

CRESCENDO CORPORATION BERHAD

199501030544 (359750-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31.1.2026 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31.1.2025 RM'000	CURRENT YEAR TO-DATE 31.1.2026 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.1.2025 RM'000
Revenue	82,444	71,064	445,208	1,151,039
Cost of sales	(57,004)	(47,208)	(292,627)	(409,082)
Gross profit	25,440	23,856	152,581	741,957
Other income	4,050	7,127	56,074	31,354
Administration expenses	(26,258)	(25,682)	(68,078)	(64,484)
Finance costs	(1,685)	(1,328)	(6,701)	(7,667)
Profit before tax	1,547	3,974	133,876	701,160
Tax expenses	(1,394)	(2,126)	(35,742)	(173,062)
Profit for the period	153	1,848	98,134	528,098
Other comprehensive income, net of tax				
Net movement on cash flow hedges	-	-	-	4
Tax relating to cash flow hedges	-	-	-	(1)
Total other comprehensive income for the period, net of tax	-	-	-	3
Total comprehensive income for the period	153	1,848	98,134	528,101
Profit attributable to:				
Owners of the Company	1,037	2,598	92,274	526,319
Non-controlling interests	(884)	(750)	5,860	1,779
	153	1,848	98,134	528,098
Total comprehensive income attributable to:				
Owners of the Company	1,037	2,598	92,274	526,322
Non-controlling interests	(884)	(750)	5,860	1,779
	153	1,848	98,134	528,101
Earnings per share attributable to owners of the Company:				
- Basic (sen)	0.12	0.31	10.96	62.79
- Diluted (sen)	0.12	0.31	10.89	62.68

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

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31.1.2026 RM'000	AS AT 31.1.2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	157,760	177,294
Right-of-use assets	3,129	3,446
Bearer plants	3,373	3,728
Investment properties	349,376	291,977
Inventories	978,792	845,122
Deferred tax assets	53,886	52,215
	<u>1,546,316</u>	<u>1,373,782</u>
Current assets		
Inventories	196,700	252,134
Receivables	94,239	206,213
Contract assets	12,521	7,491
Contract cost assets	6,933	-
Prepaid operating expenditure	8,001	9,578
Tax recoverable	832	1,179
Short term funds	54,451	8,007
Cash and bank balances	86,584	166,356
	<u>460,261</u>	<u>650,958</u>
TOTAL ASSETS	<u>2,006,577</u>	<u>2,024,740</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	307,984	302,744
Treasury shares	(5,018)	(5,018)
Other reserves	2,556	1,103
Retained earnings	1,109,168	1,109,615
	<u>1,414,690</u>	<u>1,408,444</u>
Non-controlling interests	<u>45,866</u>	<u>51,531</u>
Total equity	<u>1,460,556</u>	<u>1,459,975</u>
Non-current liabilities		
Loans and borrowings	124,000	165,715
Deferred tax liabilities	23,534	32,127
	<u>147,534</u>	<u>197,842</u>
Current liabilities		
Payables	262,946	204,570
Contract liabilities	16,577	21,145
Loans and borrowings	51,266	28,747
Tax payable	17,059	112,461
Dividend payable	50,639	-
	<u>398,487</u>	<u>366,923</u>
Total liabilities	<u>546,021</u>	<u>564,765</u>
TOTAL EQUITY AND LIABILITIES	<u>2,006,577</u>	<u>2,024,740</u>
Net assets per share (RM)	<u>1.68</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.

CRESCENDO CORPORATION BERHAD
199501030544 (359750-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →						
	← 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	Non- Controlling Interests RM'000
Year ended 31 January 2026							
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	98,134	92,274	-	-	92,274	-	5,860
Transactions with owners							
Issue of shares pursuant to exercise of ESOS	4,703	4,703	5,240	(537)	-	-	-
ESOS share options expenses	1,991	1,991	-	1,991	-	-	-
Redemption of Preference shares in a subsidiary	(4,500)	-	-	-	-	-	(4,500)
Dividend paid to non-controlling interests	(4,200)	-	-	-	-	-	(4,200)
Preference shares dividend paid to non-controlling interests	(2,825)	-	-	-	-	-	(2,825)
Dividends	(92,721)	(92,721)	-	-	(92,721)	-	-
Total transactions with owners	(97,553)	(86,028)	5,240	1,454	(92,721)	-	(11,525)
Balance as at 31 January 2026	1,460,556	1,414,690	307,984	2,556	1,109,168	(5,018)	45,866
Year ended 31 January 2025							
Balance as at 1 February 2024	1,033,405	980,158	299,572	(3)	683,704	(3,115)	53,247
Total comprehensive income	528,101	526,322	-	3	526,319	-	1,779
Transactions with owners							
Issue of shares pursuant to exercise of ESOS	2,849	2,849	3,172	(323)	-	-	-
ESOS share options expenses	1,425	1,425	-	1,425	-	-	-
Resale of treasury shares	515	515	-	-	202	313	-
Buy-back of shares	(2,216)	(2,216)	-	-	-	(2,216)	-
Issuance of ordinary shares in subsidiaries	325	-	-	-	-	-	325
Dividend paid to non-controlling interests	(1,185)	-	-	-	-	-	(1,185)
Preference shares dividend paid to non-controlling interests	(2,635)	-	-	-	-	-	(2,635)
Dividends	(100,610)	(100,610)	-	-	(100,610)	-	-
Total transactions with owners	(101,532)	(98,036)	3,172	1,103	(100,408)	(1,903)	(3,495)
Balance as at 31 January 2025	1,459,975	1,408,444	302,744	1,103	1,109,615	(5,018)	51,531

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

	YEAR ENDED	
	31.1.2026	31.1.2025
	RM'000	RM'000
Cash flows from operating activities		
Cash receipts from customers	567,451	1,077,816
Cash paid to suppliers and employees	(381,100)	(573,033)
Cash generated from operations	<u>186,351</u>	<u>504,783</u>
Deposit interest received	6,495	10,124
Interest paid	(9,525)	(9,604)
Tax paid	(141,061)	(79,274)
Net cash from operating activities	<u>42,260</u>	<u>426,029</u>
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash and cash equivalents acquired	-	(7,126)
Acquisition of bearer plants, right-of-use assets, investment properties and property, plant and equipment	(62,260)	(54,587)
Net (increase)/decrease in pledged bank balances	(48)	2,287
Net investment in short term funds	(45,825)	(5,308)
Proceeds from disposal of Investment properties, and property, plant and equipment	54,150	9,816
Net cash used in investing activities	<u>(53,983)</u>	<u>(54,918)</u>
Cash flows from financing activities		
Proceeds from issuance of shares	4,703	2,849
(Payment for redemption of preference shares)/Proceeds from issuance of shares to minority shareholders of subsidiaries	(4,500)	325
Resale of treasury shares	-	515
Buy-back of shares	-	(2,217)
Proceeds from loans and borrowings	1,000	55,000
Repayment of loans and borrowings	(22,257)	(210,664)
Dividend paid	(42,081)	(100,610)
Dividends paid to non-controlling interests	(4,200)	(1,185)
Preference share dividend paid to non-controlling interests	(2,825)	(2,635)
Net cash used in financing activities	<u>(70,160)</u>	<u>(258,622)</u>
Net (decrease)/increase in cash and cash equivalents	(81,883)	112,489
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	<u>75,450</u>	<u>157,333</u>
Cash and cash equivalents at the end of the financial period		
Deposits with licensed banks and other financial institution	13,968	115,199
Cash and bank balances	72,616	51,158
Bank overdrafts	(9,266)	(7,205)
	<u>77,318</u>	<u>159,152</u>
Less: Pledged bank balances	(1,868)	(1,819)
	<u>75,450</u>	<u>157,333</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 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 121	Translation to a Hyperinflationary Presentation Currency	1 Jan 2027
Amendments to MFRS 10 and MFRS128	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.

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 except for:

- (a) the Company had repaid RM20 million of debts under the existing MTN Programme.
- (b) offer of 3,729,500 options to executives under the Executives' Share Option Scheme ("ESOS") at exercise price of RM1.27 on 29 September 2025.
- (c) issuance of 4,411,500 new ordinary shares pursuant to the exercise of 4,285,500 share options at an exercise price of RM1.06 per share option and 126,000 share options at an exercise price of RM1.27 per share option for cash totaling RM4,702,650 for working capital.

As at 31 January 2026, the Company held a total of 4,416,400 of its 848,487,194 issued ordinary shares as treasury shares.

As at 31 January 2026, the unexercised number of ESOS was 36,632,300.

A7 Dividends paid

The dividends paid during the financial year ended 31 January 2026 were as follows:

- (i) A second interim single tier dividend of 1 sen per share and a second special single tier dividend of 3 sen per share in respect of financial year 2025, paid on 15 May 2025.
- (ii) An interim single tier dividend of 1 sen per share in respect of financial year 2026, paid on 13 Nov 2025.

A8 Segmental information

	<u>Revenue</u>		<u>Results</u>	
	Year ended		Year ended	
Major segments by activity:-	31.1.2026	31.1.2025	31.1.2026	31.1.2025
	RM'000	RM'000	RM'000	RM'000
Property development and construction	367,695	1,053,301	119,734	707,053
Manufacturing and trading	67,739	60,738	22,504	(599)
Property investment	16,141	14,376	10,835	9,746
Services and others	62,772	74,278	36,508	44,112
	<u>514,347</u>	<u>1,202,693</u>	<u>189,581</u>	<u>760,312</u>
Inter-segment eliminations	(69,139)	(51,654)	(40,423)	(42,684)
	<u>445,208</u>	<u>1,151,039</u>	149,158	717,628
Unallocated expenses			(8,581)	(8,801)
Finance costs			(6,701)	(7,667)
Profit before tax			<u>133,876</u>	<u>701,160</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.

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A11 Material subsequent events

As at 20 March 2026, there were no material subsequent events that have not been reflected in the financial statements for the current financial year.

A12 Contingent liabilities or Contingent assets

The Group has no material contingent liabilities or contingent assets as at the end of the current financial year.

A13 Capital Commitments

The capital commitments of the Group as at 31 January 2026 are as follows:

	RM'000
Contracted but not accounted for	
- Property, plant and equipment	5,100
- Investment properties	100
	<u>5,200</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	Preceding Year	Changes	Current Year	Preceding Year	Changes
	Quarter	Corresponding Quarter		To-date	Corresponding Period	
	31.1.2026	31.1.2025	%	31.1.2026	31.1.2025	%
Revenue	82,444	71,064	16%	445,208	1,151,039	-61%
Earnings before interest, tax, depreciation and amortisation	6,363	7,717	-18%	151,275	718,291	-79%
Profit before interest and tax	3,232	5,302	-39%	140,577	708,830	-80%
Profit before tax	1,547	3,974	-61%	133,876	701,163	-81%
Profit after tax	153	1,848	-92%	98,134	528,101	-81%
Profit attributable to owners of the Company	1,037	2,598	-60%	92,274	526,321	-82%

The Group's revenue and profit before tax recorded RM445.2 million and RM133.9 million respectively for the current financial year mainly contributed by a data center land sale in Nusa Cemerlang Industrial Park ("NCIP").

Despite the increase in revenue of RM11.4 million for the current quarter, the profit before tax decreased by RM2.4 million compared to the corresponding quarter in last financial year mainly due to higher operating costs and operating losses incurred by a subsidiary company driven by relocation expenses and setup cost of a new factory.

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

	Revenue			
	Quarter ended		Year ended	
	31.1.2026	31.1.2025	31.1.2026	31.1.2025
	RM'000	RM'000	RM'000	RM'000
Property development and construction	55,425	48,680	367,695	1,053,301
Manufacturing and trading	14,679	10,878	67,739	60,738
Property investment	4,244	3,643	16,141	14,376
Services and others	15,664	14,168	62,772	74,278
	<u>90,012</u>	<u>77,369</u>	<u>514,347</u>	<u>1,202,693</u>

	Operating profit			
	Quarter ended		Year ended	
	31.1.2026	31.1.2025	31.1.2026	31.1.2025
	RM'000	RM'000	RM'000	RM'000
Property development and construction	19,006	16,815	119,734	707,053
Manufacturing and trading	(3,257)	(1,138)	22,504	(599)
Property investment	3,000	2,480	10,835	9,746
Services and others	1,329	2,207	36,508	44,112
	<u>20,078</u>	<u>20,364</u>	<u>189,581</u>	<u>760,312</u>

Property development and construction operation

The Group's revenue and operating profit were RM367.7 million and RM119.7 million respectively for the current financial year, mainly contributed by a data center land sale in Nusa Cemerlang Industrial Park ("NCIP") which represented approximately one-third of the revenue and more than 60% of the operating profit of this operation for this 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 gain on disposal of lands amounting to RM30 million recorded in the second quarter of the current financial year had contributed to the improvement in the operating profit of this operation for this financial year.

The operating loss recorded in the current quarter was mainly due to the relocation expenses and setup cost of a new factory by a subsidiary company involved in pre-cast operation.

Property investment operation

There is no material fluctuation in revenue and operating profit as compared to the corresponding periods in last year.

Services and others

The decreases in revenue and operating profit for the current quarter and the financial year were mainly driven by 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 base on the turnover of the respective divisions. Nevertheless, the international school contributed higher revenue and operating profit.

B2 Financial review for current quarter compared with immediate preceding quarter

	Current Quarter 31.1.2026 RM'000	Immediate Preceding Quarter 31.10.2025 RM'000	Changes %
Revenue	82,444	217,446	-62%
Earnings before interest, tax, depreciation and amortisation	6,363	95,083	-93%
Profit before interest and tax	3,232	92,255	-96%
Profit before tax	1,547	90,500	-98%
Profit after tax	153	68,864	-100%
Profit attributable to owners of the Company	1,037	70,417	-99%

The current quarter ended 31 January 2026 recorded lower revenue and profit before tax of RM82.4 million and RM1.5 million respectively compared to RM217.4 million and RM93.3 million respectively in the immediate preceding quarter as a data center land sale in NCIP was recognised in that preceding quarter.

B3 Group's Prospect

The global economic uncertainties arising from increased trade barriers and the intensifying US-Iran conflict in the Middle East has contributed to higher oil and fuel prices, volatility in commodity markets and increased operating cost pressure for business globally. Should these tensions persist or escalate, they may result in sustained increases in energy and logistics costs, heightened inflationary pressure and greater uncertainty across global supply chains and financial markets.

Nevertheless, with the establishment of Johor-Singapore Special Economic Zone (JS-SEZ) which aimed at strengthening economic ties between Malaysia and Singapore, attracting new investment and stimulating economic growth in the country's southern region plus the key infrastructure developments such as the Johor Bahru - Singapore Rapid Transit System ("RTS") Link, we are optimistic about the property market outlook in Johor.

The cut in Overnight Policy Rate of 25 basis point in July 2025 by Bank Negara Malaysia will create a favourable environment for house buyers and investors hence making homeownership more affordable. Continued Government initiatives and steady foreign direct investment inflows into Johor are expected to maintain a healthy demand for the industrial properties in the years ahead.

The Group will continue to monitor closely the market situation and implement appropriate measures, where necessary, to mitigate potential impacts on its operations. The Group will adopt a prudent approach by leveraging on its strategic land bank to develop properties that meet market needs and manage the rising cost as a results of minimum wage adjustment, subsidy rationalisation for fuel and electricity and the expansion of service tax scope. We remain focused on strengthening resilience, optimising cost management, and pursuing market responsive development.

As at 31 Jan 2026, the Group's land bank, including those under development, is as follows:

<u>Location</u>	<u>Type of development</u>		<u>Acres</u>
Bandar Cemerlang	Mixed development		824
Bandar Cemerlang Industrial Park	Industrial	<N1>	433
Taman Perindustrian Cemerlang	Industrial		9
Taman Desa Cemerlang	Residential & commercial		38
Taman Dato' Chellam	Residential & commercial		9
Nusa Cemerlang Industrial Park	Industrial	<N2>	2
Tanjung Senibong	Residential & commercial		215
Jalan Senyum, Johor Bahru	Residential		3
Mukim Jeram Batu, Pontian	Industrial		135
Ambok	Resort / Mixed development		794
Others	Residential		7
			2,469

The development landbank above represents gross land.

<N1> Excluding 92.64 acres of net land sold via two conditional Sale & Purchase Agreements.

<N2> Excluding 22.55 acres of net land sold via one conditional Sale & Purchase Agreement.

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, we plan to launch 167 units of mid to high-end market landed residential properties at Bandar Cemerlang, 18 units of semi-detached factories at Bandar Cemerlang Industrial Park ("BCIP") and 24 units of RMMJ Type B at Taman Dato' Chellam with a total GDV of RM252 million within the next one year.

Based on the locked-in sales and land sales at NCIP and BCIP, the Board expects the Group to perform reasonably well in FY2027 notwithstanding the uncertainties arising from the ongoing US-Iran conflict.

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

This is not applicable.

B5 Tax

	Current Quarter Ended 31.1.2026 RM'000	Financial Year Ended 31.1.2026 RM'000
Current Tax		
Income Tax:		
Current year	2,703	42,121
Prior years	317	918
Real Property Gain Tax	-	2,967
Deferred Tax:		
Relating to origination and reversal of temporary difference	(1,575)	(9,225)
Prior years	(51)	(1,039)
	1,394	35,742

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

B6 Status of corporate proposals

The corporate proposals announced but not completed as at 20 March 2026 are as follows:-

- (a) Panoramic Industrial Development Sdn Bhd ("PID"), a wholly-owned subsidiary of the Company, had on 27 January 2025 entered into a conditional sale and purchase agreement ("SPA") for the disposal of freehold vacant land for a cash consideration of RM119.83 million.
- (b) Crescendo Development Sdn Bhd ("CDSB"), a wholly-owned subsidiary of the Company, had on 29 August 2025 entered into a conditional SPA for the disposal of freehold vacant land for a total cash consideration of RM263.21 million.
- (c) CDSB had on 14 November 2025 entered into a SPA for the proposed disposal of freehold vacant land for a total cash consideration of RM200.88 million. The proposed disposal was approved at the Extraordinary General Meeting of the Company held on 9 Feb 2026.
- (d) CDSB had on 14 November 2025 entered into a right to purchase and sale and purchase agreement ("ROFR Agreement") for granting a right of first refusal and right to purchase a freehold vacant land from the date of the ROFR Agreement up until 31 May 2026 for a total cash consideration of RM249.07 million. This ROFR Agreement was terminated on 10 December 2025.

B7 Group borrowings and debt securities

(a) The Group loans and borrowings as at 31 January 2026 and 31 January 2025 were as follows:

	<u>As at 31 January 2026</u>		
	Long term	Short term	Total
	RM'000	RM'000	RM'000
Secured:			
Bank overdrafts	-	9,266	9,266
Revolving credit	-	2,000	2,000
Term Loans	54,000	-	54,000
Medium Term Notes	70,000	40,000	110,000
	<u>124,000</u>	<u>51,266</u>	<u>175,266</u>
	<u>As at 31 January 2025</u>		
	Long term	Short term	Total
	RM'000	RM'000	RM'000
Secured:			
Bank overdrafts	-	7,205	7,205
Revolving credit	-	1,000	1,000
Term Loans	55,715	542	56,257
Medium Term Notes	110,000	20,000	130,000
	<u>165,715</u>	<u>28,747</u>	<u>194,462</u>

- (b) The decrease in loans and borrowings is mainly due to repayment.
- (c) As at 31 January 2026, the weighted average interest rate of loan and borrowings ranged from 3.7% to 7.6% (31.1.2025: 3.7% to 7.6%). Approximately 63% (31.1.2025: 67%) 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 year ended 31 January 2026 is RM0.4 million.

B8 Material litigation

As at 20 March 2026, 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 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.

In February and March 2026, the following interlocutory applications were filed by the parties: -

- (i) On 10 February 2026, the Plaintiffs filed an application to amend the Statement of Claim.
- (ii) On 4 March 2026, the 1st and 2nd Defendants filed an application to strike out the suit.

At the Case Management on 12 March 2026, the Court gave directions for the parties to file their respective cause papers in relation to the above applications. The hearing of the applications is scheduled for 12 June 2026.

Trial is re-scheduled to be held on 14 September 2026 and 15 September 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.

On 10 February 2026, the judge delivered the decision on the striking out application filed by the 2nd to 8th Defendants. The application was allowed, with costs of RM4,000 awarded to the 2nd to 8th Defendants.

The decision on the striking out application filed by the 1st and 9th Defendants is scheduled to be delivered on 14 April 2026.

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 trial was held on the 9th, 10th and 12th of December 2025.

On 9 December 2025, the solicitors for KTC filed an application to be discharged as solicitors for KTC. The application was heard on 10 December 2025 and the judge dismissed the application with costs of RM15,000.00 awarded to CESB.

Trial was scheduled to continue on 6 January 2026. However, following the Defendants' application to discharge their solicitors, which was heard on 6 January 2026 and allowed on that date, the Judge awarded costs thrown away of RM5,000 to CESB.

The trial has been rescheduled to continue on 23 April 2026.

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

- (a) The Board does not declare any dividend for the current financial quarter ended 31 January 2026 [previous corresponding period: 1 sen single tier (interim) and 3 sen single tier (special)] and does not propose any final dividend for the financial year ended 31 January 2026 [2025: Nil].
- (b) Total dividend for the current financial year : 1 sen interim single tier per share and 6 sen special single tier per share.

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 31.1.2026	Financial Year Ended 31.1.2026
Profit net of tax attributable to owners of the Company (RM'000)	1,037	92,274
Weighted average number of ordinary shares in issue ('000)	842,919	841,778
Basic EPS (Sen)	0.12	10.96

(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 31.1.2026	Financial Year Ended 31.1.2026
Profit net of tax attributable to owners of the Company (RM'000)	1,037	92,274
Weighted average number of ordinary shares in issue ('000)	842,919	841,778
Adjustment for dilutive effect of share options ('000)	5,461	5,287
Adjusted weighted average number of shares for Diluted EPS ('000)	848,381	847,065
Diluted EPS (Sen)	0.12	10.89

B11 Notes to the statement of comprehensive income

	Current Quarter Ended 31.1.2026 RM'000	Financial Year Ended 31.1.2026 RM'000
(a) Interest income	861	6,195
(b) Other income including investment income	5,303	20,611
(c) Interest expenses	(1,685)	(6,701)
(d) Depreciation and amortisation	(3,131)	(10,698)
(e) (Provision for and write off) / write back of receivables	(205)	(217)
(f) (Provision for and write off) / write back of inventories	-	-
(g) Gain or (loss) on disposal of quoted or unquoted investments or properties	(106)	29,925
(h) Impairment of assets	(240)	(2,549)
(i) Foreign exchange gain or (loss)	(317)	(688)
(j) Gain or (loss) on derivatives	-	-
(k) Exceptional items	-	-