

CRESCENDO CORPORATION BERHAD

199501030544 (359750-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.7.2024 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.7.2023 RM'000	CURRENT YEAR TO-DATE 31.7.2024 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.7.2023 RM'000
Revenue	321,457	61,115	848,734	119,451
Cost of sales	(126,816)	(45,288)	(265,669)	(77,674)
Gross profit	194,641	15,827	583,065	41,777
Other income	8,165	3,874	14,864	8,336
Administration expenses	(13,574)	(9,113)	(23,513)	(17,830)
Finance costs	(2,292)	(2,897)	(4,859)	(5,777)
Profit before tax	186,940	7,691	569,557	26,506
Tax expenses	(45,709)	(2,773)	(138,542)	(8,100)
Profit for the period	141,231	4,918	431,015	18,406
Other comprehensive income, net of tax				
Net movement on cash flow hedges	-	23	4	35
Tax relating to cash flow hedges	-	(5)	(1)	(8)
Total other comprehensive income for the period, net of tax	-	18	3	27
Total comprehensive income for the period	141,231	4,936	431,018	18,433
Profit attributable to:				
Owners of the Company	140,836	4,281	429,867	17,484
Non-controlling interests	395	637	1,148	922
	141,231	4,918	431,015	18,406
Total comprehensive income attributable to:				
Owners of the Company	140,836	4,014	429,870	17,511
Non-controlling interests	395	922	1,148	922
	141,231	4,936	431,018	18,433
Earnings per share attributable to owners of the Company:				
Basic (sen)	50.40	1.53	153.84	6.26

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 2024 and the accompanying explanatory notes attached to the interim financial statements.

CRESCENDO CORPORATION BERHAD

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31.7.2024 RM'000	AS AT 31.1.2024 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	143,642	135,708
Right-of-use assets	3,605	3,764
Bearer plants	3,894	4,043
Investment properties	288,605	287,978
Inventories	630,455	661,130
Deferred tax assets	45,204	40,867
	<u>1,115,405</u>	<u>1,133,490</u>
Current assets		
Inventories	223,433	208,086
Receivables	150,415	120,404
Contract assets	7,191	14,419
Prepaid operating expenditure	12,655	13,914
Tax recoverable	1,021	895
Short term funds	207,877	-
Cash and bank balances	199,867	54,899
	<u>802,459</u>	<u>412,617</u>
TOTAL ASSETS	<u>1,917,864</u>	<u>1,546,107</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	299,572	299,572
Treasury shares	(2,966)	(3,115)
Other reserves	-	(3)
Retained earnings	1,063,370	683,704
	<u>1,359,976</u>	<u>980,158</u>
Non-controlling interests	53,690	53,247
Total equity	<u>1,413,666</u>	<u>1,033,405</u>
Non-current liabilities		
Loans and borrowings	121,986	232,257
Deferred tax liabilities	32,005	31,712
	<u>153,991</u>	<u>263,969</u>
Current liabilities		
Trade and other payables	136,105	103,697
Contract liabilities	25,270	20,963
Loans and borrowings	47,338	116,614
Tax payable	141,494	7,455
Derivative financial liabilities	-	4
	<u>350,207</u>	<u>248,733</u>
Total liabilities	<u>504,198</u>	<u>512,702</u>
TOTAL EQUITY AND LIABILITIES	<u>1,917,864</u>	<u>1,546,107</u>
Net assets per share (RM)	<u>4.87</u>	<u>3.51</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 2024 and the accompanying explanatory notes attached to the interim financial statements.

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	Other Reserves RM'000	Retained Earnings RM'000	Treasury Shares RM'000	RM'000
6 months ended 31 July 2024							
Balance as at 1 February 2024	1,033,405	980,158	299,572	(3)	683,704	(3,115)	53,247
Total comprehensive income	431,018	429,870	-	3	429,867	-	1,148
Transactions with owners							
Issuance of ordinary shares in subsidiaries	220	-	-	-	-	-	220
Preference dividend paid to non-controlling interests	(925)	-	-	-	-	-	(925)
Resale of treasury shares	243	243	-	-	94	149	-
Dividends	(50,295)	(50,295)	-	-	(50,295)	-	-
Total transactions with owners	(50,757)	(50,052)	-	-	(50,201)	149	(705)
Balance as at 31 July 2024	1,413,666	1,359,976	299,572	-	1,063,370	(2,966)	53,690
6 months ended 31 July 2023							
Balance as at 1 February 2023	981,531	929,041	299,572	(40)	632,624	(3,115)	52,490
Total comprehensive income	18,433	17,511	-	27	17,484	-	922
Transactions with owners							
Dividends	(5,588)	(5,588)	-	-	(5,588)	-	-
Balance as at 31 July 2023	994,376	940,964	299,572	(13)	644,520	(3,115)	53,412

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 2024 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 MONTHS ENDED	
	31.7.2024	31.7.2023
	RM'000	RM'000
Cash flows from operating activities		
Cash received from customers	821,520	112,815
Cash paid to suppliers and employees	(216,378)	(109,378)
Cash generated from operations	<u>605,142</u>	<u>3,437</u>
Deposit interest received	4,044	950
Interest paid	(6,505)	(6,086)
Tax paid	(8,675)	(5,324)
Net cash from / (used in) operating activities	<u>594,006</u>	<u>(7,023)</u>
Cash flows from investing activities		
Acquisition of bearer plants, right-of-use assets, investment properties and property, plant and equipment	(21,794)	(11,620)
Withdrawal / (Pledge) of time deposits (Net investment in short term funds) / proceeds from disposal of short term funds	1,600	(31)
Proceeds from disposal of Investment properties, and property, plant and equipment	(206,485)	506
	9,788	270
Net cash used in investing activities	<u>(216,891)</u>	<u>(10,875)</u>
Cash flows from financing activities		
Proceeds from loans and borrowings	-	30,500
Repayment of loans and borrowings	(179,394)	(39,961)
Dividend paid	(50,295)	-
Dividend paid to non-controlling interests	(925)	-
Proceeds from issuance of shares to non-controlling interests	220	-
Net cash used in financing activities	<u>(230,394)</u>	<u>(9,461)</u>
Net increase / (decrease) in cash and cash equivalents	146,721	(27,359)
Cash and cash equivalents at the beginning of the financial period	44,844	78,750
Cash and cash equivalents at the end of the financial period	<u>191,565</u>	<u>51,391</u>
Cash and cash equivalents at the end of the financial period		
Deposits with licensed banks and other financial institution	162,002	24,040
Cash and bank balances	37,865	40,858
Bank overdrafts	(5,796)	(10,837)
	<u>194,071</u>	<u>54,061</u>
Time deposits pledged	(2,506)	(2,670)
	<u>191,565</u>	<u>51,391</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 2024 and the accompanying explanatory notes attached to the interim financial statements.

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 2024. 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 2024.

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 2024 except for the adoption of the following new and amended MFRSs and Issues Committee ("IC") Interpretations relevant to the current operations of the Group:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The Group has not elected for early adoption of the following new and amended MFRSs relevant to the current operations of the Group, which were issued but not yet effective:

		Effective for financial periods beginning on or after
Amendments to MFRS 121	Lack of Exchangeability	1 Jan 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 Jan 2026
Amendments to MFRS 18	Presentation and Disclosure in Financial Statements	1 Jan 2027
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 Jan 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

These new and amended MFRSs are not expected to have any significant impact on the financial statements of the Group 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.

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 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 six months ended 31 July 2024 except for:

- (a) the Company had made voluntary early redemptions of Medium Term Notes ("MTN") of RM140 million in nominal value under the existing MTN Programme.
- (b) resale of 50,000 treasury shares in the open market for a total consideration of RM243,268 at an average price of RM4.87 per share.

A7 Dividends paid

The dividends paid during the six months ended 31 July 2024 were as follows:

- (i) An interim single tier dividend of 5 sen per share in respect of financial year 2024, paid on 15 May 2024.
- (ii) A special single tier dividend of 13 sen per share in respect of financial year 2024, paid on 15 May 2024.

A8 Segmental information

	<u>Revenue</u>		<u>Results</u>	
	6 months ended	31.7.2023	6 months ended	31.7.2023
Major segments by activity:-	RM'000	RM'000	RM'000	RM'000
Property development and construction	801,905	74,267	565,484	26,207
Manufacturing and trading	34,207	25,734	2,487	1,683
Property investment	7,099	5,318	4,704	3,512
Services and others	42,255	24,311	29,317	11,486
	<u>885,466</u>	<u>129,630</u>	<u>601,992</u>	<u>42,888</u>
Inter-segment eliminations	<u>(36,732)</u>	<u>(10,179)</u>	<u>(24,829)</u>	<u>(9,108)</u>
	<u>848,734</u>	<u>119,451</u>	<u>577,163</u>	<u>33,780</u>
Unallocated expenses			(2,747)	(1,497)
Finance costs			<u>(4,859)</u>	<u>(5,777)</u>
			<u>569,557</u>	<u>26,506</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.

A10 Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial year-to-date including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring or discontinuing of operations except for a wholly-owned subsidiary of the Company, Crescendo Landmark Sdn. Bhd. ("CLMSB"), had on 8 February 2024 increased its issued and fully paid-up capital from RM2.00 consisting of 2 ordinary shares to RM2,000,000 consisting of 2,000,000 ordinary shares. As a result, CLMSB is now a 99% owned subsidiary of the Company.

A11 Material subsequent events

As at 20 September 2024, there were no material subsequent events that have not been reflected in the financial statements for the current financial period except for the sale and purchase agreement entered by Panoramic Industrial Development Sdn Bhd ("PID"), a wholly-owned subsidiary of the Company, for the disposal of a freehold vacant land for a total cash consideration of RM115.9 million which became unconditional on 6 September 2024.

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A12 Contingent liabilities

The contingent liabilities of the Group as at 31 July 2024 are as follows:-

- (a) Banker guarantees issued by licensed banks in favour of third parties

	RM'000
Secured	7,946
Unsecured	-
	<u>7,946</u>

- (b) An unsecured corporate guarantee was issued by the Company to a third party to guarantee the due performance of a subsidiary under a construction contract amounting to RM17.6 million and to indemnify the third party against all losses and damages suffered by the third party by reason of any default or breach on the part of the said subsidiary in performing and observing its obligations pursuant to the said contract ("the Losses"). The liability under this corporate guarantee is limited to 60.20% of the Losses.

A13 Capital Commitments

The capital commitments of the Group as at 31 July 2024 are as follows:

	RM'000
Contracted but not accounted for	
- Land for property development	9,600
- Property, plant and equipment	37,200
	<u>46,800</u>

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

B1 Financial review for current quarter and financial year to date

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Corresponding Quarter		Current Year To-date	Preceding Year Corresponding Period	
		31.7.2024	31.7.2023		31.7.2024	31.7.2023
	RM'000	RM'000	Changes %	RM'000	RM'000	Changes %
Revenue	321,457	61,115	426%	848,734	119,451	611%
Earnings before interest, tax, depreciation and amortisation	191,582	12,821	1394%	579,108	36,760	1475%
Profit before interest and tax	189,232	10,588	1687%	574,416	32,283	1679%
Profit before tax	186,940	7,691	2331%	569,557	26,506	2049%
Profit after tax	141,231	4,918	2772%	431,015	18,406	2242%
Profit attributable to owners of the Company	140,836	4,281	3190%	429,867	17,484	2359%

The Group's revenue and profit before tax recorded RM321 million and RM187 million respectively for the current quarter ended 31 July 2024 and a record-high of RM849 million and RM570 million respectively for the first half of financial year 2025 mainly contributed by the data center land sales in Nusa Cemerlang Industrial Park ("NCIP").

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

	Revenue			
	Quarter ended		Year-to-date ended	
	31.7.2024	31.7.2023	31.7.2024	31.7.2023
	RM'000	RM'000	RM'000	RM'000
Property development and construction	291,440	36,768	801,905	74,267
Manufacturing and trading	16,858	14,499	34,207	25,734
Property investment	3,520	2,692	7,099	5,318
Services and others	18,828	11,855	42,255	24,311
	<u>330,646</u>	<u>65,814</u>	<u>885,466</u>	<u>129,630</u>

	Operating profit			
	Quarter ended		Year-to-date ended	
	31.7.2024	31.7.2023	31.7.2024	31.7.2023
	RM'000	RM'000	RM'000	RM'000
Property development and construction	182,523	8,142	565,484	26,207
Manufacturing and trading	1,262	797	2,487	1,683
Property investment	2,201	1,759	4,704	3,512
Services and others	12,261	5,208	29,317	11,486
	<u>198,247</u>	<u>15,906</u>	<u>601,992</u>	<u>42,888</u>

Property development and construction operation

The revenue and operating profit recorded RM291 million and RM183 million respectively for the current quarter ended 31 July 2024 and a record-high of RM802 million and RM565 million respectively for the first half of financial year 2025 mainly due to the revenue and profit from data center land sales in NCIP which contributed more than 75% of the revenue and operating profit of this operation.

The property development and construction division remains as the major contributor to the Group's revenue and profit.

Manufacturing and trading operation

The increase in revenue was mainly contributed by higher sales demand in concrete products and building materials.

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Property investment operation

The increases in revenue and operating profit were mainly contributed by three additional rented units commencing from the fourth quarter of the last financial year.

Services and others

The increases in revenue and operating profit were mainly due to higher management fees. This is in line with the increase in business activities in property development and construction division where the management fees are charged according to the turnover of the respective divisions. The international school has also contributed higher revenue and operating profit.

B2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter 31.7.2024 RM'000	Immediate Preceding Quarter 30.4.2024 RM'000	Changes %
Revenue	321,457	527,277	-39%
Earnings before interest, tax, depreciation and amortisation	191,582	387,526	-51%
Profit before interest and tax	189,232	385,184	-51%
Profit before tax	186,940	382,617	-51%
Profit after tax	141,231	289,784	-51%
Profit attributable to owners of the Company	140,836	289,031	-51%

The revenue and profit before tax for the current quarter ended 31 July 2024 decreased to RM321 million and RM187 million respectively as compared to the immediate preceding quarter mainly due to less revenue from data center land in NCIP in the current quarter.

B3 Group's Prospect

We are optimistic with the property market outlook, especially in Johor, in the next few years. However the Group remains cautious amidst the rapid changes in the market environment. Fluctuation in building materials cost driven by inflationary pressure pose significant challenges for property developers. With the influx of foreign direct investments to Johor, demands for industrial properties remain strong and are expected to grow in the coming years. The ongoing RTS project will serve as a catalyst to revitalise Johor Bahru City Centre development and the property development in the vicinity of the terminal at Bukit Chagar will benefit.

The proposed Johor-Singapore special economic zone("JS-SEZ") in Johor is expected to foster stronger business ties and attract investments, boost cross-border flow of goods and people and benefit the economies of both Malaysia and Singapore. The extent of economic benefits the project may have on Johor will be clearer once the details of JS-SEZ are announced by the authorities.

The Group will continue to monitor the market situation and adopt a prudent approach by leveraging on its strategic land bank to develop properties that meet market needs. We believe the demand for landed properties in strategic growth area with good infrastructure and connectivity will continue to improve. The Group continues to adapt its strategies, product designs, and timing of new launches as part of its strategic response.

As at 31 July 2024, 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	725
- Kota Tinggi	Industrial/Residential	636
Taman Perindustrian Cemerlang	Industrial	29
Taman Desa Cemerlang	Residential & commercial	52
Taman Dato' Chellam	Residential & commercial	9
Nusa Cemerlang Industrial Park	Industrial	# 45
Tanjung Senibong	Residential & commercial	215
Jalan Senyum, Johor Bahru	Residential	3
Ambok	Resort / Mixed development	794
Others	Residential	5
		2,513

The development landbank above represents gross land.

Excluding 20.5 acres of net land sold via a conditional Sale & Purchase Agreements which has become unconditional on 6 September 2024.

In our effort to continue developing landed properties, we plan to launch 167 units of mid to high-end market landed residential properties at Bandar Cemerlang and 57 units of shop offices at Desa Cemerlang with a total GDV of RM237 million within the next one year.

The Group plans to launch a serviced apartment project situated along Jalan Senyum in close proximity to the RTS terminal at Bukit Chagar in the second half of FY2025. This project will encompass approximately 1,200 units with a gross development value ("GDV") of RM1 billion.

The Group also intends to commence the main infrastructure work of the industrial park at Bandar Cemerlang in FY2025 as we plan to launch the first phase for sales within the next three years.

Barring major geopolitical uncertainties and economic headwinds, the Board is positive and confident of the prospects of the Group's upcoming new property development and anticipates that the Group will be operating at optimum capacity in the coming years. Based on the committed property sales of RM260 million as at 20 September 2024, including land sales at NCIP of RM115.9 million, the Board expects the Group to have a very good year in FY2025.

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

This is not applicable.

B5 Tax

	Current Quarter Ended 31.7.2024 RM'000	Financial Year-to-date Ended 31.7.2024 RM'000
Income Tax		
Current tax:		
Current year	46,805	142,587
Deferred tax:		
Relating to origination and reversal of temporary difference	(1,011)	(3,960)
Prior years	(85)	(85)
	45,709	138,542

The effective tax rates for the current quarter and financial year-to-date were slightly higher than the income tax rate of 24% mainly due to certain expenses are not tax deductible.

B6 Status of corporate proposals

The corporate proposals announced but not completed as at 20 September 2024 are as follows:

- (i) Disposal by Panoramic Industrial Development Sdn Bhd ("PID"), a wholly-owned subsidiary of the Company, of a vacant land for a total cash consideration of RM115.9 million.
- (ii) Share split involving the subdivision of every 1 existing ordinary share in the Company held by the shareholders of the Company whose names appear in the Company's record of depositors at 5.00 p.m. on 25 September 2024, into 3 subdivided shares.

The listing of and quotation for 841,387,494 shares on the Main Market of Bursa Securities was subsequently completed on 26 September 2024.

- (iii) Establishment of an Executives' Share Option Scheme ("ESOS") involving up to 10% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time during the duration of the ESOS to be granted to the Eligible Executives. The effective date of the ESOS is to be decided at a later date.

The proposals were approved at an Extraordinary General Meeting of the Company held on 6 September 2024.

B7 Group borrowings and debt securities

(a) The Group loans and borrowings as at 31 July 2024 and 31 July 2023 were as follows:

	<u>As at 31 July 2024</u>		
	Long term	Short term	Total
	RM'000	RM'000	RM'000
Secured:			
Bank overdrafts	-	5,796	5,796
Revolving credit	-	1,000	1,000
Term Loans	1,986	542	2,528
Medium Term Notes	120,000	40,000	160,000
	<u>121,986</u>	<u>47,338</u>	<u>169,324</u>
	<u>As at 31 July 2023</u>		
	Long term	Short term	Total
	RM'000	RM'000	RM'000
Secured:			
Bank overdrafts	-	10,837	10,837
Revolving credit	-	41,500	41,500
Term Loans	4,195	25,057	29,252
Medium Term Notes	200,000	-	200,000
	<u>204,195</u>	<u>77,394</u>	<u>281,589</u>

- (b) The decrease in loans and borrowings is mainly due to repayment.
- (c) As at 31 July 2024, the weighted average interest rate of loan and borrowings ranged from 3.6% to 7.51% (31.7.2023: 3.6% to 7.6%) and after taking into account the effect of interest rate swap, approximately 94% (31.7.2023: 60%) of the loans and borrowings are at fixed rate of interest.
- (d) The interest capitalised in the land held for property development and property development costs for the current financial period ended 31 July 2024 is RM1.14 million.

B8 Material litigation

As at 20 September 2024, there was no material litigation since the date of the last annual statement of financial position except for the following:

1. JOHOR BAHRU HIGH COURT CIVIL SUIT NO. JA-22NCVC-52-04/2023

On 27 April 2023, Crescendo Education Sdn Bhd (“CESB”), Crescendo International College Sdn Bhd (“CICSB”) and 5 others (collectively “the Plaintiffs”) commenced an action against KTC Human Resource Consultants Sdn. Bhd. (“KTC”), Chong Chai Pin (“CCP”) and Allan Gan Chee Haur (“AGCH”) (collectively “the Defendants”) by way of a Writ of Summons endorsed with a Statement of Claim in the Johor Bahru High Court. The causes of action pleaded by the Plaintiffs were defamation, malicious falsehood and conspiracy to injure by unlawful means, in relation to the publication of the contents of the six letters shared to University of London, United Kingdom (“UOL”) on 15 November 2022.

The orders and reliefs sought were, among others, an interim injunction that the Defendants are restrained from repeating The Impugned Words (as defined in the Statement of Claim) until this judgment, and a permanent injunction to that effect from the date of this judgment, an order that the Defendants shall to write UOL to retract the said e-mail dated 15 November 2022 (including its attachments) and apologise to UOL, general damages, and special, aggravated and exemplary damages in the sum of approximately RM51.5million.

In September 2023, two interlocutory applications were filed by the Defendants, which have been dealt with as follows: -

- (i) On 11 September 2023, AGCH filed an application to cease to be a party to the suit. At the hearing of the application on 11 December 2023, the court dismissed the application with costs of RM3,000.00. AGCH remains as a defendant in this suit.
- (ii) On 21 September 2023, CCP and KTC filed an application to amend their defence. As agreed between the parties and directed by the court, the Defendants filed its amended defence. Accordingly, the Plaintiffs had filed an amended reply to the amended defence.

At the case management on 29 August 2024, the parties were directed to complete the filing of the pre-trial documents by 16 October 2024 on which there will be a case management to update the court on the same.

Trial is scheduled to be held on 9 March 2025 to 12 March 2025 at the Johor Bahru High Court.

The Plaintiffs have been advised that they have a reasonable prospect of succeeding in their claim against the Defendants for defamation, among others.

2. JOHOR BAHRU HIGH COURT CIVIL SUIT NO. JA-22NCVC-3-01/2024

KTC and CCP (collectively “The Plaintiffs for the 2nd Suit”) commenced an action against CESB, CICSB and 7 others (collectively “the Defendants for the 2nd Suit”) by way of an Originating Summons dated 14 September 2023 in the Johor Bahru High Court pursuant to Section 346 of the Companies Act 2016.

The Originating Summons was filed for, among others, an interim injunction order that the Defendants for the 2nd Suit are restrained from continuing the construction works of the second wing of the college building of Crescendo International College until the disposal of the proceedings of this action, general damages and exemplary and/or compensatory damages as assessed by the court.

On 10 November 2023, an application was filed on behalf of the Defendants for the 2nd Suit for an order that the Originating Summons be continued as if the action had been begun by a Writ of Summons and further directions be given as to the conduct of the action thereto, among others. At the hearing of the application on 20 December 2023, the application was allowed by the court.

Following the court’s order on 20 December 2023, the parties have filed their pleadings under the Writ of Summons action.

The Plaintiffs for the 2nd Suit, through a Statement of Claim filed, has sought for, among others, the following orders and reliefs:-

- (i) that CICSB be wound up by the Court under the provisions of the Companies Act 2016;
- (ii) that the Official Receiver of Malaysia can be appointed as the liquidator for CICSB;
- (iii) interim injunction orders to restrain the Defendants for the 2nd Suit from continuing the construction works of the Second Wing which is being carried out on No. 3, Jalan Lebu Cemerlang, Taman Desa Cemerlang, 81800 Ulu Tiram, Johor, PTD 204100 and from issuing any payment of money from any bank accounts of the Defendants for the 2nd Suit for the said construction works until the disposal of the proceedings of this action;
- (iv) an order for a special audit process held through the appointment of an independent auditor proposed by the Plaintiffs for the 2nd Suit in relation to the issue of building costs, the amount of rent charged by CESB to CICSB and bank loan payment interest for construction works of the Second Wing; and
- (v) all loss of profit and loss of opportunity for CICSB and KTC to generate profits for CICSB and KTC on the dealings of the purchase of land from UEM Land Bhd and the purchase of land from Danga Bay project that has caused CICSB loss of profits to be interpreted and paid to the Plaintiffs for the 2nd Suit.

The next case management is fixed on 9 October 2024 at which the parties will obtain pre-trial directions from the court.

CESB and CICSB have been advised that they have a reasonable prospect of succeeding to resist the Plaintiffs' claim pursuant to Section 346 of the Companies Act 2016.

3. JOHOR BAHRU HIGH COURT CIVIL SUIT NO. JA-22NCVC-6-01/2024

CESB commenced an action against KTC and CICSB by way of Writ of Summons dated 24 January 2024 and Amended Statement of Claim dated 1 February 2024 in the Johor Bahru High Court, claiming for, among others, the following orders and reliefs:

- (i) a declaration that KTC had breached the Joint Venture Agreement dated 11 December 1998 ("JVA") between CESB and KTC;
- (ii) an order for specific performance that KTC shall sell and transfer their 350,000 shares in CICSB to CESB at the price of RM2,079,000 within 7 days of the judgment;
- (iii) an order for specific performance that KTC shall take all the necessary action to sell and transfer its 350,000 shares in CICSB to CESB; and
- (iv) an order for specific performance as against CICSB to take all the necessary action to recognize the sale and transfer of KTC's 350,000 shares in CICSB to CESB, and to reflect the same in all of its relevant official records and documents including informing third parties of the same.

CICSB is named as defendant in this suit because its shares form the subject matter of this suit and it is necessary for the orders made by the court to bind it directly.

On 6 February 2024, CESB filed an application for a summary judgment pursuant to Order 81, Rule 1 of the Rules of Court, 2012 ("Order 81 Application").

Subsequently, KTC filed an application supported by an affidavit affirmed by CCP ("Stay Application") to stay the proceedings of the Writ action and the Order 81 Application until the disposal of the Stay Application on the basis that the disputes between the parties concerning the JVA should be referred to arbitration.

On 6 May 2024, KTC through their solicitors wrote to court proposing that parties resolve the issues through mediation and asked for a stay of all the proceedings under this suit pending the outcome of the proposed mediation.

The hearing for the Order 81 Application was held on 1 August 2024 and the date for giving the decision on the same has been fixed on 14 October 2024.

CESB has been advised that they have a reasonable prospect of succeeding against the Defendants for an order for specific performance in respect of the sale and transfer of KTC's shares in CICSB to CESB.

B9 Dividend

The Board is pleased to declare an interim single tier dividend of 1 sen per share and a special single tier dividend of 5 sen per share in respect of the financial year ending 31 January 2025.

- (a) (i) amount per share : 1 sen single tier (interim) and 5 sen single tier (special);
(ii) previous corresponding period : Nil;
(iii) date of payment: 13 November 2024; and
(iv) in respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at 23 October 2024.
- (b) total dividend for the current financial year : 1 sen single tier per share (interim) and 5 sen single tier per share (special).

B10 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 31.7.2024	Financial Year-to-date Ended 31.7.2024
Profit net of tax attributable to owners of the Company (RM'000)	<u>140,836</u>	<u>429,867</u>
Weighted average number of ordinary shares in issue ('000)	<u>279,424</u>	<u>279,424</u>
Basic earnings per share (Sen)	<u>50.40</u>	<u>153.84</u>

B11 Notes to the statement of comprehensive income

	Current Quarter Ended 31.7.2024 RM'000	Financial Year-to-date Ended 31.7.2024 RM'000
(a) Interest income	2,357	4,362
(b) Other income including investment income	5,805	10,519
(c) Interest expenses	(2,292)	(4,859)
(d) Depreciation and amortisation	(2,350)	(4,692)
(e) (Provision for and write off) / write back of receivables	1	3
(f) (Provision for and write off) / write back 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)	2	(19)
(j) Gain or (loss) on derivatives	-	4
(k) Exceptional items	-	-