

CRESCENDO CORPORATION BERHAD

199501030544 (359750-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.4.2025 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30.4.2024 RM'000	CURRENT YEAR TO-DATE 30.4.2025 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.4.2024 RM'000
Revenue	66,252	527,277	66,252	527,277
Cost of sales	(48,055)	(146,087)	(48,055)	(146,087)
Gross profit	18,197	381,190	18,197	381,190
Other income	8,218	6,699	8,218	6,699
Administration expenses	(13,141)	(9,939)	(13,141)	(9,939)
Finance costs	(1,427)	(2,567)	(1,427)	(2,567)
Profit before tax	11,847	375,383	11,847	375,383
Tax expenses	(4,132)	(91,097)	(4,132)	(91,097)
Profit for the period	7,715	284,286	7,715	284,286
Other comprehensive income, net of tax				
Net movement on cash flow hedges	-	4	-	4
Tax relating to cash flow hedges	-	(1)	-	(1)
Total other comprehensive income for the period, net of tax	-	3	-	3
Total comprehensive income for the period	7,715	284,289	7,715	284,289
Profit attributable to:				
Owners of the Company	7,111	281,600	7,111	281,600
Non-controlling interests	604	2,686	604	2,686
	7,715	284,286	7,715	284,286
Total comprehensive income attributable to:				
Owners of the Company	7,111	281,603	7,111	281,603
Non-controlling interests	604	2,686	604	2,686
	7,715	284,289	7,715	284,289
Earnings per share attributable to owners of the Company:				
- Basic (sen)	0.85	33.59 *	0.85	33.59 *
- Diluted (sen)	0.84	N/A	0.84	N/A

* Adjusted for subdivision of every 1 ordinary share into 3 ordinary shares ("Share Split") completed in September 2024.

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 2025 and the accompanying explanatory notes attached to the interim financial statements.

CRESCENDO CORPORATION BERHAD

199501030544 (359750-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 30.4.2025 RM'000	AS AT 31.1.2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	180,839	177,294
Right-of-use assets	3,367	3,446
Bearer plants	3,671	3,728
Investment properties	294,963	291,977
Inventories	854,383	845,122
Deferred tax assets	53,398	52,215
	<u>1,390,621</u>	<u>1,373,782</u>
Current assets		
Inventories	260,512	252,134
Receivables	104,844	206,213
Contract assets	10,684	7,491
Prepaid operating expenditure	9,687	9,578
Tax recoverable	1,351	1,179
Short term funds	18,385	8,007
Cash and bank balances	174,361	166,356
	<u>579,824</u>	<u>650,958</u>
TOTAL ASSETS	<u>1,970,445</u>	<u>2,024,740</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	304,945	302,744
Treasury shares	(5,018)	(5,018)
Other reserves	1,330	1,103
Retained earnings	1,083,065	1,109,615
	<u>1,384,322</u>	<u>1,408,444</u>
Non-controlling interests	51,865	51,531
Total equity	<u>1,436,187</u>	<u>1,459,975</u>
Non-current liabilities		
Loans and borrowings	155,580	165,715
Deferred tax liabilities	32,211	32,127
	<u>187,791</u>	<u>197,842</u>
Current liabilities		
Payables	213,315	204,570
Contract liabilities	23,074	21,145
Loans and borrowings	26,535	28,747
Tax payable	49,882	112,461
Dividend payable	33,661	-
	<u>346,467</u>	<u>366,923</u>
Total liabilities	<u>534,258</u>	<u>564,765</u>
TOTAL EQUITY AND LIABILITIES	<u>1,970,445</u>	<u>2,024,740</u>
Net assets per share (RM)	<u>1.65</u>	<u>1.68</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 2025 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 RM'000
	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	
3 months ended 30 April 2025							
Balance as at 1 February 2025	1,459,975	1,408,444	302,744	1,103	1,109,615	(5,018)	51,531
Total comprehensive income	7,715	7,111	-	-	7,111	-	604
Transactions with owners							
Issue of shares pursuant to exercise of ESOS	1,977	1,977	2,201	(224)	-	-	-
ESOS share options expenses	451	451	-	451	-	-	-
Preference shares dividend paid to non-controlling interest	(270)	-	-	-	-	-	(270)
Dividends	(33,661)	(33,661)	-	-	(33,661)	-	-
Total transactions with owners	(31,503)	(31,233)	2,201	227	(33,661)	-	(270)
Balance as at 30 April 2025	1,436,187	1,384,322	304,945	1,330	1,083,065	(5,018)	51,865
3 months ended 30 April 2024							
Balance as at 1 February 2024	1,033,405	980,158	299,572	(3)	683,704	(3,115)	53,247
Total comprehensive income	284,289	281,603	-	3	281,600	-	2,686
Transactions with owners							
Issuance of ordinary shares in subsidiaries	220	-	-	-	-	-	220
Preference shares dividend paid to non-controlling interest	(925)	-	-	-	-	-	(925)
Dividends	(50,295)	(50,295)	-	-	(50,295)	-	-
Total transactions with owners	(51,000)	(50,295)	-	-	(50,295)	-	(705)
Balance as at 30 April 2024	1,266,694	1,211,466	299,572	-	915,009	(3,115)	55,228

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 2025 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 MONTHS ENDED	
	30.4.2025	30.4.2024
	RM'000	RM'000
Cash flows from operating activities		
Cash received from customers	173,911	435,977
Cash paid to suppliers and employees	(73,246)	(144,729)
Cash generated from operations	100,665	291,248
Deposit interest received	3,729	1,857
Interest paid	(1,836)	(2,484)
Tax paid	(67,984)	(4,543)
Net cash from operating activities	34,574	286,078
Cash flows from investing activities		
Acquisition of bearer plants, right-of-use assets, investment properties and property, plant and equipment	(5,685)	(5,938)
Net (increase)/decrease in pledged bank balances	(15)	629
Net investment in short term funds	(10,318)	(107,074)
Proceeds from disposal of Investment properties, and property, plant and equipment	73	9,197
Net cash used in investing activities	(15,945)	(103,186)
Cash flows from financing activities		
Proceeds from issuance of shares	1,977	-
Proceeds from issuance of shares to non-controlling interests	-	220
Proceeds from loans and borrowings	-	1,500
Repayment of loans and borrowings	(10,135)	(73,496)
Dividends paid to non-controlling interests	(270)	(925)
Net cash used in financing activities	(8,428)	(72,701)
Net increase in cash and cash equivalents	10,201	110,191
Cash and cash equivalents at the beginning of the financial period	157,333	44,844
Cash and cash equivalents at the end of the financial period	167,534	155,035
Cash and cash equivalents at the end of the financial period		
Deposits with licensed banks and other financial institution	31,372	103,972
Cash and bank balances	142,989	60,508
Bank overdrafts	(4,993)	(5,968)
	169,368	158,512
Less: Pledged bank balances	(1,834)	(3,477)
	167,534	155,035

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the financial year ended 31 January 2025 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 2025. 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 2025.

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 2025 except for the adoption of the following amended MFRS relevant to the current operations of the Group:

Amendments to MFRS 121 Lack of Exchangeability

The above amended MFRS is not expected to have any significant impact on the financial statements of the Group.

The Group has not elected for early adoption of the following 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 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 Jan 2026
Annual Improvements to MFRS	Accounting Standards—Volume 11	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 amended MFRSs are not expected to have any significant impact on the financial statements of the Group upon their initial application except for the changes in the presentation and disclosures of financial information arising from the adoption of these Amendments to MFRSs as discussed below:

MFRS 18 additional requirements are as follows:

(i) Statement of Profit or Loss and Other Comprehensive Income

MFRS 18 introduces newly defined "operating profit or loss" and "profit or loss before financing and income tax" subtotal which are to be presented in the statement of profit or loss, while the net profit or loss remains unchanged.

Statement of profit or loss to be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

(ii) Statement of Cash Flows

The standard modifies the starting point for calculating cash flows from operations using the indirect method, shifting from "profit or loss" to "operating profit or loss". It also provides guidance on classification of interest and dividend in statement of cash flows.

(iii) New disclosures of expenses by nature

Entities are required to present expenses in the operating category by nature, function or a mix of both. MFRS 18 includes guidance for entities to assess and determine which approach is most appropriate based on the facts and circumstances.

(iv) Management-defined Performance Measures (MPMs)

The standard requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to MPMs. MPMs are required to be reconciled to the most similar specified subtotal in MFRS Accounting Standards.

(v) Enhanced Guidance on Aggregation and Disaggregation

MFRS 18 provides enhanced guidance on grouping items based on shared characteristics and requires disaggregation when items have dissimilar characteristics or when such disaggregation is material.

The Group is currently assessing the impact of MFRS 18, particularly with respect to the structure of the statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on aggregation and disaggregation on how information is grouped in the financial statements

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 current financial year-to-date except for issuance of 1,865,500 new ordinary shares pursuant to the exercise of 1,865,500 options under the Executives' Share Option Scheme ("ESOS") at exercise price of RM1.06 each for cash totalling RM1,977,430 for working capital.

As at 30 April 2025, the Company held a total of 4,416,400 of its 845,941,194 issued ordinary shares as treasury shares.

As at 30 April 2025, the unexercised number of ESOS was 36,038,800.

A7 Dividends paid

There was no dividend paid during the three months ended 30 April 2025.

A8 Segmental information

	<u>Revenue</u>		<u>Results</u>	
	3 months ended		3 months ended	
Major segments by activity:-	30.4.2025	30.4.2024	30.4.2025	30.4.2024
	RM'000	RM'000	RM'000	RM'000
Property development and construction	39,009	510,465	9,826	375,727
Manufacturing and trading	14,741	17,349	1,061	1,225
Property investment	3,787	3,579	2,657	2,503
Services and others	16,431	23,427	12,054	17,056
	<u>73,968</u>	<u>554,820</u>	<u>25,598</u>	<u>396,511</u>
Inter-segment eliminations	(7,716)	(27,543)	(9,497)	(17,884)
	<u>66,252</u>	<u>527,277</u>	<u>16,101</u>	<u>378,627</u>
Unallocated expenses			(2,827)	(677)
Finance costs			(1,427)	(2,567)
Profit before tax			<u>11,847</u>	<u>375,383</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.

A11 Material subsequent events

As at 20 June 2025, there were no material subsequent events that have not been reflected in the financial statements for the current financial year-to-date except for the following sale and purchase agreements ("SPA") have become unconditional on 27 May 2025:

- A conditional SPA dated 27 December 2024 for the disposal of freehold vacant lands by Unibase Concrete Industries Sdn Bhd, an indirect 60%-owned subsidiary of the Company, for a total cash consideration of RM18.8 million.
- A conditional SPA dated 27 December 2024 for the disposal of freehold vacant lands by Unibase Pre-cast Sdn Bhd, an indirect 50.4%-owned subsidiary of the Company, for a total cash consideration of RM37.7 million.

A12 Contingent liabilities

The contingent liabilities of the Group as at 30 April 2025 are as follows:-

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

	RM'000
Secured	36,374
Unsecured	-
	<u>36,374</u>

- 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.

CRESCENDO CORPORATION BERHAD**199501030544 (359750-D)****A13 Capital Commitments**

The capital commitments of the Group as at 30 April 2025 are as follows:

Contracted but not accounted for

- Land for property development

- Property, plant and equipment

- Investment properties

RM'000

39,100

4,100

28,800

72,000

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		
	Preceding			Preceding		
	Current	Year	Changes	Current	Year	Changes
	Year	Corresponding		Year	Corresponding	
	Quarter	Quarter		To-date	Period	
	30.4.2025	30.4.2024		30.4.2025	30.4.2024	
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	66,252	527,277	-87%	66,252	527,277	-87%
Earnings before interest, tax, depreciation and amortisation	15,660	380,292	-96%	15,660	380,292	-96%
Profit before interest and tax	13,274	377,950	-96%	13,274	377,950	-96%
Profit before tax	11,847	375,383	-97%	11,847	375,383	-97%
Profit after tax	7,715	284,286	-97%	7,715	284,286	-97%
Profit attributable to owners of the Company	7,111	281,600	-97%	7,111	281,600	-97%

The high revenue and profit before tax recorded in the preceding year corresponding quarter ended 30 April 2024 were mainly due to the contribution from the data center land sales in Nusa Cemerlang Industrial Park ("NCIP") in the first quarter of last financial year.

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

	Revenue			
	Quarter ended		Year ended	
	30.4.2025	30.4.2024	30.4.2025	30.4.2024
	RM'000	RM'000	RM'000	RM'000
Property development and construction	39,009	510,465	39,009	510,465
Manufacturing and trading	14,741	17,349	14,741	17,349
Property investment	3,787	3,579	3,787	3,579
Services and others	16,431	23,427	16,431	23,427
	<u>73,968</u>	<u>554,820</u>	<u>73,968</u>	<u>554,820</u>

	Operating profit			
	Quarter ended		Year ended	
	30.4.2025	30.4.2024	30.4.2025	30.4.2024
	RM'000	RM'000	RM'000	RM'000
Property development and construction	9,826	375,727	9,826	375,727
Manufacturing and trading	1,061	1,225	1,061	1,225
Property investment	2,657	2,503	2,657	2,503
Services and others	12,054	17,056	12,054	17,056
	<u>25,598</u>	<u>396,511</u>	<u>25,598</u>	<u>396,511</u>

Property development and construction operation

The high revenue and operating profit recorded in the preceding year corresponding quarter ended 30 April 2024 were mainly due to the contribution from the data center land sales in Nusa Cemerlang Industrial Park ("NCIP") in the first quarter of last financial year.

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

Manufacturing and trading operation

The decrease in revenue for the current quarter arose mainly from the trading operation which experienced lower sales demand for building materials from the surrounding construction projects.

Property investment operation

For the current quarter, there is no material fluctuation in revenue and operating profit as compared to the corresponding quarter in last year.

Services and others

The decreases in revenue and operating profit for the current quarter were mainly due to lower management fees. This is in line with the decrease in business activities in property development and construction division where the management fees are charged according to the turnover of the respective divisions. Nevertheless, the international school has contributed higher revenue and operating profit.

B2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter 30.4.2025 RM'000	Immediate Preceding Quarter 31.1.2025 RM'000	Changes %
Revenue	66,252	71,064	-7%
Earnings before interest, tax, depreciation and amortisation	15,660	7,717	103%
Profit before interest and tax	13,274	5,302	150%
Profit before tax	11,847	3,974	198%
Profit after tax	7,715	1,848	318%
Profit attributable to owners of the Company	7,111	2,598	174%

Despite the decrease in revenue, the profit before tax for the current quarter ended 30 April 2025 increased to RM11.8 million as compared to RM3.9 million of the immediate preceding quarter mainly contributed by the change in sale mix to higher margin properties sale and the lower operating cost.

B3 Group's Prospect

The global economic environment is expected to be volatile due to uncertainties arising from increased trade barriers and intensifying geopolitical conflicts. However, we remain optimistic about the property market outlook in Johor, supported by key infrastructure developments such as the on-going Johor Bahru - Singapore Rapid Transit System ("RTS") Link and the Johor-Singapore Special Economic Zone (JS-SEZ).

The JS-SEZ is expected to drive increased movement of people, goods, services, and capital and create more economic activities and job opportunities in the nine flagship areas. It is also expected to attract larger population and drive demand for all types of properties within JS-SEZ. Backed by proactive Government initiatives, foreign direct investment continues to flow into Johor, further boosting the industrial property sector in the years ahead.

The Group will continue to monitor the market situation and the impact from the uncertainty on global economic outlook which will lead to fluctuating material costs and currency volatility. The minimum wage adjustments, subsidy rationalisation for fuel and electricity and the expansion of service tax scope are likely to have an impact on our cost. The Group will 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. We remain focused on strengthening resilience, optimising cost management, and pursuing market responsive development.

As at 30 April 2025, 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	716
- Kota Tinggi	Industrial/Residential	636
Taman Perindustrian Cemerlang	Industrial	16
Taman Desa Cemerlang	Residential & commercial	52
Taman Dato' Chellam	Residential & commercial	9
Nusa Cemerlang Industrial Park	Industrial	# 4
Tanjung Senibong	Residential & commercial	215
Jalan Senyum, Johor Bahru	Residential	3
Mukim Jeram Batu, Pontian	Industrial	135
Ambok	Resort / Mixed development	794
Others	Residential	5
		<u>2,585</u>

The development landbank above represents gross land.

Excluding 40.92 acres of net land sold via two conditional Sale & Purchase Agreements.

In mid-March 2025, the Group launched a serviced apartment project situated along Jalan Senyum, in close proximity to the RTS terminal at Bukit Chagar. This project encompasses 1,257 units with a GDV of RM1.29 billion.

In our effort to continue developing landed properties and to align the evolving property buyers' demand, we plan to launch 167 units of mid to high-end market landed residential properties at Bandar Cemerlang and 24 units of semi-detached factories at Bandar Cemerlang Industrial Park with a total GDV of RM453.4 million within the next one year.

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 RM435 million as at 20 June 2025, including land sale at NCIP of RM240 million, the Board expects the Group to continue to perform well in the financial year ending 31 January 2026.

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

This is not applicable.

B5 Tax

	Current Quarter Ended 30.4.2025 RM'000	Financial Year-to-date Ended 30.4.2025 RM'000
Income Tax		
Current tax:		
Current year	5,231	5,231
Deferred tax:		
Relating to origination and reversal of temporary difference	(1,099)	(1,099)
	<u>4,132</u>	<u>4,132</u>

The effective tax rate for the current quarter was higher than the income tax rate of 24% mainly due to certain expenses are not tax deductible.

B6 Status of corporate proposals

The corporate proposal announced but not completed as at 20 June 2025 are as follows:-

- (a) Panoramic Industrial Development Sdn Bhd ("PID"), a wholly-owned subsidiary of the Company, had on 6 December 2024 entered into a conditional sale and purchase agreement ("SPA") for the disposal of freehold vacant lands for a total cash consideration of RM120.06 million.
- (b) PID had on 27 January 2025 entered into a conditional SPA for the disposal of freehold vacant land for a cash consideration of RM119.83 million.

B7 Group borrowings and debt securities

- (a) The Group loans and borrowings as at 30 April 2025 and 30 April 2024 were as follows:

As at 30 April 2025			
	Long term	Short term	Total
	RM'000	RM'000	RM'000
Secured:			
Bank overdrafts	-	4,993	4,993
Revolving credit	-	1,000	1,000
Term Loans	55,580	542	56,122
Medium Term Notes	100,000	20,000	120,000
	<u>155,580</u>	<u>26,535</u>	<u>182,115</u>

As at 30 April 2024			
	Long term	Short term	Total
	RM'000	RM'000	RM'000
Secured:			
Bank overdrafts	-	5,968	5,968
Revolving credit	-	3,000	3,000
Trade facilities	-	2,346	2,346
Term Loans	2,122	3,459	5,581
Medium Term Notes	120,000	140,000	260,000
	<u>122,122</u>	<u>154,773</u>	<u>276,895</u>

- (b) The decrease in loans and borrowings is mainly due to repayment.
- (c) As at 30 April 2025, the weighted average interest rate of loan and borrowings ranged from 3.7% to 7.8% (30.4.2024: 3.6% to 7.51%). Approximately 66% (30.4.2024: 58%) 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 30 April 2025 is RM0.4 million.

B8 Material litigation

As at 20 June 2025, 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 6 November 2024, the parties updated the court that the pre-trial documents as directed by the court have been duly filed. The court fixed 9 February 2026 for a final Case Management before the trial and for parties to exchange witness statements.

Trial is re-scheduled to be held on 23 March 2026 - 27 March 2026 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.

On 11 December 2024, the Defendants have filed interlocutory applications pursuant to Order 18, Rule 19(1) of the Rules of Court 2012 to strike out this suit. The hearing for these applications is fixed on 22 October 2025.

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. Further, on 6 May 2024, KTC through their solicitors wrote to the court proposing that parties resolve the issues through mediation, and asked for a stay of all the proceedings and applications under this suit pending the outcome of the proposed mediation. There has been no directions from the court for parties to undergo such mediation.

The hearing for the Order 81 Application was held on 1 August 2024. On 28 October 2024, the judge directed that the Stay Application be heard and thereafter decision will be given for both the Order 81 Application and the Stay Application.

Following the hearing of the Stay Application on 15 January 2025, the judge dismissed the Stay Application with costs awarded to CESB, and dismissed the Order 81 Application with costs in the cause i.e. to be determined at the end of the trial.

The parties have filed pre-trial documents for this suit. The next case management is fixed on 28 July 2025.

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

No dividend has been declared or proposed for the current financial quarter ended 30 April 2025.

B10 Earnings per share ("EPS")

(a) Basic earnings per share ("Basic EPS")

Basic earnings per share is calculated by dividing profit net of tax for the period/year 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 30.4.2025	Financial Year-to-date Ended 30.4.2025
Profit net of tax attributable to owners of the Company (RM'000)	7,111	7,111
Weighted average number of ordinary shares in issue ('000)	840,886	840,886
Basic EPS (Sen)	0.85	0.85

(b) Diluted earnings per share ("Diluted EPS")

Diluted earnings per share is calculated by dividing profit net of tax for the period/year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year, excluding treasury shares held by the Company, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	Current Quarter Ended 30.4.2025	Financial Year-to-date Ended 30.4.2025
Profit net of tax attributable to owners of the Company (RM'000)	7,111	7,111
Weighted average number of ordinary shares in issue ('000)	840,886	840,886
Adjustment for dilutive effect of share options ('000)	5,912	5,912
Adjusted weighted average number of shares for Diluted EPS ('000)	846,798	846,798
Diluted EPS (Sen)	0.84	0.84

B11 Notes to the statement of comprehensive income

	Current Quarter Ended 30.4.2025 RM'000	Financial Year-to-date Ended 30.4.2025 RM'000
(a) Interest income	3,428	3,428
(b) Other income including investment income	4,808	4,808
(c) Interest expenses	(1,427)	(1,427)
(d) Depreciation and amortisation	(2,386)	(2,386)
(e) (Provision for and write off) / write back of receivables	(21)	(21)
(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)	(23)	(23)
(j) Gain or (loss) on derivatives	-	-
(k) Exceptional items	-	-