CRESCENDO CORPORATION BERHAD ("CCB" or "the Company")
DISPOSAL OF LAND BY CRESCENDO DEVELOPMENT SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF CCB, TO MSFUSION SDN. BHD.

1. INTRODUCTION

The Board of Directors of CCB wishes to announce that its wholly-owned subsidiary, Crescendo Development Sdn. Bhd. ("CDSB" or "the Vendor"), has on 29 August 2025 entered into a conditional Sale and Purchase Agreement with MSFusion Sdn. Bhd. [Registration No. 202401009375 (1555225-K)] ("MSB" or "the Purchaser") ("the SPA"), for the disposal of all that piece of freehold vacant land held under H.S.(D) 62068 PTD 50923 in the Mukim and District of Kota Tinggi, under the category of land use, "Industrial", located in the Bandar Cemerlang Industrial Park, State of Johor measuring approximately 52.544 acres ("the Said Land") for a total cash consideration of RM263,213,630.01 ("Disposal Consideration") or RM115.00 per square foot ("sq ft") (hereinafter referred to as "the Disposal").

2. DETAILS OF THE DISPOSAL

2.1 Background information on the Disposal

The Disposal entails the disposal of the Said Land by CDSB to MSB for the Disposal Consideration on an "as is where is" basis, free from all and any encumbrances and with vacant possession, subject to terms and conditions of the SPA.

2.2 Information on the Said Land

The Said Land is located in Mukim and District of Kota Tinggi, State of Johor, with a land size of approximately 52.544 acres located in the Bandar Cemerlang Industrial Park, surrounded by a mixture of residential and commercial developments.

The details of the Said Land are as follows –

Category of Land Use	Industrial
Tenure	Freehold
Express Conditions	This land shall be used as medium industry area to be used for Data Centre, constructed in accordance with the plans approved by the relevant local authority. All dirt and pollutants from this activity must be channelled to areas determined by the relevant authority. All terms and conditions determined and enforced from time to time by the relevant authority shall be adhered to.
Encumbrances	Nil

Restriction-In-Interests	This land cannot be sold or transferred in any way to Non-Citizen/Foreign Company without the approval of the State Authority.

Based on the latest audited financial statements of CDSB as of 31 January 2025, the audited net book value of the Said Land was approximately RM12.26 million.

2.3 Basis and justification for the Disposal Consideration

The Disposal Consideration of RM263,213,630.01 (or RM115.00 per sq ft) was arrived at on a "willing buyer willing seller" basis negotiated between CDSB and MSB. CDSB has not commissioned any independent valuation of the Said Land prior to entering into the SPA.

However, the Board of Directors of CCB is of the view that the Disposal Consideration is fair and reasonable after considering the transacted price of previous transactions in the vicinity of the Said Land as set out in Appendix 1.

2.4 Salient Terms of the Disposal

The salient terms of the Disposal are set out in Appendix 2.

2.5 Expected gains or losses to CCB Group

The CCB Group is expected to record a gain after taxation of approximately RM109.032 million upon the Unconditional Date as defined in the SPA.

2.6 Utilisation of Disposal Consideration

The Disposal Consideration is intended to be utilised for development of the balance landbank owned by the CCB Group and to provide working capital for CCB Group and CDSB.

2.7 Liabilities or Guarantees

There are no liabilities, including contingent liabilities in relation to the Disposal which remain with the CCB Group.

There are no guarantees given by the CCB Group to MSB.

2.8 Original date and cost of investment

The Said Land was acquired on 26 June 2001 and the cost of investment as of 31 January 2025 (inclusive of original land acquisition cost and other development and finance cost capitalized up to 31 January 2025) is approximately RM12.26 million.

2.9 Cash or Practice Note 17 Company

The Disposal is not expected to result in CCB becoming a cash company or Practice Note 17 company, as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

3. INFORMATION ON CDSB

CDSB is a private limited company incorporated in Malaysia under the Companies Act 1965 on 11 September, 1990. The issued and fully paid up capital of CDSB is RM45,430,000.00 consisting of 45,430,000 ordinary shares. The principal business activities of CDSB are those of property development, investment holding and cultivation of oil palm.

The existing Directors of CDSB are as follows –

(a) Gooi Seong Lim ("GSL");
(b) Gooi Seong Heen ("GSH");
(c) Gooi Seong Chneh ("GSC");
(d) Gooi Seong Gum ("GSG"), and
(e) Gooi Khai Shin ("GKS") who is an Alternate Director to GSL.

CDSB is a wholly-owned subsidiary of CCB.

4. INFORMATION ON MSB

MSB is a private limited company incorporated in Malaysia under the Companies Act 2016 on 7 March, 2024 and having its registered office at No. 10-01, Jalan Mutiara Emas 2/5, Taman Mount Austin, 81100 Johor Bahru, Johor. The issued and fully paid-up capital of MSB is RM1.00 consisting of 1 ordinary share.

MSB is principally engaged in the business of computer facilities management activities and other telecommunications activities.

The existing Directors of MSB are as follows –

(a) El Regina Bte Tajudin; and
(b) Tan Yong Pong.

MSB is a subsidiary of Megaspeed International Pte. Ltd., a company incorporated in Singapore.

5. RATIONALE AND BENEFITS OF THE DISPOSAL

The rationale and benefits of the Disposal are as follows –

(a) To provide for the CCB Group to unlock the value of the Said Land at a reasonable price after taking into consideration the marketability and prospects of the Said Land and the challenges in negotiating terms and securing buyer with strong credentials and financial capability to complete the sale of such sizeable land expeditiously.

(b) To generate cash flows for development projects of the CCB Group.

6. RISKS FACTORS

(a) The Disposal is subject to, among others, the obtaining of approvals from various relevant authorities to permit the use of the Said Land for the development, construction, operation and maintenance of a Data Centre. In the event of failure to fulfil the conditions precedent under the SPA, this will result in non-completion of the SPA due to non-fulfilment of the conditions precedent contained therein.

(b) In the event that CDSB is unable to complete the Infrastructure Work by the Infra Work Expiry Date as defined in the SPA, CDSB is potentially liable to liquidated ascertained damages of up to 15% of the Disposal Consideration.

7. FINANCIAL EFFECTS OF THE DISPOSAL

7.1 Share capital and shareholdings of substantial shareholders

The Disposal will not have any effect on the issued and paid-up share capital and the shareholdings of the substantial shareholders of CCB as they do not involve any issuance of CCB shares.

7.2 Earnings

For illustrative purposes only, based on the audited consolidated statements of profit or loss and other comprehensive income of CCB for the financial year ended ("FYE") 31 January 2025, and assuming that the Disposal had been effected on 1 February 2024, being beginning of the FYE 31 January 2025, the pro forma effects of the Disposal on the earnings and earning per share ("EPS") of CCB Group are as follow: -

	Audited as at 31 January 2025	**Pro forma After the Proposed Disposal**
Profit after tax ("PAT") attributable to the owners of the Company (RM'000) [(1)]	526,319	635,531
Total number of CCB Shares in issue, excluding treasury shares	839,659,000	839,659,000
EPS (sen)[(2)]	62.68	75.67

Notes:-

(1) After accounting for the pro forma gain of approximately RM109.032 million expected to arise from the Disposal.

(2) Computed based on PAT attributable to the owners of the Company over the total number of CCB Shares in issue, excluding treasury shares.

7.3 Net assets ("NA") and gearing

For illustrative purposes only, based on the latest audited consolidated financial statements of CCB as at 31 January 2025 on the assumption that the Disposal had been effected on that date, the pro forma effects of the Disposal on the audited consolidated NA per CCB Share and gearing of CCB Group are as follows:-

	Audited as at 31 January 2025	Pro forma After the Disposal
	RM'000	**RM'000**
Share capital	302,744	302,744
Treasury shares	(5,018)	(5,018)
Other reserves	1,103	1,103
Retained earnings	1,109,615	[(i)] 1,218,647
Shareholders' equity/NA	**1,408,444**	**1,517,476**
Non-controlling interest	51,531	51,531
Total equity	**1,459,975**	**1,569,007**
No. of CCB Shares in issue, excluding treasury shares ('000)*	839,659	839,659
NA per CCB Share (RM)	**1.68**	**1.81**
Cash and bank balances (RM'000)	166,357	[(ii)(iii)]322,078
Total borrowings (RM'000)	194,462	194,462
Gearing (times)[(iv)]	**0.14**	**0.13**

Notes:-

* *Excluding 4,416,400 treasury shares in CCB.*

(i) After accounting for the pro forma gain of approximately RM109.032 million expected to arise from the Disposal

(ii) After deducting the estimated expenses of approximately RM8.53 million in relation to the Disposal.

(iii) After accounting for the net proceeds of approximately RM164.251 million of the Disposal Consideration to be received by CDSB upon the completion of the Disposal.

(iv) Computed based on total borrowings over by shareholders' equity/NA.

8. APPROVALS REQUIRED

The Disposal is subject to the relevant authorities' approval, among others, the following confirmations/approvals –

(a) written consent from the State Authority for the Purchaser to acquire the Said Land pursuant to Section 433B of the National Land Code (Revised 2020).

(b) written confirmation from Ranhill SAJ Sdn. Bhd. ("RSAJ") addressed to the Purchaser that the Said Land benefits from water allocation of 1.06 million litres per day (MLD) based on the existing bulk water supply approval obtained by the Vendor;

(c) written confirmation from Tenaga Nasional Berhad ("TNB") addressed to the Purchaser that the Said Land has been granted with power allocation of 300MW in accordance with TNB's letters relating to the supply of electricity and waiver of a TNB's power main switching station of 275 kV on the Said Land ("TNB Letter");

(d) written confirmation from TNB addressed to the Purchaser that the Said Land is waived from the requirement of a TNB's power main switching station of 275 kV on the Said Land as per the TNB Letter;

(e) the approval for the development of data centre on the Said Land from PLANMalaysia, Johor;

(f) the Development Order (Kebenaran Merancang) and approval of the Building Plan in respect of the Purchaser's Proposed Development;

(g) if required by TNB, a Temporary Occupational Licence and a Temporary Occupation Permit from the Relevant Authorities for the purpose of TNB's transfer yard; and

(h) a satisfactory report for soil investigation and geological interpretive report.

The Disposal is not subject to the approval by the shareholders of CCB and also not conditional upon any other corporate exercises undertaken or to be undertaken by CCB.

9. DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors and major shareholders of the CCB Group or persons connected to them have any interest, direct or indirect, in the Disposal.

10. DIRECTORS' STATEMENT

The Board of Directors of CCB is of the opinion that the terms and conditions of the SPA are fair and reasonable and the Disposal is in the best interest of the CCB Group.

11. PERCENTAGE RATIOS

The highest percentage ratio applicable to the Disposal pursuant to Paragraph 10.02(g) of the Main Market Listing Requirements of Bursa Securities ("Listing Requirements") is 18.6883% based on the latest audited financial statements of CCB as of 31 January 2025.

12. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Disposal is expected to be completed by the third quarter of year 2026.

13. DOCUMENT FOR INSPECTION

The SPA is available for inspection at the registered office of CCB at Unit No. 203, 2nd Floor, Block C, Damansara Intan, No.1, Jalan SS20/27, 47400 Petaling Jaya, Selangor during normal office hours from Monday to Friday (except public holiday) for a period of 3 months from the date of this announcement.

This announcement is dated 29 August 2025.

Appendix 1

Transacted price of previous transactions in the vicinity of the Said Land

Details	**Transaction 1**	**Transaction 2**	**Transaction 3**
Location:	Eco Business Park 1	Desa Cemerlang	Desa Cemerlang
Land size (acres):	138.532	19.759	47.86
Transacted price/square foot:	RM114.99	RM115.00	RM114.31
Date transacted	February 2025	August 2024	May 2024

Information extracted from Cushman & Wakefield

Salient Terms of the SPA

Unless otherwise defined herein, all terms used herein shall have the same meanings as ascribed in the SPA.

Subject to the fulfilment of the Conditions Precedent, the Vendor agrees to sell and the Purchaser agrees to purchase the Said Land at the total purchase price of RM263,213,630.01 ("Purchase Price") calculated at RM115.00 psf ("Agreed Rate") (to be paid in the manner set out below), free from all encumbrances and with vacant possession, for the purposes of the development and operation of a data centre by the Purchaser, subject to the terms and conditions contained in the SPA.

No.	Schedule of Payments	%	Consideration (RM)
1	**Deposit** The Earnest Deposit of RM2,612,233.55 was paid to the Vendor prior to the execution of the SPA. Simultaneously with the execution of the SPA, the Purchaser shall pay to the Vendor's Solicitors as stakeholder, the balance of the Deposit.	15	**39,482,044.50**
2	**Balance Purchase Price** The Balance Purchase Price shall be paid as follows: - (a) RM171,088,859.51 which is equivalent to sixty-five per cent (65%) of the Purchase Price ("First BPP"), to be paid by way of banker's cheque(s) or draft(s) or cashiers order(s) issued in favour of the Vendor ("BPP Banker's Cheque") and deposited with the Vendor's Solicitors or by way of a bank transfer into the client's account of the Vendor's Solicitors as stakeholders, as the Vendor shall direct, within three (3) months from the Unconditional Date ("First BPP Payment Period"), with an automatic extension of one (1) month commencing on the day immediately next after the expiry of the First BPP Payment Period, subject to payment by the Purchaser to the Vendor of the Late Payment Interest of 8% on the First BPP or any part thereof remaining unpaid. (b) RM52,642,726.00 which is equivalent to twenty per cent (20%) of the Purchase Price ("Infra Work Retention Sum") to be paid into the Vendor's account by the expiry of five (5) Business Days from the date of the Purchaser's receipt of notification on the Infra Work Completion Date or on the First BPP Payment Date together with the	85	**223,731,585.51**

	payment of the First BPP, whichever shall be the later, ("Infra Work RS Payment Period"), failing which late payment interest of 8% shall be payable by the Purchaser until such date the Infra Work Retention Sum is paid in full.		
	Total	100	**263,213,630.01**

Conditions Precedent

The SPA is conditional upon the fulfilment of the Conditions Precedent by the Purchaser as follows:

(a) the Purchaser obtaining the State Authority's consent for the acquisition of the Said Land pursuant to section 433B of the National Land Code (Revised 2020) ;

(b) the Purchaser obtaining written confirmation from RSAJ addressed to the Purchaser that the Said Land benefits from water allocation of 1.06 million litres per day (MLD) based on the existing bulk water supply approval obtained by the Vendor;

(c) the Purchaser obtaining written confirmation from TNB addressed to the Purchaser that the Said Land has been granted with power allocation of 300MW as per the TNB Letter ("TNB Confirmation (Power)");

(d) the Purchaser obtaining written confirmation from TNB addressed to the Purchaser that the Said Land is waived from the requirement of a TNB's power main switching station of 275 kV on the Said Land as per the TNB Letter ("TNB Confirmation (SSU Waiver)");

(e) the Purchaser obtaining the approval for the development of data centre on the Said Land from PLANMalaysia, Johor ("PLANMalaysia Approval");

(f) the Purchaser obtaining from the MDKT the Development Order (Kebenaran Merancang) and approval of the Building Plan in respect of the Purchaser's Proposed Development ("KMP and BP Approval");

(g) if required by TNB, the Purchaser obtaining a Temporary Occupational Licence and a Temporary Occupation Permit from the Relevant Authorities for the purpose of TNB's transfer yard ("TOL/TOP"); and

(h) the Purchaser obtaining a satisfactory report for soil investigation and geological interpretive report ("SIGI Report"),

within six (6) months from the date of the SPA, subject to the Parties mutually agreeing in writing to a further one (1) month's extension of time ("Conditional Period").

The SPA shall become unconditional on the date the last of the Conditions Precedent has been fulfilled or waived in accordance with the terms of the SPA, the date of which shall be referred to as the "Unconditional Date".

Limited Power of Attorney

The Vendor will grant a limited Power of Attorney in respect of the Said Land to the Purchaser to enable the Purchaser to make the application to the Relevant Authorities for the PLANMalaysia Approval and the KMP and BP Approval or such applications to amend the existing approvals, in respect of the Purchaser's Proposed Development, before the Transfer is registered by the appropriate land registry or land office in favour of the Purchaser.

Infrastructure Work

The Vendor shall at the Vendor's cost, carry out and complete the infrastructure works outside the Said Land as described in the SPA which include street lighting, sewerage, road and drainage, water supply, and fibre path works, by 31st March 2026 ("Infra Work Expiry Date"), subject to an automatic extension for a period of seven (7) days free from any penalty or any liquidated ascertained damages commencing on the day immediately next after the Infra Work Expiry Date ("Infra Work Extension Period"), a further automatic extension for a period commencing on the day immediately next after the expiry of the Infra Work Extension period and expiring on and including 30th April 2026 ("Infra Work Extension Period 2") subject to liquidated ascertained damages of 5% of the Disposal Consideration being deducted from the Infra Work Retention Sum and if the Vendor fails to complete the Infrastructure Work by the expiry of the Infra Work Extension Period 2, liquidated ascertained damages of a further 10% of the Disposal Consideration shall be deductible from the Infra Work Retention Sum and the Purchaser may exercise step-in rights in accordance with the SPA.