546,642)	(21,936)	(568,578)
Deferred tax liabilities	(15,004)	(15,233)	(30,237)

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

	As previously reported (FRS) RM'000	Effect of restatement RM'000	As restated (MFRS) RM'000
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>			
<b>Preceding year corresponding quarter ended 31.1.2018</b>			
Cost of sales	(54,115)	(683)	(54,798)
Gross profit	17,083	(683)	16,400
Other income	4,263	(549)	3,714
Profit before tax	4,558	(1,232)	3,326
Tax expenses	(2,175)	120	(2,055)
Profit for the period	2,383	(1,112)	1,271
Total comprehensive income for the period	(1,043)	(1,112)	(2,155)
Profit attributable to Owners of the Company	2,428	(1,112)	1,316
Total comprehensive income attributable to Owners of the Company	(1,009)	(1,112)	(2,121)
Basic earnings per share (sen)	0.87	(0.40)	0.47
<b>Preceding year corresponding period ended 31.1.2018</b>			
Cost of sales	(192,993)	(2,729)	(195,722)
Gross profit	84,168	(2,729)	81,439
Other income	13,129	(549)	12,580
Profit before tax	50,510	(3,278)	47,232
Tax expenses	(13,371)	396	(12,975)
Profit for the period	37,139	(2,882)	34,257
Total comprehensive income for the period	31,016	(2,882)	28,134
Profit attributable to Owners of the Company	35,010	(2,882)	32,128
Total comprehensive income attributable to Owners of the Company	28,867	(2,882)	25,985
Basic earnings per share (sen)	12.53	(1.03)	11.50

There is no significant change in revenue being recognised arising from the adoption of MFRS 15.

The Group has not elected for early adoption of the following new and amended MFRSs 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 2019:

	Effective for financial periods beginning on or after
Annual Improvements to MFRS Standards 2015 - 2017 Cycle	1 Jan 2019
MFRS 16 Leases	1 Jan 2019
IC Interpretation 23 Uncertainty over Income Tax Treatments	1 Jan 2019
Amendments to MFRS 3 Definition of a Business	1 Jan 2020
Amendments to MFRS 101 Definition of Material	1 Jan 2020
Amendments to MFRS 108 Definition of Material	1 Jan 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 Jan 2020
Amendments to MFRS 10 and MFRS128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

These new and amended MFRSs and IC Interpretations are not expected to have any significant impact on the financial statements of the Group and the Company upon their initial application.

**A2 Audit qualification**

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

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

**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.

**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 year ended 31 January 2019.

**A7 Dividends paid**

The dividends paid during the year ended 31 January 2019 was as follows:

- (i) A final single tier dividend of 3 sen per ordinary share in respect of financial year 2018, paid on 29 August 2018.
- (ii) An interim single tier dividend of 3 sen per ordinary share in respect of financial year 2019, paid on 22 November 2018.

**A8 Segmental information**

Major segments by activity:-	Revenue		Results	
	Year ended		Year ended	
	31.1.2019	31.1.2018	31.1.2019	31.1.2018
	RM'000	RM'000	RM'000	Restated RM'000
Property development and construction	219,274	206,727	60,054	55,016
Manufacturing and trading	55,767	59,080	4,013	6,147
Property investment	4,060	1,754	(53)	(1,938)
Education, management services and others	42,293	33,496	17,710	13,473
	<u>321,394</u>	<u>301,057</u>	<u>81,724</u>	<u>72,698</u>
Inter-segment eliminations	(25,794)	(23,896)	(12,404)	(11,049)
	<u>295,600</u>	<u>277,161</u>	<u>69,320</u>	<u>61,649</u>
Unallocated expenses			(4,948)	(5,127)
Finance costs			(11,131)	(9,290)
			<u>53,241</u>	<u>47,232</u>

**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 except for the transition adjustments from FRS to MFRS as shown in note A1.

**A10 Material subsequent events**

As at 21 March 2019, there were no subsequent material events that have not been reflected in the financial statements for the current financial year.

## CRESCENDO CORPORATION BERHAD

(Company No. : 359750-D)

### A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial year including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring or discontinuing of operations.

### A12 Contingent liabilities

The contingent liabilities of the Group as at 21 March 2019 which comprise Bankers' guarantees issued by financial institutions in favour of third parties are as follows:-

	RM'000
Secured	28,140
Unsecured	-
	<u>28,140</u>

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

**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	Preceding Year	Changes	Current Year	Preceding Year	Changes
	Quarter	Corresponding Quarter		To-date	Corresponding Period	
	31.1.2019	31.1.2018	%	31.1.2019	31.1.2018	%
	RM'000	RM'000		RM'000	RM'000	
Revenue	76,824	71,198	8%	295,600	277,161	7%
Earnings before interest, tax, depreciation and amortisation	20,051	7,967	152%	73,157	64,470	13%
Profit before interest and tax	17,777	5,654	214%	64,372	56,522	14%
Profit before tax	14,747	3,326	343%	53,241	47,232	13%
Profit after tax	10,646	1,271	738%	40,418	34,257	18%
Profit attributable to owners of the Company	11,182	1,316	750%	37,387	32,128	16%

The Group's revenue for the current quarter and the financial year ended 31 January 2019 increased 8% and 7% respectively as compared to the corresponding periods in last financial year mainly contributed by higher properties sales.

The Group's PBT for the current quarter and the financial year ended 31 January 2019 increased 343% as compared to the corresponding quarter in last financial year mainly due to higher properties sales and improvement of margin contributed by industrial and mid market landed residential properties.

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

	Revenue			
	Quarter ended		Year ended	
	31.1.2019	31.1.2018	31.1.2019	31.1.2018
	Restated	Restated	Restated	
	RM'000	RM'000	RM'000	RM'000
Property development and construction	57,643	50,264	219,274	206,727
Manufacturing and trading	12,052	17,522	55,767	59,080
Property investment	1,211	446	4,060	1,754
Education, management services and others	12,682	9,694	42,293	33,496
	<b>83,588</b>	<b>77,926</b>	<b>321,394</b>	<b>301,057</b>

  

	Operating profit			
	Quarter ended		Year ended	
	31.1.2019	31.1.2018	31.1.2019	31.1.2018
	Restated	Restated	Restated	
	RM'000	RM'000	RM'000	RM'000
Property development and construction	21,296	9,726	60,054	55,016
Manufacturing and trading	(603)	1,344	4,013	6,147
Property investment	183	(451)	(53)	(1,938)
Education, management services and others	3,157	785	17,710	13,473
	<b>24,033</b>	<b>11,404</b>	<b>81,724</b>	<b>72,698</b>

Property development and construction operation

For the current quarter ended 31 January 2019, the operating profit increased 119% mainly due to higher properties sales and improvement of margin contributed by industrial and mid market landed residential properties.

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

Manufacturing and trading operation

For the current quarter and financial year 2019, the decreases in revenue and operating profits were mainly due to slower local market demand in concrete products.

Property investment operation

For the current quarter and financial year 2019, the increases in revenue and operating profit were mainly contributed by the additional properties rented during the financial period.

Education, management services and others

For the current quarter and financial year 2019, the increases in revenue and operating profit were mainly contributed by increase in students number of the international school.

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

	Current Quarter 31.1.2019	Immediate Preceding Quarter 30.10.2018 Restated	Changes
	RM'000	RM'000	%
Revenue	76,824	69,411	11%
Earnings before interest, tax, depreciation and amortisation	20,051	22,606	-11%
Profit before interest and tax	17,777	20,353	-13%
Profit before tax	14,747	17,396	-15%
Profit after tax	10,646	12,523	-15%
Profit attributable to owners of the Company	11,182	11,974	-7%

For the current quarter, despite the increase in revenue of 11%, the profit before tax decreased 15% as compared to the preceding quarter mainly due to drop in concrete products sales caused by slowdown on demand which lead to higher competition and lower profit margin in the concrete product division.

**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 2020 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.

	Year ended 31.1.2019				Unbilled sales <sup>2</sup> RM'mil
	New launches		Units sold <sup>1</sup>	Sales value <sup>1</sup> RM'mil	
	Units	GDV RM'mil			
Industrial	40	91.0	29	72.1	77.6
Commercial	24	27.5	19	25.1	23.6
Residential	306	109.8	655	164.8	98.1
	<b>370</b>	<b>228.3</b>	<b>703</b>	<b>262.0</b>	<b>199.3</b>

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

<sup>2</sup> Unbilled sales from total committed sales up to 21 March 2019

During the financial year 2019, the Group has launched 40 units of detached, semi-detached, cluster and terrace factories at Taman Perindustrian Cemerlang, 24 units of shop offices, 102 units of mid market landed residential properties and 204 units of affordable housing at Bandar Cemerlang.

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

As at 31 January 2019, 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	808
- Kota Tinggi	Mixed development	526
Taman Perindustrian Cemerlang	Industrial	72
Taman Desa Cemerlang	Residential & commercial	69
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
		2,712

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 222 units of affordable housing at Tanjung Senibong. However, the Group remains cautious in its launches to avoid holding high level of stock.

With the unbilled sales of RM199.3 million as at 21 March 2019 for the property development operation, the Board expects the performance of the Group to remain satisfactory for the financial year ending 31 January 2020.

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

This is not applicable.

**B5 Tax**

	Current Quarter Ended 31.1.2019 RM'000	Financial Year Ended 31.1.2019 RM'000
Current tax		
Current year	5,044	18,927
Prior years	(66)	2,017
Deferred tax:		
Relating to origination and reversal of temporary difference	(587)	(6,935)
Prior years	(290)	(1,186)
	4,101	12,823

The effective tax rate for the current quarter was higher than the statutory tax rate mainly due to certain expenses which are not deductible for tax purposes.

The effective tax rate for the financial year 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 21 March 2019.

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

**B7 Group borrowings and debt securities**

(a) The Group loans and borrowings as at 31 January 2019 and 31 January 2018 were as follows:

	As at 31 January 2019		
	Long term RM'000	Short term RM'000	Total RM'000
Secured:			
Bank overdrafts	-	2,241	2,241
Revolving credit	-	39,900	39,900
Term Loans	259,893	49,556	309,449
	<u>259,893</u>	<u>91,697</u>	<u>351,590</u>

	As at 31 January 2018		
	Long term RM'000	Short term RM'000	Total RM'000
Secured:			
Bank overdrafts	-	7,897	7,897
Revolving credit	-	14,800	14,800
Term Loans	290,058	33,463	323,521
	<u>290,058</u>	<u>56,160</u>	<u>346,218</u>

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

(c) As at 31 January 2019, the weighted average interest rate of loan and borrowings were ranging from 5.2% to 8.0% (31.1.2018: 4.9% to 7.7%) and after taking into account the effect of an interest rate swap, approximately 33% (31.1.2018: 38%) of the loans and borrowings are at fixed rate of interest.

(d) Included in term loans is a term loan of RM43.1 million (31.1.2018: RM46.4 million) denominated in USD. The Group had a cross currency interest rate swap ("CCIRS") agreement in place with a notional principal of USD13.8 million (31.1.2018: USD14.8 million) 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 RM43.1 million (31.1.2018: RM46.4 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 year ended 31 January 2019 is RM7.39 million.

**B8 Derivatives**

The Group outstanding derivatives as at 31 January 2019 are as follows:

Type of Derivatives	Notional value RM'000	Fair value RM'000
(i) Interest rate swap ("IRS")	<u>68,167</u>	<u>(1,003)</u>
(ii) Cross currency interest rate swap ("CCIRS")	<u>43,100</u>	<u>14,409</u>

The Group entered into IRS and CCIRS agreements that are designated as a cash flow hedge to reduce the Group's exposure to adverse fluctuations in interest and exchange rates on underlying debt instruments.

There is no changes on the information disclosed in related to risk, cash requirements, financial risk management and related accounting policy associated with the derivatives since the end of the previous financial year.

**B9 Material litigation**

As at 21 March 2019, there is no material litigation against the Group.

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

**B10 Dividend**

(a) The Board is pleased to recommend a final single tier dividend for the financial year ended 31 January 2019 subject to shareholders' approval at the forthcoming 23rd Annual General Meeting as follows:-

- (i) amount per share : 3 sen single tier;
- (ii) previous corresponding period : 3 sen single tier;
- (iii) date of payment is 29 August 2019; and
- (iv) in respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at 9 August 2019.

(b) Total dividend for the current financial year : 6 sen single tier per share.

**B11 Earnings per share ("EPS")**

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

	Current Quarter Ended 31.1.2019	Financial Year Ended 31.1.2019
Profit net of tax attributable to owners of the Company (RM'000)	<u>11,182</u>	<u>37,387</u>
Weighted average number of ordinary shares in issue ('000)	<u>279,419</u>	<u>279,419</u>
Basic earnings per share (Sen)	<u>4.00</u>	<u>13.38</u>

**B12 Notes to the statement of comprehensive income**

	Current Quarter Ended 31.1.2019 RM'000	Financial Year Ended 31.1.2019 RM'000
(a) Interest income	442	1,970
(b) Other income including investment income	3,725	13,931
(c) Interest expenses	(3,030)	(11,131)
(d) Depreciation and amortisation	(2,274)	(8,785)
(e) Provision for and (write off) / write back of receivables	(206)	(206)
(f) Provision for and write off of inventories	(335)	(335)
(g) Gain or loss on disposal of quoted or unquoted investments or properties	1,500	1,500
(h) Impairment of assets	-	-
(i) Foreign exchange gain or (loss)	22	(289)
(j) Gain or (loss) on derivatives	(1,806)	1,169
(k) Exceptional items	-	-

**B13 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.