

CRESCENDO CORPORATION BERHAD (359750-D)

Minutes of 21st AGM held on 25th July, 2017

Pertinent questions and answers relating to the Audited Financial Statements of the Group and the Company for the year ended 31st January, 2017 at the Annual General Meeting

- Q1 On pages 29, 72 and 105 of the Annual Report, the occupancy rate of the investment properties is approximately 20%. Does the Group has any intention to sell its investment properties?
- A1 In view of the current soft market, the Group has no intention to sell its investment properties. However, the Group may sell those properties if there are offers at a reasonable price.
- Q2 On page 25 of the Chairman Statement, out of the committed sales in hand and unbilled revenue of RM190 million, how much are high margin properties?
- A2 Approximately 60% are high margin properties.
- Q3 On page 109 of the Annual Report, please elaborate on the restaurant project pursuant to a collaboration with a third party?
- A3 The arrangement is between Crescendo Development Sdn. Bhd. ("CDSB") and the owner of the restaurant pursuant to a collaboration with a third party, under which, CDSB is entitled to a minimum guaranteed profit sum of RM1.5 million per annum through a scheduled capital realization scheme over an estimated period of 10 years.
- Q4 On page 28, when did you launch the Taman Dato' Chellam project?
- A4 The project has been launched progressively and consists of mainly affordable homes.
- Q5 What is the prospect of the Group?
- A5 The property market has been affected by the soft economy. However, the Group expects its performance to remain satisfactory as various parcels of the land are located at good locations and acquired at low cost. The demand for landed properties with good accessibility is expected to remain resilient. The cash flow of the Group is at a quite comfortable level.
- Q6 How much contribution is expected from the education sector?
- A6 The Crescendo-HELP International School in Taman Desa Cemerlang has commenced operation in February, 2017. The school is built at a good location, surrounded by townships, well designed and equipped with good facilities. The synergistic partnership between the Company and HELP Education Group, a reputable education establishment that offers quality pre-school to PHD level programs, has proven to be very fruitful. The school will be self sustaining in long term.