BUILDING THE NEXT STAGE OF SUCCESS

Annual Report 2024

EUPE

Building Lifestyles, Building Trust

CONTENTS

FINANCIAL **STATEMENTS**

CORPORATE INFORMATION

Board of Directors

Independent Non-Executive Board Chairman
Alfian Bin Tan Sri Mohamed Basir

Group Managing Director
Dato' Beh Huck Lee

Executive Director
Muhamad Faisal Bin Tajudin

Senior Independent Non-Executive Director
Iskandar Abdullah @ Sim Kia Miang

Non-Independent Non-Executive Director
Beh Yeow Seang

Independent Non-Executive Director
Leow Peen Fong
Tham Sau Kien

Risk Management and Audit Committee

Chairperson
Tham Sau Kien

Members
Iskandar Abdullah @ Sim Kia Miang
Leow Peen Fong

Nomination and Remuneration Committee

Chairperson
Leow Peen Fong

Members
Beh Yeow Seang
Tham Sau Kien

Long-Term Incentive Plan Committee

Chairperson
Leow Peen Fong

Members
Beh Yeow Seang
Tham Sau Kien

Registered Office / Business Address

5th Floor, Wisma Ria, Taman Ria,
08000 Sungai Petani, Kedah Darul Aman,
Malaysia.
T. +604-441 4888 F. +604-441 4548
www.eupe.com.my E. enquiry@eupe.com.my

Company Secretaries

Te Hock Wee (MAICSA 7054787)
(SSM PC No. 202008002124)
Foo Pei Koon (MAICSA 7067238)
(SSM PC No. 202108000380)

Auditors

RSM Malaysia PLT
[202206000002 (LLP0030276-LCA) & AF 0768]
Chartered Accountants
5th Floor, Penthouse, Wisma RKT,
Block A, No. 2, Jalan Raja Abdullah,
Off Jalan Sultan Ismail,
50300 Kuala Lumpur, Malaysia.
T. +603-2610 2888 F. +603-2698 6600

Registrar

Mega Corporate Services Sdn Bhd
[Registration No. 198901010682 (187984-H)]
Level 15-2, Bangunan Faber Imperial Court,
Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia.
T. +603-2692 4271 F. +603-2732 5388
E. mega-info@megacorp.com.my

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad
Stock Name : EUPE
Stock Code : 6815

Principal Bankers

CIMB Bank Berhad
CIMB Islamic Bank Berhad
Hong Leong Bank Berhad
Hong Leong Islamic Bank Berhad
Malayan Banking Berhad
RHB Bank Berhad

Solicitors

Haji Mahmud & Partners
J.M. Chong, Vincent Chee & Co
Jeff Leong, Poon & Wong
Kean Yau & Dang
Lee Ong & Partners
Sidek Teoh Wong & Dennis
Syarikat Ng & Anuar
Wong Beh & Toh

CHAIRMAN'S MESSAGE

The Group's revenue and profit have both continued to rebound due to our current projects continuing to have a strong market impact.

ALFIAN BIN TAN SRI MOHAMED BASIR

Independent Non-Executive Chairman

I am pleased to report that Eupe has experienced a strong year of financial and operational achievement, one which has prepared the Group for the next level of performance.

The Group's revenue and profit have both continued to rebound due to our current projects continuing to have a strong market impact. I am particularly pleased to report that in FY2024 our Northern property operations experienced one of its best years on record.

Our property designs continue to be recognised at the highest levels with the Group winning more highly-sought after national property awards as well as the global FIABCI Best Residential High Rise for our second KL project, Parc3 @ KL South.

Eupe's next two projects - Circadia @ Belfield and Edgewater in Sungai Petani - will be the biggest ever in our two respective property development regions, and will take our design approach and product offering to the next level.

These achievements auger well for further successes in FY2025 and beyond as we focus on translating the growth, efficiencies and impact we have achieved in recent years into sustained value enhancement for the Group and investors.

I would like to take this opportunity on behalf of the Board to express my thanks to all our shareholders for their ongoing trust in and commitment to the company. I also would like to thank the Group's senior management and all Eupe staff for their continuing focus and commitment in making the past year a very successful one for the Group on multiple fronts.

MANAGEMENT **DISCUSSION** & **ANALYSIS**

> Next year, we expect to see our financial results exceed the record levels we achieved prior to the disruptions associated with COVID.

Introduction

The past 12 months has seen the Group achieve a series of important milestones which have consolidated the foundations of a new and exciting stage of Eupe's growth.

I am pleased to say that our financial trajectory which was interrupted by COVID continued to rebound strongly in FY2024. Our revenue and pre-tax profit for the year increased by 68 per cent and 56 per cent respectively. These results have been underpinned by achievements which, combined, mark the end of the first phase of the company's expansion strategy. In the process, they create a strong departure point for the next phase of the Group's expansion.

Next year, we expect to see our financial results exceed the record levels we achieved prior to the disruptions associated with COVID. This trajectory is being underpinned by our expanded project pipeline whereby the proceeds of five major projects will be contributing to our bottom-line next year.

Through an equity fundraising exercise approved by shareholders in December 2023, the company is also diversifying its funding sources that will further support our growth plans. This process is also an important step in our share price more accurately reflecting the value the Group has achieved with the first phase of our growth strategy.

DATO' BEH HUCK LEE

Group Managing Director

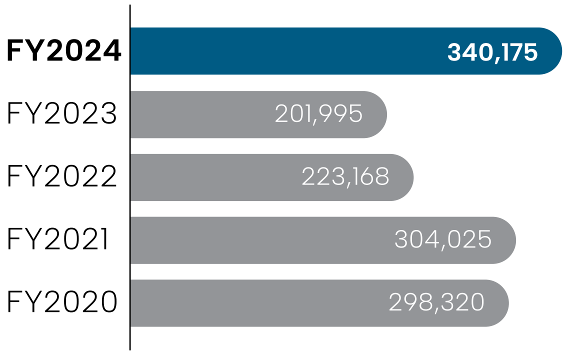
OUR AWARDS

During 2023, Eupe won a number of highly sought-after property design awards, including the global FIABCI award for Best High-Rise Residential for Parc3 @ KL South – it's second high-rise project in KL.

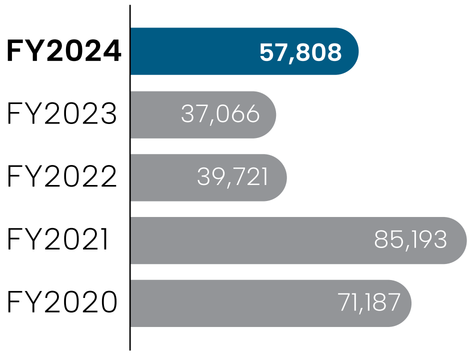
- **FIABCI World Prix** – Residential High Rise category 2023 – Parc3
- **FIABCI Malaysia** – Residential High Rise category 2023 – Parc3
- **The Edge Top Property Excellence Awards** – Top 30 Developers in Malaysia 2023
- **Star – FIABCI Malaysia Developer Awards** – Rising Star Award 2023
- **PropertyGuru Asia Property Awards** – Est8
  - i. Best Condo Interior Design (Asia) 2023
  - ii. Best High Rise Condo Development (Malaysia) 2023
  - iii. Best High-Rise Development (Malaysia) 2023
  - iv. Best High-End High-Rise Development (Central) 2023
  - v. Best High-Rise Interior Design 2023
- **Kwong Wah Yit Poh Sun Yat-sen Spirit Awards** – Platinum Enterprise Award 2023
- **Sustainability & CSR Malaysia** – Company Of The Year Award for Social Engagement (Property Development And Construction category) 2023
- **Asia Responsible Enterprise** – Corporate Sustainability Reporting Category 2023
- **ESG Business Awards** – Green Building Award – Malaysia 2023 – Parc3
- **ESG Business Awards** – Healthy Lifestyle Product Award – Malaysia 2023 – Parc3

Key FY2024 Financial Results

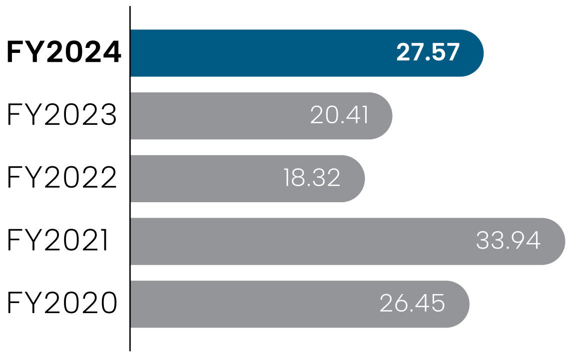
Revenue (RM'000)



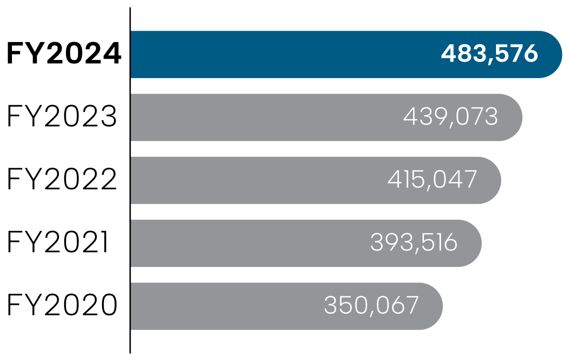
Profit Before Tax ("PBT") (RM'000)



Earnings per share ("EPS") (sen)



Shareholders Funds (RM'000)



Success of Initial Expansion Plans

> At all levels, our employees are united by a common goal and culture of making a real difference to the lives of our buyers through creating homes that deliver lasting value.

It is worth recapping the achievements of the first stage of Eupe's expansion strategy that have bought us to this point.

We have successfully executed our initial expansion into KL, which began with the launch of our first Klang Valley residential high-rise project – Novum @ South Bangsar – in 2016. Novum, along with our three successive high-rise projects in KL (Parc3 @ KL South, Est8 @ Seputeh and Helix2 @ PJ South), have all achieved high take up rates at relatively fast rates.

Central to these successes was the development and execution of our product design strategy focused on innovative differentiation. Each of the four KL projects are distinguished by a highly distinctive mix of architecture, interior design and lifestyle facilities that are not only unique in the market but priced very competitively. A key part of this success has also been the careful acquisition of land parcels that are strategically located so as maximise the design and market impact of our projects.

We have put in place the operational systems that translate this impact into consistent quality and cost control during project construction. This has been vital in achieving healthy margins while ensuring the impact of our projects' key points of design lifestyle difference are maximised.

We have also restructured our Northern property development operations to improve their competitiveness and quality control. This has resulted in improved financial performance of our Kedah operations as well as increasing operational synergies and efficiencies between our Northern and Klang Valley property arms going forward.

To achieve these successes and ensure their repeatability, we have built a strong and capable team across the company geared to innovation and quality. At all levels, our employees are united by a common goal and culture of making a real difference to the lives of our buyers through creating homes that deliver lasting value. To further grow and sustain company value, we are also putting in place an employee share plan to further incentivise and align individual performance with that of the Group.

The success of Eupe's initial expansion plans has been underlined in FY2024 by more highly sought-after property design awards for our projects. Most recently, our second KL project, Parc3 @ KL South was awarded the global FIABCI award for Best Residential High-Rise Development for 2023. This is one of the most prestigious property design awards in the world. It accompanies other highly sought-after property design awards also won by the Group over the past 12 months, for both Parc3 @ KL South and our third KL project, Est8 @ Seputeh.

Together with strong sales take-up of all our KL projects to date, these awards not only reflect the fact we are achieving world-class design excellence in Malaysia but also internationally, they also point to an increasing and deepening salience of Eupe's market brand.

Parc3 was awarded the FIABCI World Prix Best Residential High-Rise Award – one of the most prestigious property design accolades in the world

Est8 @ Seputeh – Eupe's third KL project – also won multiple sought-after property design awards in 2023

Building a New Platform of Growth

> In short, we are equipping the company with the capabilities and resources for it to grow faster yet sustainably.

With these important financial and operational foundations in place, Eupe now moves to the next stage of its expansion strategy with confidence. This stage will involve more complex and bigger projects being undertaken at the same time. These projects will also be embedded with more opportunities to create and sustain value, such as the commercial components being planned into our two upcoming projects – Circadia @ Belfield and Edgewater in Sungai Petani.

While an expanded pipeline of bigger projects will add potentially more value, it will also carry more challenges and risk. Therefore, we will continue to strengthen our due diligence, cost and operational processes to make sure they deliver the quality control, cost competitiveness and consistent take-up rates which have been integral to our success to date.

There will continue to be some fluctuations in our upward path in revenue and profit from year to year, reflecting not only the inherent uncertainties related to project planning and approvals, but also the selective approach we take to acquire land. Our approach of targeting land in strategic locations aims to maximise the market impact of the individual project and as well the long-term value we create for the Group, buyers and investors.

In short, we are equipping the company with the capabilities and resources for it to grow faster yet sustainably. These capabilities also allow the company to continue to take advantage of ongoing disruptions in the conventional 'mass' property development model which continues to focus on largely undifferentiated products, through innovative, differentiated homes more aligned with an increasingly discerning and fragmented market.

The Group's fourth KL project and first affordable housing project in Malaysia's capital is more than 90 per cent sold, with construction now well underway

Eupe's fifth residential development – Circadia @ Belfield – is less than 2 km from KLCC

Financial Results

The Group's revenue and profit continue to be largely derived from its Property Development Division. On the back of our continuing strong revenue flows from our Est8 @ Seputeh and Helix2 @ PJ South projects in KL, together with the ongoing success of our Villa Natura project in Kedah, total revenue for the Group for FY2024 was RM340.2 million. This compared to the revenue of RM202.0 million for FY2023, an increase of RM138.2 million, or 68.4 per cent.

This revenue outcome translated into Group pre-tax profit for the full year of RM57.8 million, a 55.8 per cent increase in the pre-tax profit of RM37.1 million recorded in the previous financial year.

Earnings per share increased from 20.41 sen in FY2023 to 27.57 sen in FY2024. Total shareholders' funds increased from RM439.1 million in FY2023 to RM483.6 million in FY2024.

As stated, the Group has issued more shares to grow the company's market profile and increase its share liquidity. We expect the exercise to translate into a better reflection of the Group's underlying value and growth prospects in terms of its share price.

The Group's debt position remains low, notwithstanding the purchase of additional land in FY2024 for our Edgewater project. As such, our healthy balance sheet will provide an additional point of leverage to fund our next stage of expansion.

Property Development Division

> This year, the Northern division recorded RM135.0 million in revenue – one of its highest outcomes on record and an increase of 58.6 per cent on last year's outcome.

The Group's Property Development Division ("PDD") remains the largest contributor of revenue and profit with its operations comprising of two regions. The Klang Valley region focuses on high-rise residential projects in Malaysia's capital while the Northern region develops residential projects with an emphasis on affordable, township-style housing in Sungai Petani which is the largest population centre in Kedah.

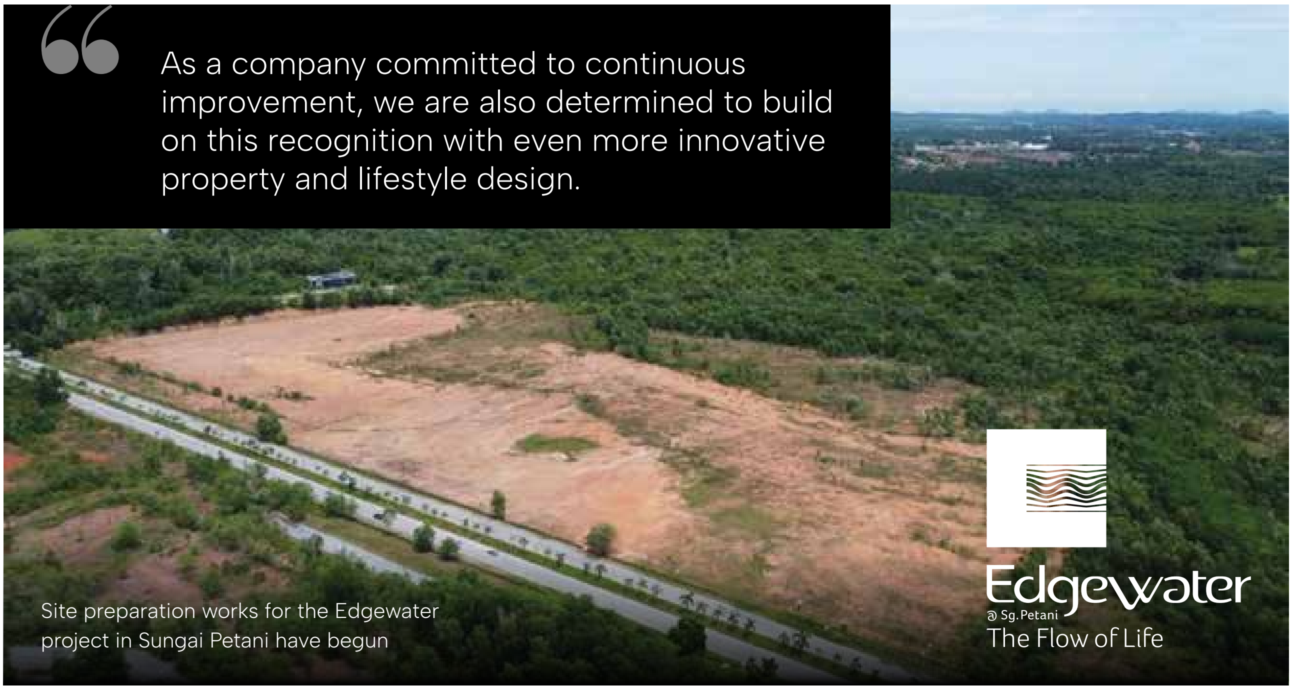
The Division recorded another year of financial and operational success. Construction of our two current KL high-rise residential projects is now well underway, creating a strong flow of revenue which has underpinned the Group's financial results in FY2024. Both projects are close to fully sold and construction schedules for both are on track despite complexities of design - a further testament to skills of Eupe's project and construction team.

Eupe's latest affordable housing project in Kedah, Villa Natura, continues to attract high demand. As a result, we have fast-tracked the release of further stages of the project. The success of Villa Natura has made a significant contribution to the financial performance of our Northern operations. This year, the Northern division recorded RM135.0 million in revenue – one of its highest outcomes on record and an increase of 58.6 per cent on last year's outcome.

Planning likewise continues for the 128.99-acre Edgewater residential and commercial project in Sungai Petani which we plan to launch by the end of this year. Design is well-advanced, and with a strong emphasis on harnessing nature and natural waterways to create a distinctive residential and commercial precinct in Kedah's largest population centre, Edgewater is drawing on our track record of proven experience and success in developing place-making projects with exceptional design difference.

Spacious interiors are a feature of Villa Natura.

> As a company committed to continuous improvement, we are also determined to build on this recognition with even more innovative property and lifestyle design.



Site preparation works for the Edgewater project in Sungai Petani have begun

As stated above, the launch of both Edgewater and Circadia will result in the Group having a total of five major projects on stream by next year. As context, the Group achieved its previous record level of revenue and profit in FY2021 based on the proceeds from two major projects. In short, Edgewater and Circadia will provide the platform for next-level growth in the Group's financial performance.

It has been very pleasing to see Eupe's commitment to quality and difference continue to be recognised by further industry awards which recognise excellence and innovation in Malaysia's property sector. Est8 @ Seputeh won Best High-Rise Development in 2023 for the second year in running (Parc3 @ KL South – our second KL project – won the same award the previous year) along with Best High-Rise Interior Design in PropertyGuru's Malaysian Property Awards. Est8 went on to win Best Condo Interior Design at PropertyGuru's Awards for the Asian region. Eupe was also awarded the 2023 Rising Star Award, which recognises excellence among emerging property companies in Malaysia. As stated, Parc3 was awarded the prestigious FIABCI award for Best Residential High-Rise for 2023 and went on to win the global award in this category – a significant achievement in itself but also in view of the fact that Parc3 is only our second ever residential high-rise project in Malaysia's capital.

As noted previously, awards are not ends in themselves but recognition that we have delivered on our commitments to buyers. They are also a welcome indication that we continue to grow our market reputation and brand for quality, innovation and trust. As a company committed to continuous improvement, we are also determined to build on this recognition with even more innovative property and lifestyle design.

The PDD's total revenue for FY2024 was RM309.3 million, an increase of RM132.0 million from FY2023 which, translated into a higher pre-tax profit of RM62.6 million in FY2024, an increase of RM31.0 million from FY2023. This increase was largely due to the impact of proceeds from both Est8 and Helix2 flowing through, for the full duration of FY2024, as well as proceeds from the first three stages of the Villa Natura project.

Further stages of the Villa Natura affordable housing project in Sungai Petani have been fast-tracked to meet strong buyer demand.

Property Construction

The Property Construction Division undertakes in-house construction projects and supplies materials to its sub-contractors. The Division's revenue for FY2024 totalled RM21.5 million – a RM6.3 million increase on the previous year's revenue outcome of RM15.2 million.

The improved result was largely due to an upswing in construction activity in the PDD's Northern Property Development operations. Due to increased costs of building materials as well as other operating costs, the Division recorded a pre-tax loss of RM0.4 million in FY2024 compared to a RM0.2 million loss for FY2023. The full-year results for the Division were after the full elimination of inter-company transactions in relation to in-house construction contract works.

Chalet and Management Division

The Chalet and Golf Management Division operates from the Cinta Sayang Resort in Sungai Petani, and provides a range of chalet, convention, banqueting, golf and other recreational facilities and services.

The Group continues to face a number of headwinds, including increasing competition from home-stay accommodation providers, and this has been reflected in the Division's overall revenue results for FY2024. A new management team was appointed in November 2023 with a mandate to reduce the Resort's headcount and address gaps in its offering. While the full-year results are a disappointment, some revenue improvement were apparent in the last quarter of FY2024 due to increased room occupancy. The Division's performance as well as strategies to improve the Resort's financial and operational performance on a sustained basis will be closely monitored over the next 12 months.

The Division maintained a total annual revenue of RM6.8 million in FY2024 and FY2023. This translated into a pre-tax loss of RM3.3 million in FY2024, compared to RM2.6 million in FY2023.

Others

The Others Division, which represents returns from the Group's investment properties, posted a pre-tax loss of RM1.1 million in FY2024 compared to the pre-tax profit of RM8.4 million recorded in FY2023.

Market Outlook

> Higher environmental and energy sustainability awareness among buyers in particular is expected to reflect in higher demand for properties that meet these requirements.

The Malaysian economy continued to show resilience in 2023, recording Gross Domestic Product ("GDP") growth of 3.7 per cent. Growth is expected to improve in FY2025, underpinned by a recovery in exports and resilient domestic expenditure with the Bank Negara Malaysia forecasting growth between 4 per cent and 5 per cent in calendar year 2024.

Improving economic conditions are being underpinned by a moderation of Malaysia's headline inflation rate with interest rates remaining static since July 2023, after a series of gradual increases following the Covid-19 pandemic. Interest rates are expected to remain unchanged through to the end of 2024. On the back of these and other macro-economic conditions including resilient domestic demand, population growth and expected employment growth, the property outlook in Malaysia for FY2025 is expected to be cautiously optimistic.

At the same time, the property market continues to be subject to challenges including affordability and ongoing market fragmentation. Higher environmental and energy sustainability awareness among buyers in particular is expected to reflect in higher demand for properties that meet these requirements. These trends are consistent with Eupe's emphasis on sustainable development and continuing focus on creating innovative developments that promotes community living.

Risk Management

The Group continues to implement a comprehensive risk management framework to effectively identify, evaluate, monitor and manage significant risks which may affect the Group's operations and achievement of its targets.

External uncertainties including geopolitical tensions, inflation issues and tighter monetary policy in key overseas markets have undoubtably impacted the country's economy and affected the local property markets. These have translated particularly in the potential higher project construction costs over the past two years, as well as going forward. Cost uncertainty and associated project conversion risks for the Group's two KL projects under development, Est8 and Helix2, has been significantly reduced, with both projects tendered at fixed-price contracts. At the same time, potential increases in development costs for future projects such as Circadia and Edgewater remain a risk that requires careful ongoing management. The Group's value engineering and design efficiency processes and procedures have been extensively reviewed to ensure we continue to manage conversion risk by optimising value for both the company and our buyers.

Sourcing of suitable land for future development to sustain and grow our project pipeline remains to be one of the key constraint risks to the Group. While the Group secured further parcels of land in FY2024 for its Edgewater project, as well as 2.46 acres of land at Bangsar Bukit Pantai in May this year, the Group continues to identify suitable land in strategic locations that will sustain growth in its project pipeline.

Increasing competition in the residential property market, particularly in terms of differentiated products geared to an increasingly discerning market, remains a key focus for the Group. Informed by ongoing market studies and competitor research, the Group continues to manage this risk by actively researching, refining and incorporating key innovations in its design that provide our buyers – as with our previous and current projects - a clearly differentiated and high impact product. This in turn seeks to maximise market impact of our projects while ensuring sufficient differentiation is achieved without impacting on buyer affordability.

Climate change and regulatory adherence to emissions reporting remains a key focus for the Group's risk management efforts. We continue to monitor and review the Group's emissions performance as well as incorporate design features into our projects to improve their climate resilience as well as energy efficiency.

Conclusion

In summary, FY2024 has marked another year of success focused on the strong and consistent execution of our growth plans. We are now entering a new stage of expansion, marked by multiple projects which, combined, have the potential to place the Group on a higher growth trajectory.

While our expansion plans bring new challenges, our performance during our initial stage of growth highlights that the Group is adept in delivering consistent, quality outcomes while managing a range of risks, both foreseen and unforeseen, and navigating major disruptions such as COVID.

At the same time, we are committed to continuous improvement in our governance, operational and risk management processes, and will continue to strengthen our personnel and skills to meet both existing and emerging challenges. All this places the Group in a strong position to realise the increasing value for our shareholders that we are creating through our award-winning projects.

My sincere thanks again go to the Eupe Board, shareholders, buyers and business partners who have shared our journey so far. The successes I have listed above are due also to the diligent and timely oversight and advice provided to management by the Board, to the trust placed in us by our shareholders and buyers, and the commitment to quality and innovation shared with us by our business partners and contractors.

BOARD OF **DIRECTORS** PROFILE

ALFIAN BIN TAN SRI MOHAMED BASIR

Independent Non-Executive Chairman
Age 50, male, Malaysian

Alfian Bin Tan Sri Mohamed Basir was appointed to the Board as an Independent Non-Executive Director of the Company on 25 January 2018. He was then redesignated as the Chairman of the Board on 27 April 2023.

He is a Chartered Accountant and a Member of the Malaysian Institute of Accountants (MIA). He graduated from the University of Malaya with a Bachelor of Accounting (Hons) Degree.

He began his career in 1998 at Ernst & Young, Kuala Lumpur, a global accounting firm. Specialising in the financial institutions sector, he gained a wealth of experience managing financial audits and special due diligence assignments at various local financial institutions, as well as at overseas financial institutions. He left Ernst & Young in 2001 to pursue his interest in the field of ICT. He focused on providing ICT consultancy services, as well as being involved in the telecommunications industry, particularly in Malaysia and Cambodia. He has also ventured into the Oil and Gas industry from 2010, particularly in the offshore support services segment.

He was the Chairman and Independent Non-Executive Director of Willowglen MSC Berhad and had on 17 May 2023 retired from his position after having served for more than 12 years. Currently he does not hold any directorship in other public companies and listed issuers other than the Company.

He attended all the five (5) board meetings held during the financial year ended 29 February 2024. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year.

DATO' BEH HUCK LEE

DSDK, AMK

Group Managing Director
Age 54, male, Malaysian

Dato' Beh Huck Lee was appointed to the Board on 19 May 1997.

He holds a Bachelor of Commerce and a Bachelor of Engineering (First Class Honours) from the University of Western Australia. He was attached to Hewlett-Packard before he joined the Group in 1995. He took over at the helm and oversaw the operations of the Group, its restructuring and the subsequent listing of the Company on Bursa Malaysia Securities Berhad.

He attended all the five (5) board meetings held during the financial year ended 29 February 2024. He does not hold any directorship in other public companies and listed issuers other than the Company. He is the brother of Beh Yeow Seang, the Non-Independent Non-Executive Director of the Company; and son of Datin Paduka Teoh Choon Boay, a major shareholder of the Company by virtue of her interest in Betaj Holdings Sdn Bhd and Beh Heng Seong Sdn Bhd, both of which are major shareholders of the Company where Dato' Beh is also director of these two companies. He has no conflict of interest with the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year.

BOARD OF **DIRECTORS** PROFILE

MUHAMAD FAISAL BIN TAJUDIN

Executive Director
Age 54, male, Malaysian

Muhamad Faisal Bin Tajudin was appointed to the Board on 30 June 2006.

He holds a Bachelor of Arts from the Loyola Marymount University. He was attached to Aima Development Sdn Bhd where he was responsible for the development of City Plaza in Alor Setar prior to joining the Group.

He attended all the five (5) board meetings held during the financial year ended 29 February 2024. He does not hold any directorship in other public companies and listed issuers other than the Company. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He is currently a director of Betaj Holdings Sdn Bhd, a major shareholder of the Company. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year.

ISKANDAR ABDULLAH @ SIM KIA MIANG

(Also known as Bingley Sim)

Senior Independent Non-Executive Director
Age 60, male, Malaysian

Bingley Sim was appointed to the Board as Independent Non-Executive Director on 21 April 2016. He was redesignated as Senior Independent Non-Executive Director on 27 April 2023. He serves as a member of the Risk Management and Audit Committee.

He has a distinguished career in the capital market with more than 30 years of experience. His qualifications include BCom (Acc) from the University of Birmingham, England. He is a Fellow of the Institute of Chartered Accountants in England and Wales ("ICAEW"). He also has the Corporate Finance Qualification from the ICAEW.

He worked in management and other senior positions for a number of chartered accountancy practices in United Kingdom over a nine-year period from 1986 to 1995. Thereafter, he spent 21 years with CIMB Investment Bank Berhad ("CIMB") in Corporate Finance and Equity Capital Markets ("ECM") Departments. He left CIMB in March 2016 as Managing Director & Head of ECM (Malaysia). Subsequently, he joined ZJ Advisory Sdn Bhd in April 2016 as an Executive Director and left in October 2018. On 1 July 2019, he re-joined CIMB as the Regional Head of Private Client Solutions in the Private Banking Department. He was appointed as a member of the Listing Committee of Bursa Malaysia Berhad on 1 October 2018. he is also a Board Member of the National Art Gallery, Malaysia.

He attended all the five (5) board meetings held during the financial year ended 29 February 2024. He does not hold any directorship in other public companies and listed issuers other than the Company. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year.

BOARD OF **DIRECTORS** PROFILE

BEH YEOW SEANG

Non-Independent Non-Executive Director
Age 52, female, Malaysian

Beh Yeow Seang was appointed to the Board on 26 July 2018. She is a member of the Nomination and Remuneration Committee and Long-Term Incentive Plan Committee.

She holds a Bachelor of Commerce (B.Com.) degree and a Bachelor of Laws (LL.B) degree from the University of Western Australia, and is an Advocate & Solicitor of the High Court of Malaya by profession.

She has been in legal practice since 1997. She started as a legal assistant in Presgrave & Matthews, Penang before setting up her sole proprietorship, Y.S. Beh & Associates, in Sungai Petani, Kedah in year 2000. In year 2003, she co-formed Wong Beh & Toh, a legal firm which is well known for its capital markets and corporate commercial work, together with the other 3 founding partners. She has been the managing partner for the Sungai Petani branch ever since.

She attended all the five (5) board meetings during the financial year ended 29 February 2024. She does not hold any directorship in other public companies and listed issuers other than the Company. She is the sister of Dato' Beh Huck Lee, the Group Managing Director of the Company and daughter of Datin Paduka Teoh Choon Boay, a major shareholder of the Company by virtue of her interest in Betaj Holdings Sdn Bhd and Beh Heng Seong Sdn Bhd, both of which are major shareholders of the Company. She is currently a director of Beh Heng Seong Sdn Bhd. She has no conflict of interest with the Group. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year.

LEOW PEEN FONG

Independent Non-Executive Director
Age 66, female, Malaysian

Leow Peen Fong was appointed to the Board on 5 September 2022. She is the Chairpersonvof the Nomination and Remuneration Committee and Long-Term Incentive Plan Committee. She is also a member of the Risk Management and Audit Committee.

She holds a Master of Arts in Development Economics from Williams College, USA, a Bachelor of Arts in Economics from University Malaya and a Diploma in Public Administration from National Institute of Public Administration (INTAN). She had also completed Advanced Management Program (2007) at INSEAD Business School, Fontainebleau, France.

She was formerly the Chief Operating Officer of Suruhanjaya Perkhidmatan Air Negara (SPAN) before she retired from the position in November 2017. During her tenure in SPAN, she was involved in determining the policy and direction of the Malaysian water services industry reform from its conception which resulted in the passing of the Water Services Industry Act, 2006 (WSIA) to enforcement as well as monitoring the implementation.

Before she joined SPAN, she held various positions in the Ministry of Finance (MOF), Malaysia from 1988 to 2007. With her vast experience in the public financial sector, she was tasked with restructuring the corporate debt of several privatized projects during the Asian financial crisis of 1997/1998. The major restructuring exercise that she had completed at the height of the financial crisis includes the debt restructuring of highways, telecommunication and the takeover and merger of the light rail transit companies. She has also been placed in the Economics Division which was responsible for macroeconomic scenario planning and forecasting as well as preparation of the Annual Economic Reports. The Economic Reports focused on the performance of the economy for the year as well as the outlook for the following year.

She also served in the Ministry of Health (MOH) from 1981 to 1988, where she was responsible for the projection and management of manpower needs of the support services for the health sector which comprise categories such as dietitians, nutritionists, welfare officers and researchers.

Other than the Company, she is also an Independent Non-Executive Director of Ranhill Utilities Berhad.

She attended four (4) out of five (5) board meetings held during the financial year ended 29 February 2024. She has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year.

BOARD OF **DIRECTORS** PROFILE

THAM SAU KIEN

Independent Non-Executive Director
Age 62, female, Malaysian

Tham Sau Kien was appointed to the Board on 18 June 2021. She is the Chairperson of the Risk Management and Audit Committee, a member of the Nomination and Remuneration Committee and Long-Term Incentive Plan Committee.

She holds a Bachelor of Science (Hons) Degree in Management and Political Science from Universiti Sains Malaysia and a Master of Business Administration (MBA) from Indiana University, USA. She is presently a Director and Chairperson of Select TV Sdn Bhd ("Select TV"), a technology solutions provider to the hospitality industry with over 15 years' experience and customers in 10 countries globally. Select TV is headquartered in Kuala Lumpur and is an investee of MAVCAP (Malaysian Venture Capital Management Berhad) and Intel Capital. Prior to her present appointment, she last held the position of Principal in a US-based global private equity fund management company where she has gained many years of experience in mergers and acquisitions, corporate restructuring and initial public offerings of investee companies.

She attended all the five (5) board meetings during the financial year ended 29 February 2024. She does not hold any directorship in other public companies and listed issuers other than the Company. She has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year.

SENIOR MANAGEMENT PROFILE

DATO' BEH HUCK LEE

Group Managing Director

Age 54, male, Malaysian. Dato' Beh was appointed as Group Managing Director on 1 July 1997.

Dato' Beh's profile is set out in page 15 of this Annual Report.

VICTOR WONG

CHIEF FINANCIAL OFFICER

Age 51, male, Malaysian. Victor Wong was appointed as Chief Financial Officer on 21 August 2023.

He holds a Bachelor of Commerce (Accounting & Finance) with Merit from University of New South Wales, Sydney and is a Chartered Accountant of the Malaysian Institute of Accountants as well as a Fellow of the Australian Society of Certified Practising Accountants. He has thirty (30) years' experience in corporate finance and audit, which has included a number of senior finance roles in the property sector. Prior to joining Eupe, he was the Finance and Commercial Director of Lendlease Malaysia, which was involved in the development of Lifestyle Precinct of Tun Razak Exchange. Prior to that, he was Chief Financial Officer with Pavilion Management (DTC) Sdn Bhd, part of the Pavilion Group of companies. In 2016, he was awarded Best CFO for Investor Relations (Small Cap) by the Malaysian Investor Relations Association.

He does not hold any directorship in public companies and listed issuers. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 29 February 2024.

SENIOR MANAGEMENT PROFILE

SIMON SIM

Senior General Manager, Projects

Age 65, male, Malaysian. Simon Sim was appointed as General Manager – Projects on 1 November 2016 and was promoted to the position of Senior General Manager, Projects on 1 May 2020.

He holds a Bachelor of Applied Science degree in Construction Management & Economics. He has held senior management positions in several publicly-listed companies involved in construction and development. He has more than 30 years of experience in construction management and cost management of projects ranging from landed properties to high-rise office and residential buildings, shopping mall and township developments.

Prior to joining Eupe in 2016, he was a Director of Cost & Contract in the construction division of a publicly-listed company. He does not hold any directorship in public companies or listed issuers. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 29 February 2024.

PAUL CHANG

Director, Strategic Projects

Age 55, male, Singaporean. Paul Chang was appointed as Strategic Projects Director on 1 March 2016.

He has over 26 years of experience in both public and private sectors in design consultancy and construction as well as in property development across market segments, asset classes and countries. He worked for seven years in Singapore's Housing and Development Board and was responsible for the development of a new generation of Transport Oriented Development (TOD) in Clementi, Singapore. Working for Surbana International Consultancy, he was instrumental in opening up a range of new markets overseas for the company. He also worked for Keppel Land China for four (4) years, during which, he was responsible for the design of more than 28 development projects in 11 different cities in China. He graduated with Honours and Distinction in Design at National University of Singapore.

Mr. Chang does not hold any directorship in public companies or listed issuers in Malaysia. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 29 February 2024.

TAN MING SIANG

Director – Property Development

Age 44, male, Malaysian. Tan Ming Siang was appointed as Director – Property Development on 12 October 2020.

He holds a Bachelor of Engineering (First Class Honours) from Universiti Teknologi Malaysia and has over 21 years of experience in the engineering and property development sector. He has been involved in the construction and development of a number of major building and infrastructure projects in Malaysia and overseas, including Kajang SILK Highway, Rihan Heights in Abu Dhabi, Kuala Lumpur Convention Centre, Prince Court Medical Centre as well as luxury hotels, high-rise condominiums and an award-winning commercial complex.

Prior to joining Eupe in 2020, he was Development Director in an international real estate company, involved in the development of Tun Razak Exchange, a world-class, integrated, mixed development in the heart of Kuala Lumpur.

He does not hold any directorship in public companies or listed issuers. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 29 February 2024.

DR. MARK TRIFFITT

Strategic Communications Director

Age 58, male, Australian. Dr. Mark Triffitt was appointed as Strategic Communications Director on 1 July 2013.

He worked as a strategic communications director as well as a policy consultant advising Australian governments and corporates at executive levels for more than two decades. He has been also a university lecturer at a postgraduate level in strategic communications and public policy governance as well as a political advisor and journalist. He has a PhD in politics from the University of Melbourne as well as a Masters Degree in International Politics and a First Class Honours degree in Sociology.

He does not hold any directorship in public companies or listed issuers in Malaysia. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 29 February 2024.

SENIOR MANAGEMENT PROFILE

DATIN MICHELLE GAN

Director of Sales, Marketing and Design

Age 52, female, Malaysian. Datin Michelle joined the Company as Senior Manager-Marketing and Design on 1 July 1997 and was appointed as Director of Sales, Marketing and Design on 7 October 2022.

She heads the marketing and sales division, with a key focus on design and development. She has a Bachelor of Commerce from the University of Western Australia and a Bachelor of Law from the University of Wolverhampton. She has held a number of management roles with Eupe since joining the Company in 1997. She has overall responsibility for the Group's project marketing and sales strategies, and a key role in ensuring that Eupe's product design and development not only encompass the values of the company, but are a defining feature and point of differentiation for the Group. Her role is also to embed social sustainability into the fabric of design and aesthetics of the projects and through this, enhance the lives and lifestyles of buyers. She advises and coordinates the development of public art into Eupe's residential projects as well as ensures the Group's sustainability values are a key feature of each project.

She does not hold any directorship in public companies or listed issuers. She is a Director of Beh Heng Seong Sdn Bhd, a major shareholder of the Company. She is the wife of Dato' Beh Huck Lee, the Group Managing Director of the Company, sister-in-law of Ms. Beh Yeow Seang, a Director of the Company and daughter-in-law of Datin Paduka Teoh Choon Boay, a major shareholder of the Company by virtue of her interest in Betaj Holdings Sdn Bhd and Beh Heng Seong Sdn Bhd, both of which are major shareholders of the Company. She has no conflict of interest with the Group. She has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 29 February 2024.

CHIN WAI HONG

Head of People & Culture, Senior Manager

Age 38, male, Malaysian. Chin Wai Hong joined the Company as Senior Manager – Head of People & Culture on 5 October 2022.

As part of his 15 years career in HR management in 2009, he was Head of Human Resources at Mudah.my, part of the Carousell Group, which saw him leading HR transformations that supported the company's strategic objectives.

Prior to this, he was pivotal in managing continuous professional development and special projects at Tan Chong Education and oversaw significant HR functions within Malaysia's banking sector.

With a track record of training over 4,000 HR professionals and consulting for more than 150 companies, primarily startups and SMEs, he has significantly contributed to building organizational capacity and enhancing employee performance through tailored training programmes and HR solutions.

He holds a Post Graduate Diploma in Management Psychology from the University of Nottingham Malaysia and a BSc in Psychology from UTAR.

He does not hold any directorship in public companies or listed issuers. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 29 February 2024.

ALEX LIEW

Deputy General Manager, Cost and Contract

Age 41, male, Malaysian. Alex Liew joined the Company as Senior Cost and Contract Manager on 16 May 2018 and was appointed as Deputy General Manager, Cost and Contract on 1 January 2024.

He holds an Executive Bachelor in Construction Contract Administration with over 19 years of experience in the field of construction and property development. He has a diverse construction and development portfolio, mainly in procurement and cost management of several prestigious high-rise developments within Klang Valley, including the high-end luxury development – Seni Mont Kiara; a project that won the coveted FIABCI Prix d'Excellence Award 2014.

Prior to joining Eupe, he served in a public-listed contractor firm, wearing several hats as Site Quantity Surveyor, Tender Quantity Surveyor, and Project Manager in the implementation of Construction ERP software, a specialised enterprise resource planning system built for the unique needs of construction companies.

He does not hold any directorship in public companies or listed issuers. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 29 February 2024.

GAN ZHONG HAO

Deputy General Manager, Sales and Marketing

Age 41, male, Malaysian. Gan Zhong Hao joined the Company as Senior Manager – Sales & Marketing on 18 February 2019 and was appointed as Deputy General Manager, Sales & Marketing on 26 December 2022.

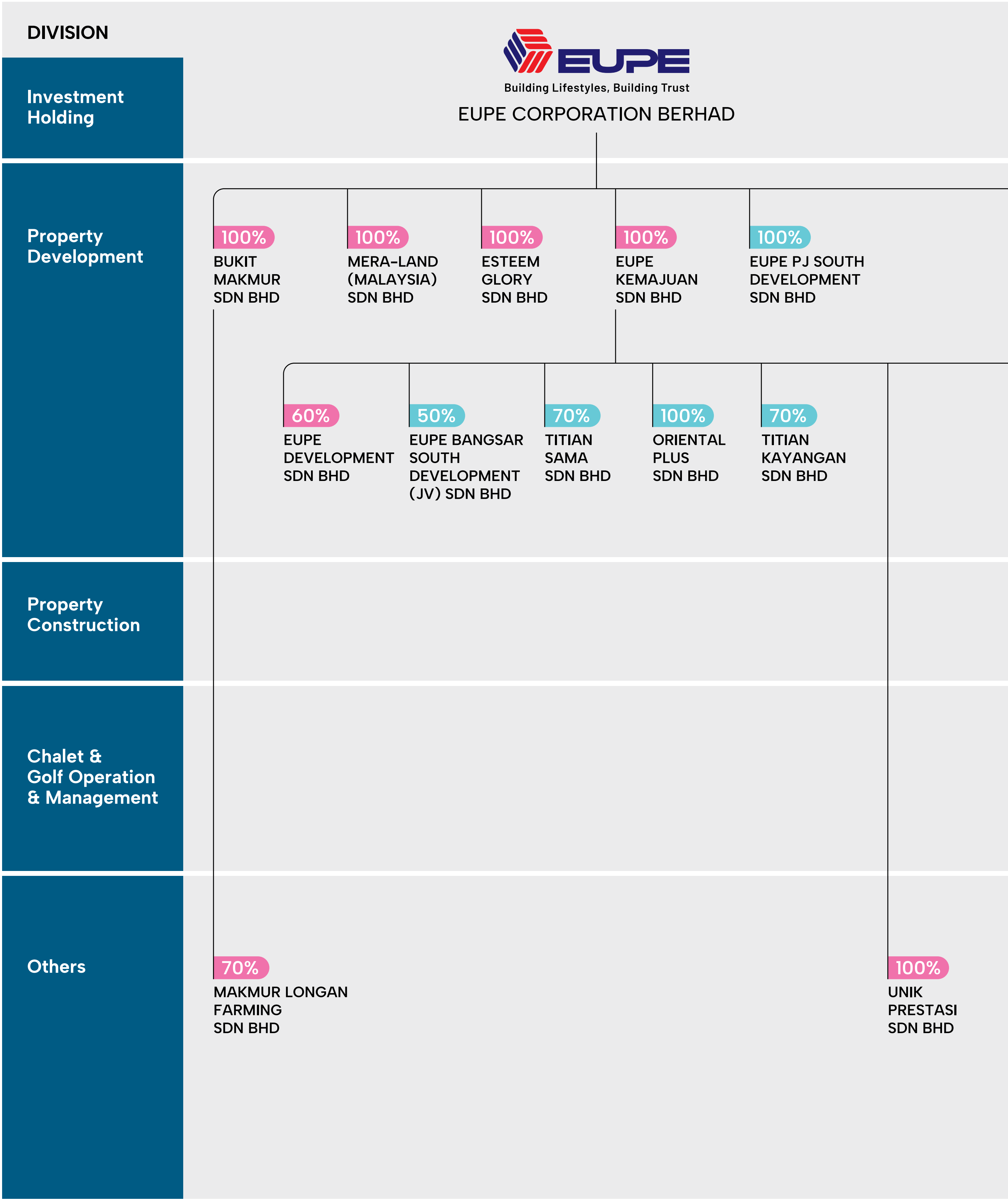
He holds a bachelor's degree in Electronic and Electrical Engineering and has more than a decade of professional experience in the property development industry with exposure in Klang Valley, Penang and Iskandar Malaysia where he was responsible for the organisations' various sales & marketing strategies and initiatives.

He has held various positions in a few major public listed property development companies and was involved in the development of Seri Tanjung Pinang, a masterplanned luxury seafront development in Penang.

He does not hold any directorship in public companies or listed issuers. He has no conflict of interest with the Group and has no family relationship with any Director and/or major shareholder of the Group. He has not been convicted of any offence (other than traffic offences, if any) within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year ended 29 February 2024.

GROUP **STRUCTURE**

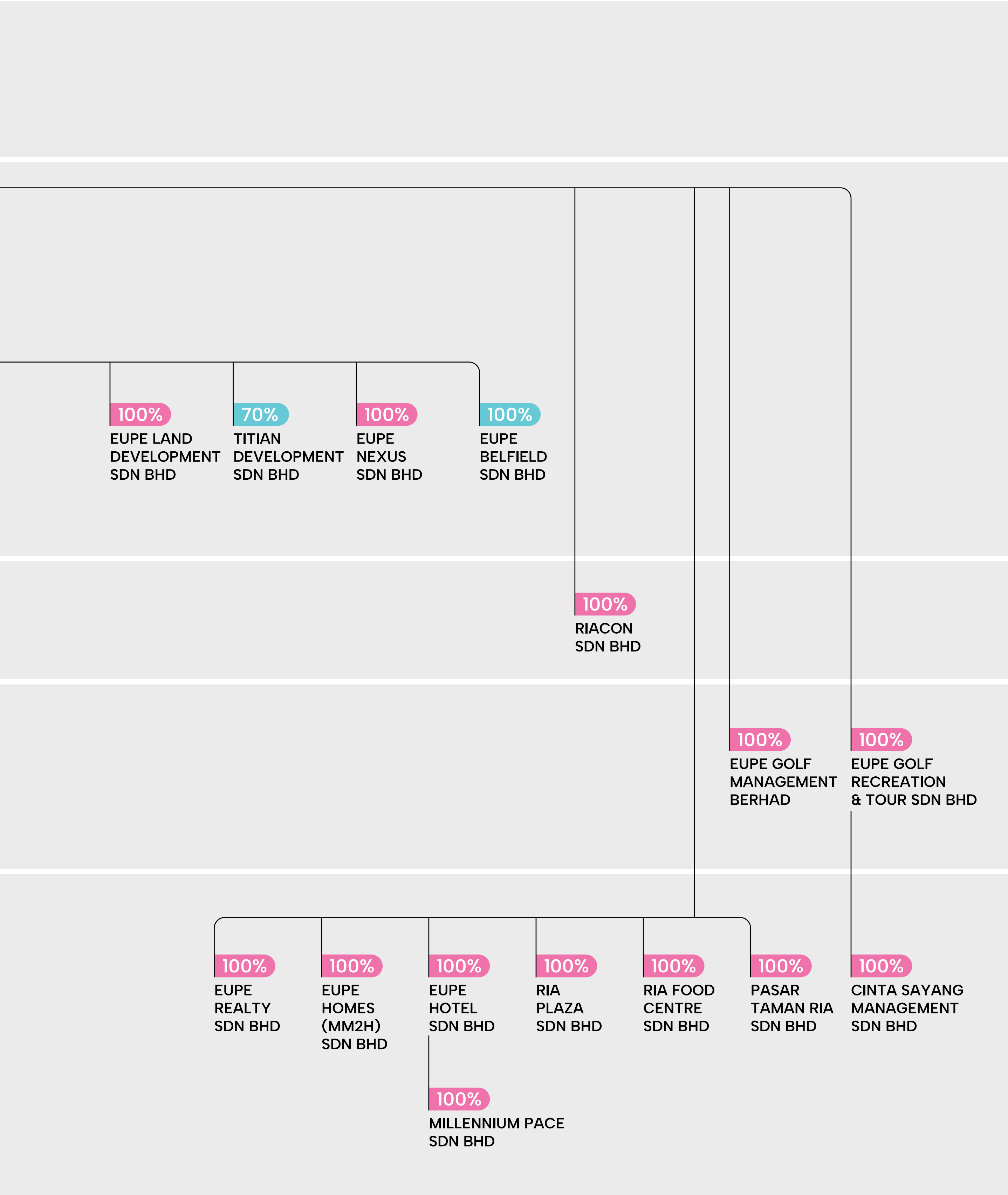
EUPE CORPORATION BERHAD AND ITS SUBSIDIARIES
GROUP STRUCTURE BY DIVISION AS AT 29 FEBRUARY 2024



Legends:

NORTHERN REGION

CENTRAL REGION



SUSTAINABILITY REPORT

SHARING VALUE FOR A MORE **SUSTAINABLE TOMORROW**

Eupe Corporation Berhad ("Eupe" or "the Group") is pleased to present our Sustainability Statement FY2024 which details the Group's environmental, social and governance ("ESG") performance, activities and as well as progress in key sustainability areas.

Since Eupe's inception in 1986, we have been designing and building innovative and quality development projects with a strong emphasis on sustainability. As the community's sustainability priorities and expectations change, we have continued to evolve our sustainability practices in order not only to align with these expectations, but to progress new directions which leverage the pivotal importance of property development in enhancing and sustaining both the natural environment and the community.

Our *Sustainability Plus* strategy incorporates and systemises our sustainability principles and practices. Ultimately, the strategy is informed and guided by Eupe's Mission and Vision of *Shared Value*. Our *Shared Value* philosophy seeks to create more value in the properties we design. Through a strategic combination of innovation, quality and differentiation, these value-adding processes mean we share more value with our buyers, as well as invest more in the environment and the community.

In FY2024, we continued to make gains with our sustainability practices and approaches. We've established three new policies including the Biodiversity, Climate Change and Human Rights Policy. We've expanded our UN SDG focus and most of our benchmark ESG targets ahead of schedule. As a result, we have established a range of new sustainability targets that deepen our commitment and accountability in key ESG areas, as well as in our unique *Sustainability Plus* strategy which aligns Eupe's sustainability efforts with its specific property sector roles and responsibilities.

Beyond homes, we continue to invest in community-building activities and events through diverse initiatives under Eupe's Building Strong Communities programme.

Reporting Scope and Boundary

The disclosures in this report cover the Group's sustainability performance from 1 March 2023 to 29 February 2024 ("FY2024") and include three years of comparative data. Encompassing our Headquarters ("HQ") in Sungai Petani and Klang Valley, the disclosures also include the following business sectors:

1. Property Sector:

   (Central Region): Novum, Parc3, Est8, Helix2 and Circadia @ Belfield in Kuala Lumpur

   (Northern Region): Astana Park Homes, Puncak Surya, Padang Serai, Cinta Sayang Resort Villas, and Edgewater Estate.

2. Hospitality Sector:

   Cinta Sayang Resort in Kedah

Overall disclosures for Circadia @ Belfield and Edgewater Estate, the Group's latest two projects are available only for Biodiversity, due to both projects still being in the planning phases.

Alignment with Reporting Frameworks and Standards

This statement is prepared with reference to Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("MMLR"), Bursa Malaysia's Sustainability Reporting Guide (3rd edition), the Illustrative Reporting Guidelines and the Task Force on Climate related Financial Disclosures ("TCFD") recommendations. Eupe has developed its own *Sustainability Plus* framework which is specifically oriented to the specific sustainability roles and responsibilities as a property developer. At the same time, we ensure our sustainability initiatives are also aligned with the Global Reporting Initiative ("GRI") Standards and the targets outlined in the United Nation's Sustainable Development Goals ("UN SDGs").

Feedback on the Statement

As part of our efforts to continuous improvement, we strive to enhance the detail and transparency of our sustainability reporting. As always, we value the input of our stakeholders and welcome any questions, feedback or suggestions you may have.

Dr. Mark Triffitt

Strategic Communications Director
corpcomm@eupe.com.my
+603-7610 0636

Awards and Recognition

Eupe gained a number of sought-after awards during the year, reflecting its commitment to sustainable property design, as well as success in setting new sustainable design benchmarks for urban residential living in Malaysia. In total, Eupe won 11 building design awards in FY2024 as well as several awards specifically recognising our commitment to environmental sustainability, sustainability reporting and community building across our operations.

Green Building Award - Malaysia
Eupe Corporation Berhad
ESG BUSINESS AWARDS 2023

Eupe's eco-building design methods for our second KL high-rise project, Parc3 @ KL South, earned us the Green Building Award.

Healthy Lifestyle Product Award - Malaysia
Eupe Corporation Berhad
ESG BUSINESS AWARDS 2023

The Healthy Lifestyle Product Award highlighted our innovative design and lifestyle approach embedded in Parc3. The building design promotes the long-term physical and mental well-being of residents through innovative landscaping and natural air ventilation.

SUSTAINABILITY & CSR MALAYSIA AWARDS 2023

Eupe was also awarded Company of the Year for Social Engagement (Property Development and Construction category) at the Sustainability & CSR Malaysia Awards 2023. In particular, the award accredited our Building Hope programme which provides support to those who are in need as well as invests in worthy community groups.

FIABCI
Star
MDA
MALAYSIA DEVELOPER AWARDS 2023
SPECIAL AWARDS
RISING STAR

At the Malaysia Developer Awards 2023 (MDA) jointly organised by The Star media group and leading global property industry network, FIABCI, Eupe won the Rising Star Award, in recognition of our status as an emerging leader and innovator in the property sector.

Est8 @ Seputeh was awarded the Best Condo Interior Design in the Asian region, a further testament to the quality and innovative significance of the project development's design which strongly features nature-inspired design and facilities.

Est8 @ Seputeh won the Best High-End High-Rise Development award in the Central region as well as the Best High-Rise Development in Malaysia award. Eupe won the latter award for the second year running.

Eupe's Est8 @ Seputeh also won the Best-High Rise Condo Development in Malaysia Award and the Best High-Rise Interior Design Award.

THE EDGE MALAYSIA
Top Property Developers Awards 2023

Eupe received the Edge Malaysia's Top Property Developers Awards demonstrating our pursuit to excellence in property development.

光華日報
孙中山精神奖
KWYP Dr. Sun Yat-Sen Spirit Awards

The Platinum Enterprise Award from the KWYP Sun Yat-Sen Spirit Awards 2023 by Kwong Wah Daily acknowledged Eupe's Group Managing Director Dato' Beh's sustained leadership success of Eupe as we chart new directions in property innovation and design.

Memberships and Associations

Eupe has memberships with leading property associations to ensure alignment with local, regional and global sustainable initiatives, trends and best practices in the property industry.

REHDA

FIABCI INTERNATIONAL REAL ESTATE FEDERATION MALAYSIA

Assurance

All data contained in Eupe's Sustainability Statement has been internally sourced and verified by the Group's relevant business departments and their management. It has not been verified by the Group's internal auditing process, or externally by independent assurance providers.

Sustainability Progress

In FY2024, Eupe achieved key milestones in its ongoing sustainability journey that also reflect new directions across the four ESG pillars. This progress demonstrates our focus on driving positive change while advancing our sustainability goals in innovative ways that reflect the unique sustainability roles and responsibilities of a company primarily focused on property development.

Parc3 @ KL South's innovative eco-design and landscaping have been recognised by multiple property awards

Key Achievements FY2024

The following are the Group's key achievements in developing its sustainability strategy and practices in FY2024

ACHIEVEMENT	DESCRIPTION
Development of policies addressing human rights, biodiversity, climate change and governance	Formulation of specific policies create strong and transparent alignment between broader sustainability areas that are common to all business, while articulating the specific principles and practices outlined in Eupe's *Sustainability Plus* Strategy that relate to key sustainability practices. These can be viewed on Eupe's website at eupe.com.my/sustainability.
Incorporated external stakeholder input into ranking of our material matters	Through formal feedback from key stakeholders, we aim to create greater alignment between our sustainability priorities and practices with expectations and priorities of our key stakeholders.
Major revamp of career development processes to sustain human capital and innovation	Eupe has commenced a number of key initiatives focused on management development, career progression and performance incentives to ensure retention of the best talent to sustain our economic and financial growth as a company while achieving our business and sustainability goals.
Development of our climate change strategy to include measurement of greenhouse gas (GHG) impacts of passive cooling design	We are expanding the assessment and reduction of our carbon footprint in the construction and operation of our property projects, as well as the Group's supporting operations. Currently Eupe has embarked on assessing potential GHG emissions reduction of our residential projects achieved through the passive cooling design we employ as part of our Healthy Air eco-design principle.
Adopted SDG 15: Life on Land to reflect Eupe's growing commitment to biodiversity	In addition to the 8 SDGs already adopted, Eupe has added SDG 15 which reflects our growing focus in enhancing land-based nature through embedding biodiverse design and other nature-enhancing practices in our projects.
Developing biodiversity targets for our high-rise residential projects	We have started work on developing a formal target that measures biodiversity for our high-rise residential projects to provide a clear metric to measure and continuously improve on key aspects of urban environmental protection and enhancement.
Commenced a review of our sustainability KPIs and targets to reflect achievement of previous targets and refinement of our sustainability practices	In FY2021 we set baseline targets which provided us with an initial foundation to assess our sustainability performance and identify areas for further improvement. With these targets largely achieved within the requisite timelines, we aim to introduce a new set of targets in FY2025 that reflect developing trends in our business operations and new sustainability objectives.

Sustainability Milestones

Eupe's sustainability journey outlines where we have been and are, in terms of our sustainability priorities and outcomes, and how these past and present achievements inform our current sustainability performance and development of new sustainability policies and practices.

Sky Residence

Eupe's Sky Residences is the first Malaysian residential project to be awarded the globally-prestigious LEED accreditation for its eco-design and features

2011

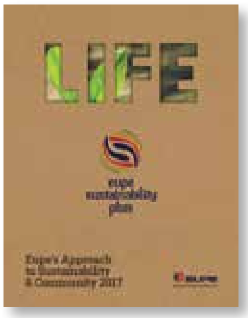
2015

The first edition of Eupe's *Sustainability Plus* strategy launched. The strategy outlines the company's approach to sustainability and its focus on the twin principles of sustainable eco-design and building strong communities

2017


Novum @ South Bangsar

Launch of Eupe's first residential high-rise in KL – Novum @ South Bangsar – which incorporates Eupe's passive cooling design configuration and other sustainability features



Sustainability Plus strategy second edition released. The strategy develops and incorporates four eco-design principles which Eupe draws upon to design its residential projects. These are Healthy Air, Green Community, Iconic Design and Smart Connectivity

2020

Introduced and adopted an initial four United Nation's Sustainable Development Goals – Decent Work and Economic Growth (SDG 8); Industry, Innovation and Infrastructure (SDG 9); Sustainable Cities and Communities (SDG 11) and Responsible Consumption and Production (SDG 12).

Developed a sustainability governance structure

2021

Parc3 Atrium

First materiality matrix adopted by the Group

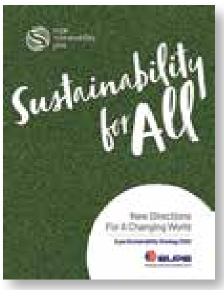
Parc3 @ KL South – Eupe's second KL high-rise residential project – wins iProperty Development Excellence Awards Best Sustainable High-Rise Development award in Malaysia

Additional UN SDG adopted – Good Health and Well-Being (SDG 3).

2022

Introduction of sustainability targets/KPIs

Further development of Eupe's sustainability approach through the release of the third edition of *Sustainability Plus*



2023

A further three UN SDGs adopted into Eupe's sustainability strategy – Reduced Inequalities (SDG 10); Climate Action (SDG 13) and Peace, Justice and Strong Institutions (SDG 16).

Incorporation of elements of TCFD (Task-force on Climate-Related Financial Disclosures) framework in sustainability reporting

2024

Eupe wins multiple sustainability awards including :

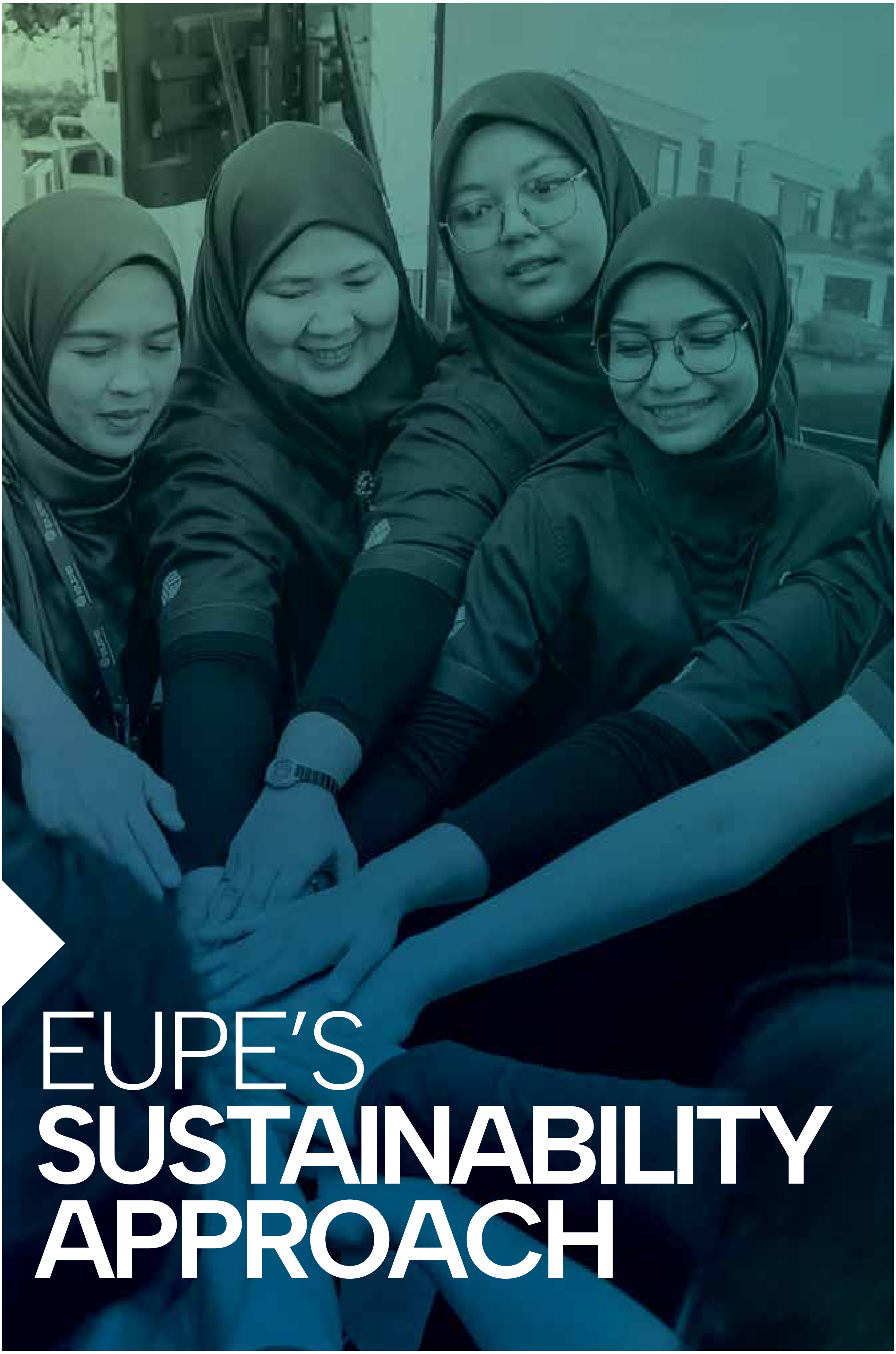
- Corporate Sustainability Enterprise Category 2023 – Asia Responsible Reporting Awards (AREA)
- Green Building Award and Healthy Lifestyle Product Award for Malaysia 2023 – ESG Business Awards (both awards for Eupe's second KL high-rise project, Parc3 @ KL South)
- Company of the Year for Social Engagement (Property Development and Construction category) 2023 – Sustainability & CSR Malaysia Awards

External stakeholder feedback introduced into Eupe's materiality matters framework.

Additional UN SDG adopted – Life on Earth (SDG 15) to reflect Eupe's increasing biodiversity commitment

ESG BUSINESS AWARDS 2023

AREA ASIA RESPONSIBLE ENTERPRISE AWARDS 2023



EUPE'S **SUSTAINABILITY APPROACH**

Eupe's *Shared Value* Philosophy

The foundation of our sustainability approaches and practices is Eupe's *Shared Value* philosophy. It serves as both the Company's Mission and Vision statement and an operational guide for the Company to preserve, nurture and enhance human and environmental resources while giving 'more' to our stakeholders and the broader community from the value we create through the property projects we design and build.

Sustainability Plus Strategy

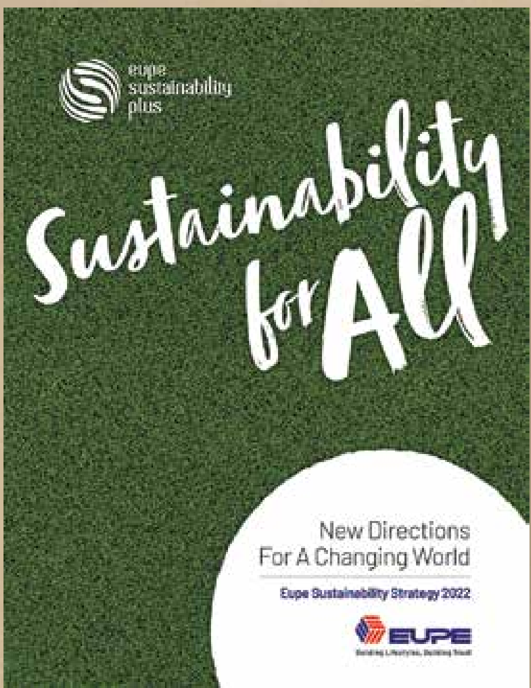
Eupe's *Sustainability Plus* Strategy is a manifestation of the sustainability values and practices we aim to embed throughout our value chain and operations with our *Shared Value* approach. The strategy combines our expertise in sustainable eco-design with our commitment and experience, particularly as a township developer in Northern Malaysia for more than 30 years, in building strong, resilient communities.

The strategy commits us to key, overarching principles that utilise the best architectural property designs to maximise resource and environmental efficiency, while contributing effectively and sustainably to the social needs of the community.

Our initial *Sustainability Plus* Strategy was released in 2015 and we have since revised and updated the Strategy twice to reflect a deepening and broadening of our approach, goals and commitments that reflect our development as a company. We are currently developing a fourth edition of the strategy to reflect new directions in sustainability that we are pursuing, particularly focused on setting targets to increase levels of biodiversity in our residential projects.

Sustainability Plus comprises two overall directions: the first is our Sustainable Eco-design framework which ensures that every property we design utilises and embeds innovative green design concepts from project planning to completion, as well as the ongoing operational performance of our buildings. The second is our Building Strong Communities framework which focuses on the Group's investments in community organisations together with programmes that strengthen community bonds while building shared experiences and identity.

Our *Sustainability Plus* Strategy can be viewed at eupe.com.my/sustainability.



eupe sustainability plus

Eupe's *Sustainability Plus* logo comprises coloured strands that represent the Chinese symbols for the five natural elements - earth (yellow), fire (red), wood (green), metal (white) and water (blue).

As such, it reflects the philosophy behind our sustainability thinking.

The linking of these strands on the logo highlights the importance of taking a connected approach to nurturing the environment and building strong community bonds.

SUSTAINABILITY PLUS

PRINCIPLE 1 – SUSTAINABLE ECO-DESIGN

Our first principle guides us to make sure that every home and property project we design and build is embedded with the best and most innovative green design ideas, values and practices.

The principle recognises that each of our residential developments is different. That is why we take a flexible approach to create homes that maximise natural, healthy living for residents, as well as create benefits for the broader community. The following are the four design frameworks we use in our projects to advance our Sustainable Eco-Design Principle.

Healthy Air

Harnessing natural air flows while minimising exposure to direct heat creates Buildings that Breathe for a healthy, comfortable living environment.

Iconic Design

Creating inspiring skylines and artistic design through visual architectural and design innovation.

Green Community

Linking nature with community through more sustainable green spaces. Our expansive green space allocation is the central feature of our projects.

Smart Connectivity

Harnessing both physical and digital spaces to create and connect vibrant communities.

SUSTAINABILITY PLUS

PRINCIPLE 2 – BUILDING STRONG COMMUNITIES

Our second principle recognises that sustainability in the property sector is more than just building homes. Best-practice sustainability needs to be complemented with Eupe providing targeted support and investment in programmes, events and organisations that build wider community interaction and strong community bonds.

Building Hope Programme

Sponsoring worthy community groups that provide support to those who are disadvantaged as well as providing direct assistance to those in need.

Planet Eupe Cultural Events

Investing in cultural events like music, film and dance that promote and encourage shared community experiences.

Our ESG Framework

The Group's ESG Framework translates our *Shared Value* and *Sustainability Plus* frameworks into the Group's specific, sustainability objectives. Importantly, our ESG framework also allows the company to align its sustainability principles, practices and targets with the United Nations Sustainable Development Goals, as well as how we achieve these objectives and goals.

At Eupe we are committed to *Shared Value*. *Shared Value* means creating more value as a company, so we can share more value with all our stakeholders.

Our Vision and Mission

Eupe aims to create and share value through:

- More innovative, value-creating products and designs for our buyers and customers.
- More skills and opportunities to nurture our employees and attract and retain the best talent.
- More returns for our shareholders and investors.
- More investment and support to strengthen our communities and nurture the environment.

Sustainability Plus Strategy

Sustainable Eco-Design
Healthy Air | Iconic Design
Green Community | Smart Connectivity

Building Strong Communities
Building Hope Community Support Programme
Planet Eupe Cultural Events Programme

Our Sustainability Pillars and Material Sustainability Matters

Advancing Robust Governance

1. Transparency and Anti-Corruption
2. Regulatory Compliance
3. Data Privacy and Security

Business Sustainability

1. Financial Performance
2. Affordability
3. Supply Chain Management

Building Sustainable Relationships

1. Labour Practices and Standards
2. Health and Safety
3. Talent Management and Diversity
4. Customer Engagement and Enrichment
5. Community Wellbeing and Human Rights

Protecting our Environment

1. Energy, Emissions and Water
2. Eco-Design and Innovation
3. Materials Conservation
4. Waste and Effluent Management

Our Contribution to the UN SDGs

Advancing Robust Governance	Business Sustainability	Building Sustainable Relationships	Protecting our Environment
16 Peace, Justice and Strong Institutions	8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 10 Reduced Inequalities; 11 Sustainable Cities and Communities	3 Good Health and Well-Being; 8 Decent Work and Economic Growth; 10 Reduced Inequalities; 11 Sustainable Cities and Communities	11 Sustainable Cities and Communities; 12 Responsible Consumption and Production; 13 Climate Action

Our Strategic Stakeholders

- **Investors and Analysts**
- **Regulators**
- **Customers/Buyers**
- **Employees**
- **Suppliers & Contractors**
- **Local Communities**

Our Alignment with Relevant Frameworks and Standards

BURSA MALAYSIA Creating Opportunities, Growing Value | RMK12 | SUSTAINABLE DEVELOPMENT GOALS | GRI | TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Eupe's Contribution to the United Nation's SDGs

The UN SDGs consist of 17 global goals outlined in its 2030 Agenda for Sustainable Development. The Agenda acts as an overarching global framework for sustainability action by businesses via a series of consistent economic, social and environmental priorities and targets.

The Group adopts and leverages SDGs as a means of translating its *Shared Value* commitment into sustainability objectives that have common ground with the wider business community. At the same time, the SDGs we have committed to also reflect the unique sustainability objectives the Group has developed in its *Sustainability Plus* Strategy, that align with Eupe's specific business operations and capabilities, particularly in the property development sector which is its main focus of operations.

In FY2024, the Group adopted an additional UN SDG – Life on Land (SDG 15) - in addition to the eight it has already adopted. The nine SDGs which Eupe are now committed to reflects the wide range of our environmental, social and governance commitments and priorities.

UN SDGS	TARGETS	EUPE'S INITIATIVES
3 GOOD HEALTH AND WELL-BEING	3.4: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	• Utilisation of Eupe's Sustainable Eco-design Principles – Healthy Air, Iconic Design, Green Community and Smart Connectivity in designing homes that promote occupant's health and well-being. • Included spaces designed for social activities, recreation and wellness.
8 DECENT WORK AND ECONOMIC GROWTH	8.7: Eliminate forced labour, slavery, human trafficking and child labour 8.8: Protection of labour rights and promotion of safe and secure working environments for all	• Ensured our supply chain is free from human rights violations through the Supplier Code of Conduct. • Embedded ISO 45001:2018 into the Group's Occupational Health and Safety Management System to manage potential occupational risks.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.4: Upgrade infrastructure and retrofit industries to make them sustainable	• Applied advanced designs and technology in infrastructure i.e. improved drainage systems, energy efficiency and air quality (ventilation) in the residential homes developed by the Group.
10 REDUCED INEQUALITIES	10.3: Adopt policies, especially wage and social protection policies and progressively achieve greater equality	• Established policies on remuneration to ensure fair and equitable compensation based on merit. • Established grievance mechanisms to enable employees to report instances of discrimination regardless of background.
11 SUSTAINABLE CITIES AND COMMUNITIES	11.1: Ensure access to adequate, safe and affordable housing 11.7: Provide universal access to safe, inclusive and accessible, green and public spaces	• Allocated at least 10% affordable housing units in our residential projects. • Included MS 1184: 2014 universal design and accessibility considerations across all our property developments based on the principles of our Sustainable Eco-design framework.

UN SDGS	TARGETS	EUPE'S INITIATIVES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2: Sustainable management and efficient use of natural resources 12.4: Sound management of waste minimising its impact on human health and the environment 12.5: Substantially reduce waste generation through prevention, reduction, recycling and reusing	• Efficient usage of raw materials through the Industrialised Building System (IBS). • Silt retention structures to ensure implementation of proper erosion and sediment control on site. • Scheduled wastes are properly collected and disposed by licensed Department of Environment (DOE) contractors. • Employed 3R (Reduce, Reuse, Recycle) initiatives and tracked recycling activities at the Cinta Sayang Resort. • Reused metal and concrete wastes at construction sites.
13 CLIMATE ACTION	13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters	• The Board has strategic oversight on climate-related risks and opportunities. • The Group's risk management process includes the identification, management and mitigation of climate-related risks. • Improved resilience and adaptive capacity to climate change through climate-conscious building designs.
15 LIFE ON LAND	15.5: Take urgent action to reduce the degradation of natural habitats, halt the loss of biodiversity and by 2020, protect and prevent the extinction of threatened species	• Conducted a comprehensive biodiversity assessment that identified the existing species of flora and fauna at the Circadia @ Belfield project site and evaluated the impact of development on the natural ecosystem.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	16.5: Substantially reduce corruption and bribery in all forms	• Implemented and communicated the Code of Ethics & Conduct, Anti-Bribery and Anti-Corruption as well as Integrity Policy and Procedures to all stakeholders by publishing them on our website.

Sustainability Key Performance Indicators ("KPIs")

The Group's Sustainability KPIs enable the measurement and tracking of progress in achieving our sustainability goals in line with the sustainability policies and objectives outlined above. Aligned with four ESG pillars, these KPIs are crucial to assess the Group's sustainability performance over time, identify areas for improvement and demonstrate our resolve to consistent sustainable practices. Eupe has set 55 KPIs for economic, social and environment focus areas across our business divisions. These targets were established in FY2022 with achievement date set for most KPIs by the end of 2025. Many of these targets have already been achieved as the following chart shows.

🟢 **Achieved** 🟡 **In Progress** ⚫ **Not Developed Yet**

BUSINESS DIVISION	KEY PERFORMANCE INDICATOR	PROGRESS
	Economic Vitality	
	Customer Satisfaction and Quality	
HQ **Northern & Central Region**	Conduct and track **2 customer satisfaction** surveys by **2025**: a. After the signing of the sales and purchase agreement b. After the handover period for a project	Northern: 🟢 Central: 🟡
	Achieve a customer satisfaction score of **at least 85%** by the end of **2025** for all surveys conducted.	Northern: 🟢 Central: 🟡
Cinta Sayang Resort	Achieve the following scores based on the product and service quality surveys by **2025**: a. Rooms: a score of at least **85%** "Good" b. F&B: a score of at least **85%** "Good"	🟡
	Maintain customer complaint tracking and report monitoring outcomes for all divisions.	🟢
	Achieve the response times as follows: a. **Online travel agents:** within 24 hours b. **Social Media:** within 24 hours c. **Walk-in guest:** immediate d. **F&B Customers:** immediate	🟢
Projects **Northern & Central Region**	Achieve a response time of **24 hours** by **2025**.	Northern: 🟢 Central: 🟡
	Achieve a defect rectification time of **28 days** by **2025**.	🟢
	Segregate customer complaints by nature of issue and monitor the type that occurs most frequently during the defect liability period through an app provided to purchasers.	Northern: 🟢 Central: 🟡
	Achieve **at least 80%** of customer satisfaction surveys during the defect liability period by **2025**.	🟢

BUSINESS DIVISION	KEY PERFORMANCE INDICATOR	PROGRESS
	Healthy Communities	
	Employee Development	
HQ **Northern & Central Region**	Achieve an average of **12 training hours per employee** annually by 2025.	🟢
	Achieve an average of **70% of employees engaged** in training and development by **2025**.	🟡
	Separate and report voluntary turnover rate from total turnover rate.	⚪
	Set at least **4 hours of employee engagement activities** by 2025 (e.g. gatherings, parties, cultural exchanges, company activities, family days, etc.)	🟡
	Set an average of **6 hours of CSR participation per employee** yearly by **2025**.	⚪
	Record and report training hours based on type of training offered.	🟡
	Implement and set a score of **70% or greater** for employee satisfaction survey by 2025. Implement and set a score of 70% or greater for employee satisfaction survey by **2025**.	🟡
	Reduce the total turnover rate year-on-year with a benchmark of **less than 25%** by **2025**.	🟡
	Set a benchmark voluntary turnover rate with reduction year-on-year.	⚪
Cinta Sayang Resort	Separate and report the voluntary turnover rate compared to the total turnover rate.	🟢
	Achieve **100% employee engagement** in training by **2025**.	🟢
	Record and report the number of hours for each type of training offered.	🟢
	Set a total turnover rate of **less than 5%** for all operations of Cinta Sayang Resort by **2025**.	🟡
	Achieve **at least 70%** "Agree" or "Strongly Agree" based on employee satisfaction surveys by **2025**.	🟡
	Conduct anonymous employee satisfaction surveys on an annual basis	🟢

BUSINESS DIVISION	KEY PERFORMANCE INDICATOR	PROGRESS
	Natural Environment	
	Waste Reduction	
HQ **Northern & Central Region**	Monitor and record recycling in the KL and Northern offices.	Northern: 🟡 Central: ⚪
	Segregate recycling by type (paper, plastic, glass, etc.)	Northern: 🟡 Central: 🟢

BUSINESS DIVISION	KEY PERFORMANCE INDICATOR	PROGRESS
HQ **Northern & Central Region**	Track and monitor electricity consumption intensity and maintain a minimum **reduction rate of 2%** per year until **2025**.	Northern: 🟡 Central: 🟢
	Track headcount (for consumption intensity calculations).	Northern: 🟡 Central: ⚪
	Track and monitor electricity consumption intensity and have a reduction year-on-year or maintain consumption below a benchmark year (pre-COVID year).	Northern: 🟡 Central: 🟢
Projects **Northern Region**	Reduce building construction waste by **5%** by **2022**.	🟢
	Reduce electricity consumption in workers' quarters at all project sites by **5%** from the previous year by **2022**.	🟢
Projects **Northern & Central Region**	**Steel Wastage:** Reduce steel wastage to not more than **10%** of wastage per project by **2025**.	Helix2: 🟡 Est8: 🟡
	Concrete Wastage: Reduce concrete wastage to not more than **3%** per project by **2025**.	Helix2: 🟡 Est8: 🟢
	Steel Reinforcement: Use of materials with recycled content is such that the sum of post-consumer recycled content and one-half of the pre-consumer recycled content constitutes more than **10%** (based on cost) of the total value of the materials in the project by **2025**.	Helix2: 🟡 Est8: 🟢
	Aluminium Formwork: Ensure reused products or materials constitute more than or equal to **2%** of project's total material cost value by **2025**.	🟢
	Paper/Plastic Glass: Segregate and weigh recycling by type (paper, plastic, glass, etc.)	Helix2: 🟢 Est8: 🟡
	Monitor water consumption and ensure consumption is **less than 500 L/m2 GFA**.	🟢
Cinta Sayang Resort	Measure quarterly collection of recyclables (paper, cardboard, plastic bottles and glass bottles).	🟢
	Achieve 100% recycling of buggy and vehicle batteries.	🟡
	Measure fuel waste (kitchen oil) sell back to vendors on a quarterly basis.	🟢
	Maintain the total utilities consumption (RM), below 18% of Cinta Sayang Resort's annual revenue.	🟢

Developing New Sustainability Targets

The targets outlined above were set in FY2022 when Eupe first began reporting its ESG performance against measurable KPIs. As a number of these initial KPIs are now being achieved we are now developing a second round of targets and timelines that will further develop and guide our sustainability practices for the next three years.

The target areas will focus on the following areas and will be detailed with specific objectives and metrics in next year's Sustainability Report.

Climate Change

Carbon performance of our residential projects – most of our residential projects are designed with passive cooling, providing for the natural ventilation of interiors creating healthier, more natural airflows for residents. These designs are also aimed at reducing the use of energy-intensive air conditioning by residents in their units. We are currently finalising the results of ambient temperature testing of our second KL development – Parc3 @ KL South – being conducted by external experts in measuring thermal comfort levels. This process is aimed at ascertaining the measurable impact of Parc3's passive cooling design on the ambient temperature of its units and resulting impact on air conditioning use. This data will both help to quantify the emissions operational performance of Parc3 as well as assist Eupe in improving its passive design approach to create more climate-resilient buildings with its future projects.

Expanding our existing carbon measurement regime – since 2022 Eupe has been focused on measuring the Group's Scope 1 and Scope 2 emissions. While we will continue to focus on this benchmarks, we are in the process of undertaking a review of our current carbon footprint to ensure that all emissions are captured in our carbon measurement system. This will allow us to set new Scope 1 and 2 targets next year that aim to identify and reduce Eupe's carbon footprint as the company continues to expand.

Green Community

Creating areas of natural habitat and greenery to connect residents with nature, as well as to enhance the natural environmental more generally, is a key aspect of our sustainability strategy. From next year, we plan to commit to a minimal level of green space allocation in our projects, that exceeds the level required by planning regulations.

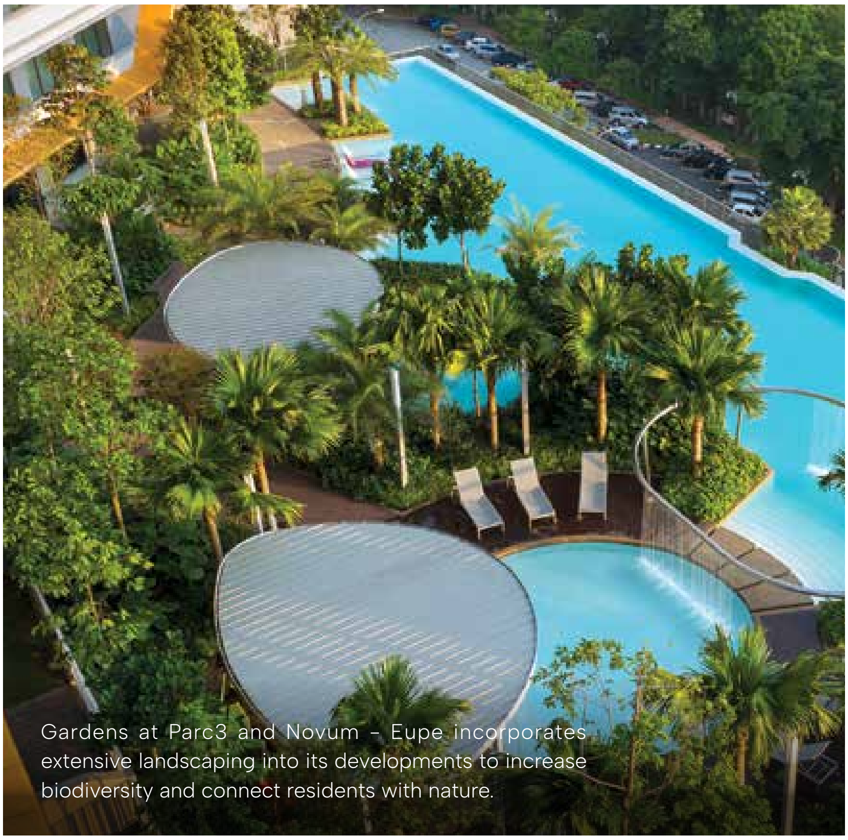
In addition to committing to a set 'quantity' of green space, we are also exploring the prospect of setting targets for the 'quality' of nature designed into our projects. These biodiversity targets would set out a targeted increase in flora and fauna in selected projects than that which existed on the proposed development site previously.

Talent Development

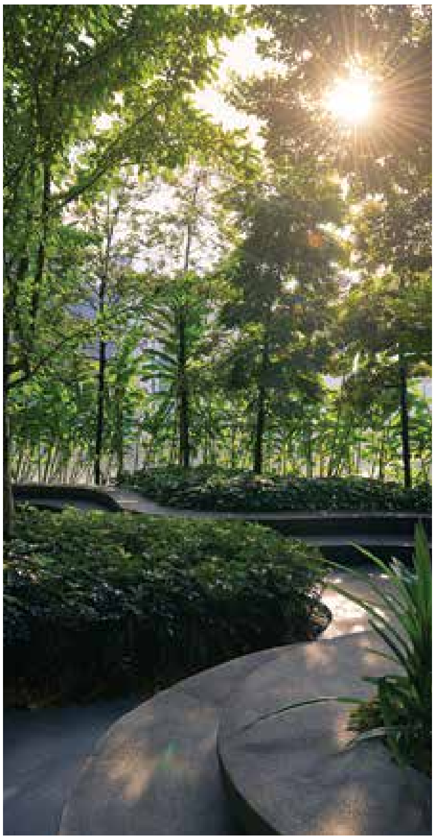
As the company continues to grow and undertake multiple, complex projects, it is imperative Eupe puts in place additional mechanisms to grow the capabilities and knowledge of staff, while setting out clear and consistent processes that nurture future leadership in the company. To this end, we are developing new human resource and training systems over the next year to increase the amount of training for staff, develop specific leadership programmes as well as career and development plans for individual employees. These initiatives will be accompanied by metrics to ensure these programmes meet the human resource objectives of the Group as well as individual staff.

Quality Control

Eupe's high-rise residential projects in KL have achieved excellent results with independent, external metrics of construction quality. We aim to adopt similar quality measurement systems for residential projects in the Northern Division to ensure even higher standards of quality with our current projects and their repeatability in future projects.



Gardens at Parc3 and Novum – Eupe incorporates extensive landscaping into its developments to increase biodiversity and connect residents with nature.



Sustainability Governance

Eupe's governance structure enables the Group to discharge its sustainability responsibilities through clear and defined decision-making roles and accountabilities, as well as the control and monitoring of Eupe's sustainability performance.

The Group has a three-tiered sustainability governance structure. Firstly, the Board of Directors ("BoD" or "the Board") provides strategic oversight over the Group's overall sustainability agenda, performance and material sustainability matters, including climate-related risks and opportunities.

Second, the Sustainability Steering Committee ("SSC") which comprises members of Senior Management and chaired by the Group's Managing Director. The SSC supports the Board by reviewing current ESG initiatives, advising on new initiatives and overseeing the activities of the Sustainability Working Committee ("SWC").

Third, the SWC, represented by managers and other relevant employees in key departments across the Group, is responsible for proposing specific objectives to the SSC, implementation of ESG initiatives and monitoring targets related to these objectives.

Board of Directors

Sustainability Steering Committee

Sustainability Working Committee

Finance

People & Culture

Admin

Sales & Marketing

Construction

Corporate Communications

Landscape

Project and Contracts

Cinta Sayang Resort

Board of Directors ("BoD" or "the Board")

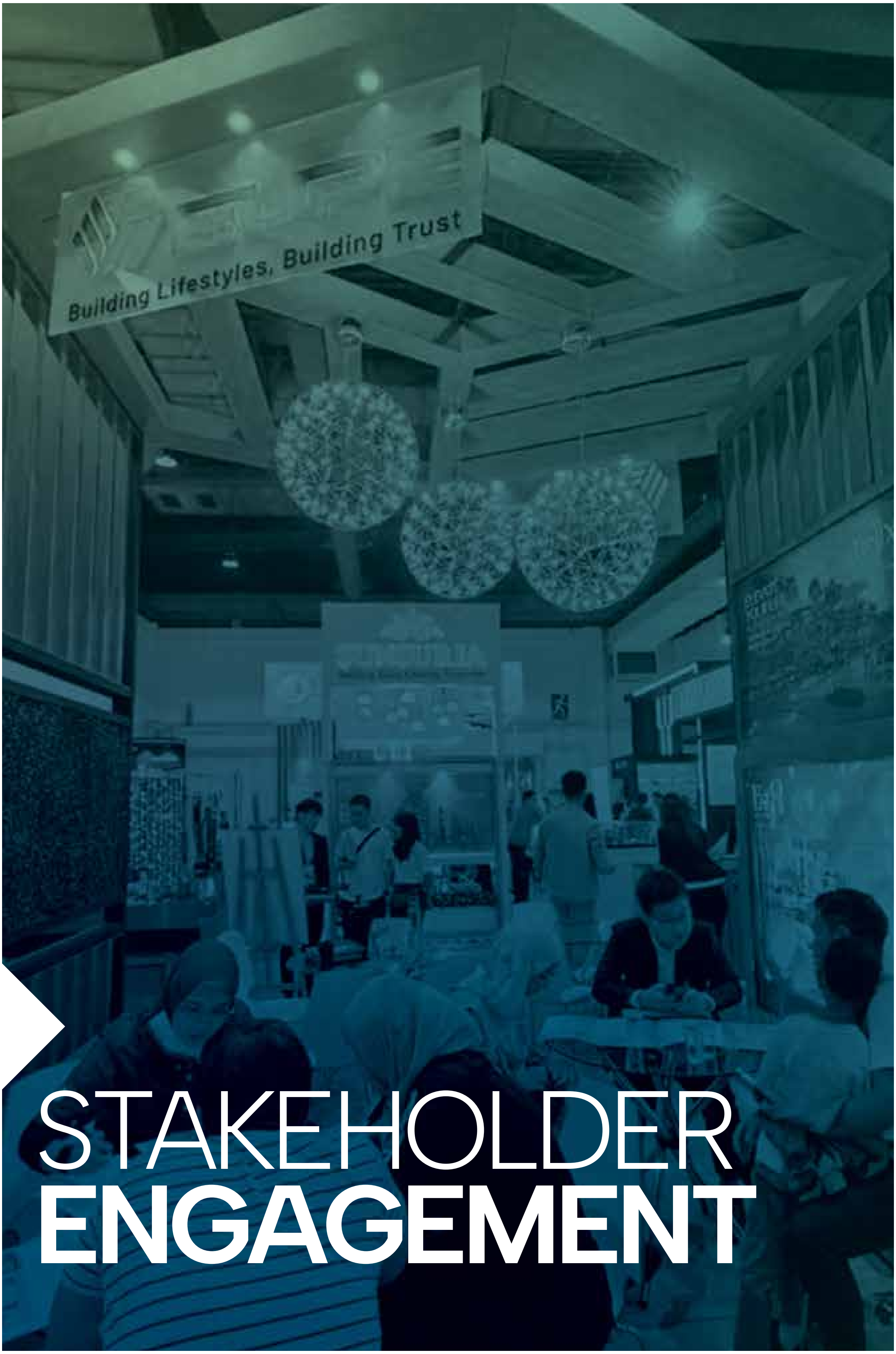
- Strategic oversight of the Group's overall sustainability agenda, practices, strategies, performance and material sustainability matters
- Strategic oversight of the integration of ESG-related risks and opportunities within the Group's strategy and risk management framework including climate-related risks and opportunities
- Reviews and approves the Group's annual Sustainability Statement

Sustainability Steering Committee ("SSC")

- Proposes and advises the Board on ESG initiatives
- Supervises implementation and performance of ESG initiatives
- Reports progress of ESG initiatives to the Board

Sustainability Working Committee ("SWC")

- Proposes relevant ESG initiatives to the SSC
- Implements ESG initiatives
- Consolidates ESG data and monitors ESG performance



STAKEHOLDER **ENGAGEMENT**

Eupe's success as a property developer relies on our capacity to generate value for diverse stakeholders who significantly impact and shape our business. Acknowledging the pivotal role these stakeholders play in our decision-making processes, Eupe actively gathers feedback from ongoing engagement with individual stakeholder groups. By identifying and addressing their areas of concern together with establishing effective communication methods, we strive to match our performance with their expectations and in the process build stakeholder awareness and trust in our values, objectives and performance.

Annually **Quarterly** **Monthly** **Bi-weekly** **Weekly** **As needed**

STAKEHOLDERS	AREAS OF CONCERN	ENGAGEMENT CHANNEL	OUR RESPONSE
Investors and Analysts			
Investors provide the necessary capital for projects while analysts' assessments influence investor perceptions. Building and maintaining trust with both parties is essential for securing funding and fostering positive market perceptions.			
	• Timely disclosure of relevant corporate proposals & financial activities • Communication & promotion of the Eupe Group Strategy	• Annual Report • Annual General Meetings • Letters to shareholders • Financial Statements • Company website updates	• Quarterly financial reporting published on Bursa and corporate website. • Annual Report/Letter to Shareholders produced and distributed to shareholders to summarise developments and achievements in financial year. • All shareholders informed about our annual general meetings and upcoming agenda.
Regulators			
Regulatory compliance is a cornerstone of property development. Regulators including local government bodies ensure that projects adhere to local laws, building codes and environmental regulations. Maintaining a positive relationship with regulators is vital to avoid legal issues, fines or project delays.			
	• Compliance with regulatory, planning and financial disclosure frameworks	• Dialogue & discussion with government and other planning authorities (*Regulatory & Financial) • Dialogue & discussion with government and other planning authorities (*Project planning) • Corporate & financial disclosure framework activities	• Compliance with all Bursa reporting standards. • Regulatory stakeholders engaged at each relevant stage of planning and approval for various licenses and regulatory requirements.

STAKEHOLDERS	AREAS OF CONCERN	ENGAGEMENT CHANNEL	OUR RESPONSE
Customers / Buyers			
Customers or buyers are the end-users of the developed properties and meeting their expectations and needs is critical for the Group's success. Positive customer experiences lead to good reviews, referrals and repeat business, fostering the company's reputation and long-term success.			
	• Company responsiveness • Customer satisfaction • Product quality	• Corporate Magazines • Eupe corporate account social media engagement • Customer Service & Quality ("CSQ") Channels • Eupe project account social media engagement • Marketing events & customer promotions • Company website • Electronic direct mail	• All enquiries replied to within 24 hours or the next working day. • Corporate website regularly updated with the latest news, events, awards and projects. • Property Trust magazines sent to all purchasers providing periodic summaries of Group projects and activities.
Employees			
A skilled and motivated workforce is essential for the efficient execution of property development projects. Employees contribute to the Group's success through their expertise in areas such as project management, architecture, engineering and marketing. Providing a positive work environment, training and career growth opportunities are crucial for retaining talent.			
	• Employee Engagement • Staff development and progress • Positive & productive workplace	• Town Hall Meetings • Employee surveys • Training and development • Employee committees • Eupe *Sustainability Plus* Strategy planning sessions	• Compliance with all Bursa reporting standards. • Regulatory stakeholders engaged at each relevant stage of planning and approval for various licenses and regulatory requirements.

STAKEHOLDERS	AREAS OF CONCERN	ENGAGEMENT CHANNEL	OUR RESPONSE
Contractors and Suppliers			
Reliable contractors and suppliers are integral to the construction process, providing quality materials and services which are delivered on time and within budget. Building strong relationships with suppliers and contractors ensures a steady flow of resources and contributes to the overall efficiency and success of the projects.			
	• Occupational Health and Safety • Quality delivery • Efficient construction processes • Sustainable products • Energy/ Water/ Effluent management practices	• Project management meetings • Tender evaluation and transparent selection process • Supplier Code of Conduct	• Transparent tender processes applied to all projects to secure the best local expertise in construction. • Weekly meetings with main contractors and consultants on status updates alongside solutions to be listed on all problems current and foreseeable.
Local Communities			
Property developers have a significant impact on local communities through the projects they design and build. Engaging with the community fosters positive relationships and support that is crucial for the overall success of the Group, as well as support for individual property projects.			
	• Community support through Building Hope programme • Cultural development & support through Planet Eupe cultural events • Affordable housing	• Relations & engagement with local community • Community & cultural events • Social media engagement	• Building Hope programme to empower local NGOs to fund raise through our platform or various other community initiatives. • Affordable housing available through projects such as Helix2.

Assessing Eupe's Material Matters

Materiality reassessments are essential to managing and evaluating our sustainability practices and policies. They help us identify and prioritise the ESG issues that most impact our business and stakeholders. As such they inform our strategic decision-making and guide our long-term sustainability initiatives.

We conduct annual reassessments to ensure ESG matters are in line with current sustainability trends, industry advancements and regulatory changes. They also enable us to identify and manage emerging opportunities and risks associated with each significant matter.

Our Materialty Assessment Process

1 – IDENTIFY

A benchmarking exercise against industry standards and a compliance assessment against Bursa Malaysia's Main Market Listing Requirements was conducted to review and redefine FY2024's material sustainability matters, to account for changes in priorities and stakeholder expectations.

2 – RANK

An online materiality assessment form was distributed to stakeholders, who ranked the material sustainability matters in order of importance to them and their impact on the business.

3 – PLOT

The responses from the materiality assessment forms were collated and plotted on a matrix using the weighted average method.

4 – VALIDATE

The resulting materiality matrix was validated and confirmed by the Sustainability Committee and approved by the Board of Directors.

Engagement with External Stakeholders

For the previous two years, identifying and prioritising Eupe's Materiality Matters has been carried out primarily by Eupe's internal stakeholders, namely management and employees. For FY2024, Eupe organised a survey of more than 30 of the Group's key stakeholders, comprising a targeted sample of contractors, consultants, commercial partners and as well as buyers. The survey aimed to gather feedback on material matters important to these external stakeholders, while also identifying the influence of these material matters on our Group.

This process has provided an important input into reassessing our Materiality Matters rankings and has resulted in us adjusting the ranking of some Matters to reflect the combine rankings of Eupe's management employees and those of our key external stakeholders.

Materiality Matrix

The materiality matrix serves as a visual depiction of our materiality assessment findings. It captures the most critical material issues through incorporating the current and future business environment, stakeholder expectations, business contexts and evolving sustainability trends.

Based on the outcome of the materiality reassessment involving external stakeholders, Transparency & Anti-Corruption, Financial Performance, Community Well-being and Human Rights, Regulatory Compliance and Eco-Design & Innovation were ranked as the top five material sustainability matters for FY2024.

The key change in Eupe's materiality matrix, resulting from external stakeholder input has been the elevation of Community Well-Being and Human Rights into the top five ranking of materiality matters.

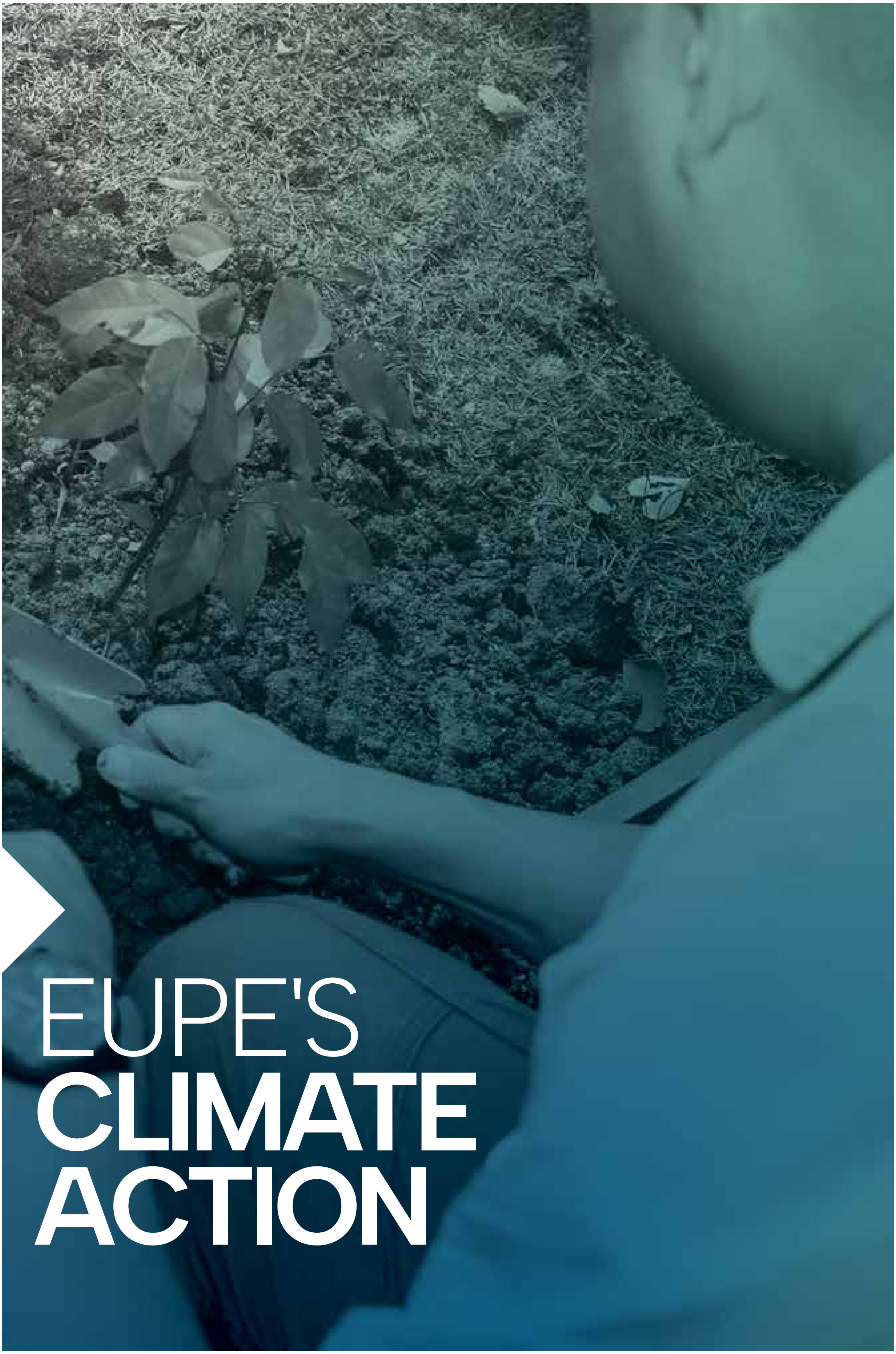
ADVANCING ROBUST GOVERNANCE		BUSINESS SUSTAINABILITY		BUILDING SUSTAINABLE RELATIONSHIPS		PROTECTING OUR ENVIRONMENT	
01	Transparency & Anti-Corruption	02	Financial Performance	03	Community Well-being and Human Rights	05	Eco-Design & Innovation
04	Regulatory Compliance	08	Affordability	10	Health and Safety	07	Energy, Emissions & Water
06	Data Privacy and Security	15	Supply Chain Management	11	Labour Practices and Standards	09	Waste & Effluent Management
				13	Customer Engagement & Enrichment	12	Material Conservation
				14	Talent Management & Diversity		

Mapping of Material Sustainability Matters

In addition to aligning with key stakeholders, mapping our Materiality Matters allows us to align our sustainability performance with those UN SDGs we have identified as reflecting Eupe's sustainability priorities and processes.

MATERIAL MATTERS	OUR APPROACH	UN SDGS	STAKEHOLDER GROUPS
	Business Sustainability		
Financial Performance	Our economic performance provides the basis for business and employment opportunities to the local population and local businesses.	8 DECENT WORK AND ECONOMIC GROWTH	
Affordability	We strive to provide more members of society with access to affordable homes based on our experience in building residences for all levels of the community.	10 REDUCED INEQUALITIES; 11 SUSTAINABLE CITIES AND COMMUNITIES	
Supply Chain Management	Our procurement practices seek to support the local economy by sourcing from local suppliers where possible. We also procure input materials from suppliers with high quality materials.	8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	
	Advancing Robust Governance		
Transparency & Anti-Corruption	The Group is guided by a robust governance structure and implements policies, codes and procedures to ensure an ethical business process for Eupe and those we engage with.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	
Regulatory Compliance	We adhere to relevant laws and regulations to minimise the risk of financial losses for the Group in the form of fines and penalties as well as to maintain the Group's reputation for integrity and compliance.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	
Data Privacy & Security	We safeguard our customers' data and privacy from data breaches with our policies, procedures and the implementation of industry best practices.	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	

Protecting Our Environment	
Energy, Emissions & Water	We mitigate our impact on the environment and take action on climate change by managing our energy consumption to minimise greenhouse gas emissions and manage our water consumption efficiently across our operations.
Eco-design & Innovation	Our projects are established with environmentally-friendly objectives and practices throughout the planning, construction, and operation phases. This approach minimises environmental footprint and emphasises green design certification.
Materials Conservation	In ensuring the conservation of natural resources for both present and future developments, the Group continues our efforts to reduce the consumption of raw materials for construction activities.
Waste & Effluent Management	The Group minimises our environmental impact by managing our waste disposal, minimising our general waste generation and implementing our own wastewater management to avoid adverse impacts on the environment.
Building Sustainable Relationships	
Health & Safety	Measures are taken to protect the health and safety of our employees by maintaining a safe and conducive working environment.
Labour Practices & Standards	The Group ensures that standard health and safety measures are fully implemented across the Group with an emphasis on safe work practices enforced at all our project sites for the overall protection of our workforce.
Talent Management & Diversity	We provide equal opportunity and engage with our workforce regardless of gender and social background.
Customer Engagement & Enrichment	Our objective to make an impact through our long-term value creation strategies means we strive to build proactive connections with our buyers and customers in supporting the growth of our business.
Community Wellbeing & Human Rights	The Group allocates resources to contribute to a range of community initiatives to alleviate the challenges faced by vulnerable groups and communities surrounding our operations.



EUPE'S **CLIMATE ACTION**

Task Force on Climate-Related Financial Disclosures ("TCFD") Reporting Recommendations

According to the Intergovernmental Panel on Climate Change's (IPCC's) Sixth Assessment Report, net anthropogenic GHG emissions have increased across all major sectors globally since 2010. Notably, global emissions are rising across the board, due to increased activity levels in manufacturing, energy supply, transportation and property. Eupe shares the view that tackling climate change is of first-order importance and continues to take a range of steps to align our sustainability initiatives and business operations with TCFD recommendations, as we seek to better understand our carbon footprint through enhanced measurement and initiate actions to reduce it.

Aspiring to be a climate-resilient business, Eupe's climate-related disclosures are guided by the TCFD's four core elements: Governance, Strategy, Risk Management and Metrics and Targets*.

Governance

Our governance structure combines Board and management roles to ensure strategic directions of the Group on climate mitigation and resilience are implemented in a way which is measurable and allows us to build on our climate mitigation progress with new initiatives that reflect our emission reductions objectives.

EUPE'S BOARD RESPONSIBILITIES	EUPE'S MANAGEMENT RESPONSIBILITIES
• The Board provides strategic oversight over the Group's overall sustainability and climate-related agenda, policies, strategies, ESG performance and material sustainability matters.	• The Group's Sustainability Steering Committee "SSC" advises the Board on the adoption of sustainability initiatives aligned with the Group's business strategy, including climate-related initiatives.
• The Board provides strategic oversight over the integration of ESG-related risks and opportunities within the Group's strategy and risk management framework, including climate-related risks and opportunities.	• The SSC also provides oversight of the implementation of the Group's sustainability initiatives including climate-related initiatives, and reports the progress to the Board.

* *In June 2023, the International Sustainability Standards Board ("ISSB") issued **IFRS S2 Climate-related Disclosures**. IFRS S2 is consistent with TCFD in that it aligns with and builds upon TCFD reporting and disclosure recommendations, ensuring consistent reporting on climate-related risks and opportunities.*

Strategy

Since FY2023, the Group has identified potential risks in our transition towards climate change mitigation and adaptation as well as potential risks which will impact the organisation. This year, Eupe reviewed the potential transition risks, physical risks, opportunities, and impacts assessed as part of our risk management initiative to develop a structured response to climate change throughout our value chain.

Transition Risks: Climate Related Risks, Opportunities and Impacts

RISK	DESCRIPTION	IMPACT	OPPORTUNITIES
Medium term (6-10 years) to long-term (>11 years)			
Policy and Legal	• Regulations imposed in relation to future climate-related compliance.	• Potential incurred costs from sanctions and fines.	• Establishment of procedures to ensure compliance
	• Standards imposed towards low-carbon green buildings and construction materials.	• Increased costs for building materials and design.	• Increased demands for green building designs due to advancements in standards.
	• Future implementation of carbon pricing mechanism.	• Increased cost incurred from carbon pricing mechanism.	• Reduction of the Group's reliance on carbon-intensive materials and processes.
	• Potential litigation charges.	• Litigation costs.	• Improvements based on the prevention of litigation.
Short term (1-5 years) to long-term (>11 years)			
Technology	• Difficulties in finding suitable and cost-effective eco-design materials for property development.	• Additional costs for use of eco-design materials.	• Resource savings upon adoption of suitable eco-design materials.
	• Challenges in the adoption of new technology and low-carbon and eco-design options.	• Incurred upfront costs from investments in new technology and its implementation.	• Cost and resource savings upon successful implementation of new technology, low-carbon and eco-design building options.
Market	• Uncertainty in market signals and increased costs of raw materials.	• Fluctuating cost of eco-materials and eco-design implementation impacting revenues.	• Opportunity to explore high-value, long-term, low-carbon green building eco-designs and construction.
Reputation	• Increased stakeholder concerns on climate impacts and expectations for climate action from the Group where non-action may affect brand reputation.	• Revenue affected by negative stakeholder sentiment which influences production capacity (i.e. delayed approvals) and property product demands.	• Opportunity to strengthen brand reputation by leading the design of climate-conscious property products.

Physical Risks: Climate Related Risks, Opportunities and Impacts

RISK	DESCRIPTION	IMPACT	OPPORTUNITIES
Short term (1-5 years) to long-term (>11 years)			
Acute	• Potential short-term extreme climate-related events, i.e. heat waves, flooding, landslides, etc.	• Short-term extreme climate-related events may cause project delays, damages to assets and development sites and high cost of impact on the workforce.	• Opportunity to innovate and adopt technology, materials and processes that withstand acute climate-related events in advance of industry peers.
Long-term (>11 years)			
Chronic	• Potential long-term effects such as changes in precipitation patterns and extreme variability in weather patterns, i.e. high temperature, intense rain, etc.	• Long-term climate-related impacts may cause increase in capital costs and insurance premiums to manage impacts. • Long-term disruption and delays in overall project progress may impact output and revenue.	• Opportunity for early adoption of innovative technology, materials and design that withstand long-term climate impacts.

Climate-related risks and opportunities have an impact on the property industry especially in terms of business, strategy and planning.

As such, these considerations have determined how we design our property products as well as how we implement adaptation and mitigation activities in response. The following chart provides an overview of our commitment to combating climate change.

Climate Change Impact	Our Response to Climate Change Impacts	
	Focus Area	Description
Impacted social activities due to extreme temperature increase	Property products	• Creating additional green spaces reducing the 'heat island' effect common in built-up areas. • Inclusion of green open spaces and trails within the area of our project development.
Increase in electricity demands due to extreme variability in weather patterns	Property products	• Passive cooling design reduces residents' reliance on energy-intensive air conditioning. • Installation of energy efficient appliances in all built units and homes. • Installation of energy efficient LED lighting in common spaces and public areas across our high-rise residential projects along with hospitality operations. • Incorporation of approximately 460m2 roof space of solar panels at Est8 @ Seputeh with an estimated annual production of 104,497 kWh of energy. Energy generated by these panels will supply the power needs of Est8's amenities and its excess will be channelled into the grid.

Climate Change Impact	Our Response to Climate Change Impacts	
	Focus Area	Description
Increase in electricity demands due to extreme variability in weather patterns	Property products	• 655.2 kWh of electricity saved from walkway electricity comsumption annually. • Approximately 15,264 kWh of electricity has been saved in FY2024 by using solar power in Cinta Sayang Resort.
Growing concerns and expectations among stakeholders for climate action	Adaptation and Mitigation Activities	• Situating our residential developments in locations with high connectivity to key public transportation and facilities, which in turn reduces our property residents' reliance on fossil fuel-based private transportation. • Master-planning Eupe's property developments, individual unit design and specific finishes, fittings and amenities in the units to prioritise climate-responsive design.
Difficulties in ensuring cost-effective eco-friendly materials	Value Chain	• Initiating research on our projects' carbon footprint and carbon-reduction strategies through building design. • Planning for a more climate-responsive supply chain through suppliers' assessment and selection.
Exacerbated long-term climate events	Operations	• Reducing the carbon footprint of our operations, including a reduced reliance on fossil fuels and the use of low-carbon products in our project design and construction where practical.

Risk Management

Risk management encompasses the processes we employ to identify, assess and manage climate-related risks and how these measures are incorporated into our established risk management framework.

Climate-Related Risk Management

Identification

- Risk management framework is guided by the principles set out in the ISO31000 Risk Management standards.
- Risks are identified through risk identification, risk assessment, risk action plan development and continuous monitoring and embedment.
- The identification of key risks is based on a broad spectrum of strategic, operational, financial and regulatory compliance requirements.
- Risk assessment techniques are also implemented by the Management as embedded in day-to-day operations such as in facilitating decision-making for new projects or investments.

Management

- Climate-related risks identified as part of the Group's risk management process will be managed through preparatory actions such as detailed feasibility studies and due diligence exercises.
- Climate-related risks and opportunities will also be managed through the design of Eupe's projects.
- Eupe's *Sustainability Plus* Strategy is the foundation of the Group's approach in the management of climate-related risks.

Integration

- Risk action plans are developed based on key risks.
- Risk action plans are continuously monitored and managed (i.e. through KPI performance progress, due diligence process, etc.) throughout the financial year and are addressed according to the risk owners (i.e. Business Unit Heads and Heads of Departments).

Metrics and Targets

The metrics and targets integral to Eupe's strategy and risk management processes are applied to assess and reduce climate-related risks and opportunities.

GHG Emissions Disclosure

The Group monitors and reports its annual Scope 1 and Scope 2 GHG emissions in its Sustainability Report (Sustainability Statement) based on the 'Scope 1 & 2 GHG Inventory Guidance' and the 'GHG Protocol Scope 2 Guidance' by the GHG Protocol.

Organisational Targets

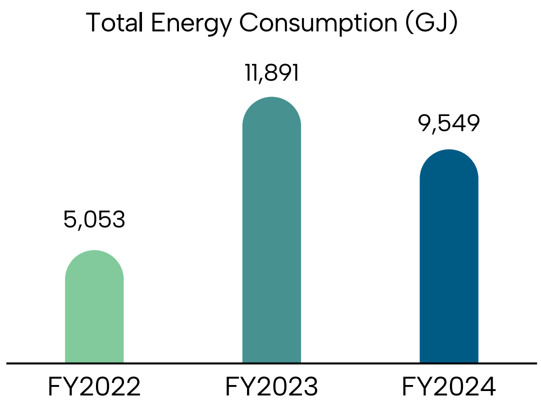
- Track and monitor electricity consumption intensity and maintain a minimum reduction rate of 2% per year until 2025.
- Track and monitor electricity consumption intensity and have a reduction year-on-year or maintain consumption below a benchmark year (2018).
- Reduce electricity consumption in workers' quarters at all project sites by 5% from the previous year.
- Maintain the total utility consumption (RM), below 18% of Cinta Sayang Resort's annual revenue.

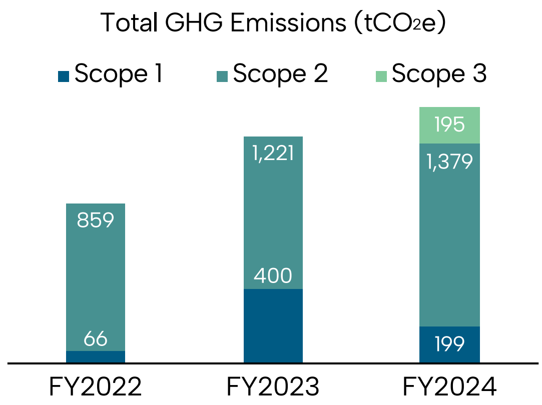
GHG Emissions Performance

Eupe's total Scope 1 emissions reduced in FY2024 from 400(tC02e) to 199 (tC02e) – a 54 per cent reduction on the previous year. Energy consumption for the Group overall decreased by 22 per cent compared to the previous year, while Scope 2 emissions increased marginally from 1,221 (tC02e) to 1,379 (tC02e) in FY2024.

Scope 1 emission improvements were due to a number of factors, including a reduction in diesel usage for the Groups' current KL projects, Est8 and Helix2. An increase in electricity usage by Cinta Sayang Resort – the Group's largest consumer of electricity – due to improvements in business activity accounted for the increase in overall electricity use by the Group.

FY2024 also saw the Group begin to monitor and measure its Scope 3 emissions.





	FY2022	FY2023	FY2024
Total Petrol Consumption (litres)	16,289	7,703	17,155
Total Diesel Consumption (litres)	11,111	152,335	63,404
UK Conversion Factor for Petrol	0.00235	0.00235	0.00235
UK Conversion Factor for Diesel	0.00251	0.00251	0.00251
Petrol GHG Emissions (tC02e)	38	18	40
Diesel GHG Emissions (tC02e)	28	382	159
Total Scope 1 GHG Emissions (tC02e)	66	400	199

	FY2022	FY2023	FY2024
Total Electricity Consumption	1.13	1.61	1.82
Grid Emissions Factor	0.758	0.758	0.758
Total Scope 2 GHG Emissions (tC02e)	859	1,221	1,379

Reviewing our GHG Measurement and Performance Framework

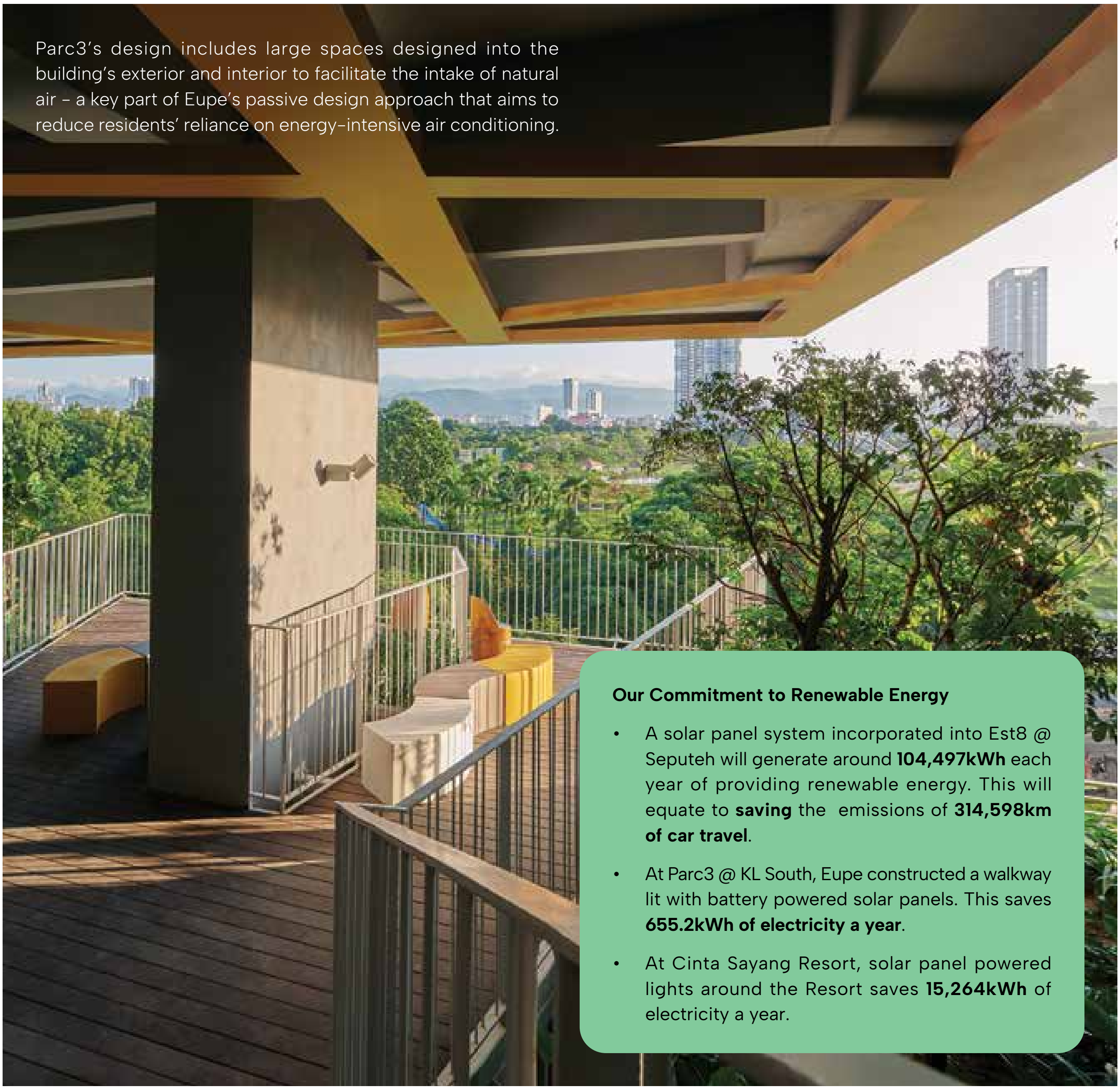
As our business footprint expands with more and bigger property projects, the Group is in the process of reviewing its current emission measurement process so we can take the next step in emissions management.

This will take two forms:

- First, a review of our operations as a result of our expansion to develop the next stage of targets to monitor and measure our Scope 1 and 2 emissions performance.
- Second, expanding its GHG emission measurement focus to include the operational performance of the high-rise residential projects. Much of the focus in the property industry is measuring the carbon footprint associated with the construction of property projects, such as the use of fossil fuels in the heavy machinery used to excavate building sites, the actual construction of projects and ancillary activities such as travel. These are important aspects to measure and are also part of Eupe's GHG emissions measurement regime.

At the same time, there is a general consensus that a significant proportion of a building's carbon footprint is derived from its operation – in short, GHG emissions created from fossil-fuel generated energy used to power the day-to-day operations of the building once it is completed and inhabited. The use of energy-intensive air cooling is one of the primary causes of GHG emissions of building operations.

We are currently undertaking work with independent energy measurement consultants to ascertain the impact of our passive design approach on air conditioning use by residents at Parc3 @ KL South – our second KL project. This will help us to ascertain the impact of our passive design on the building's operational performance (energy use) and in turn contribute to a more comprehensive understanding and measurement of Eupe's overall carbon footprint.

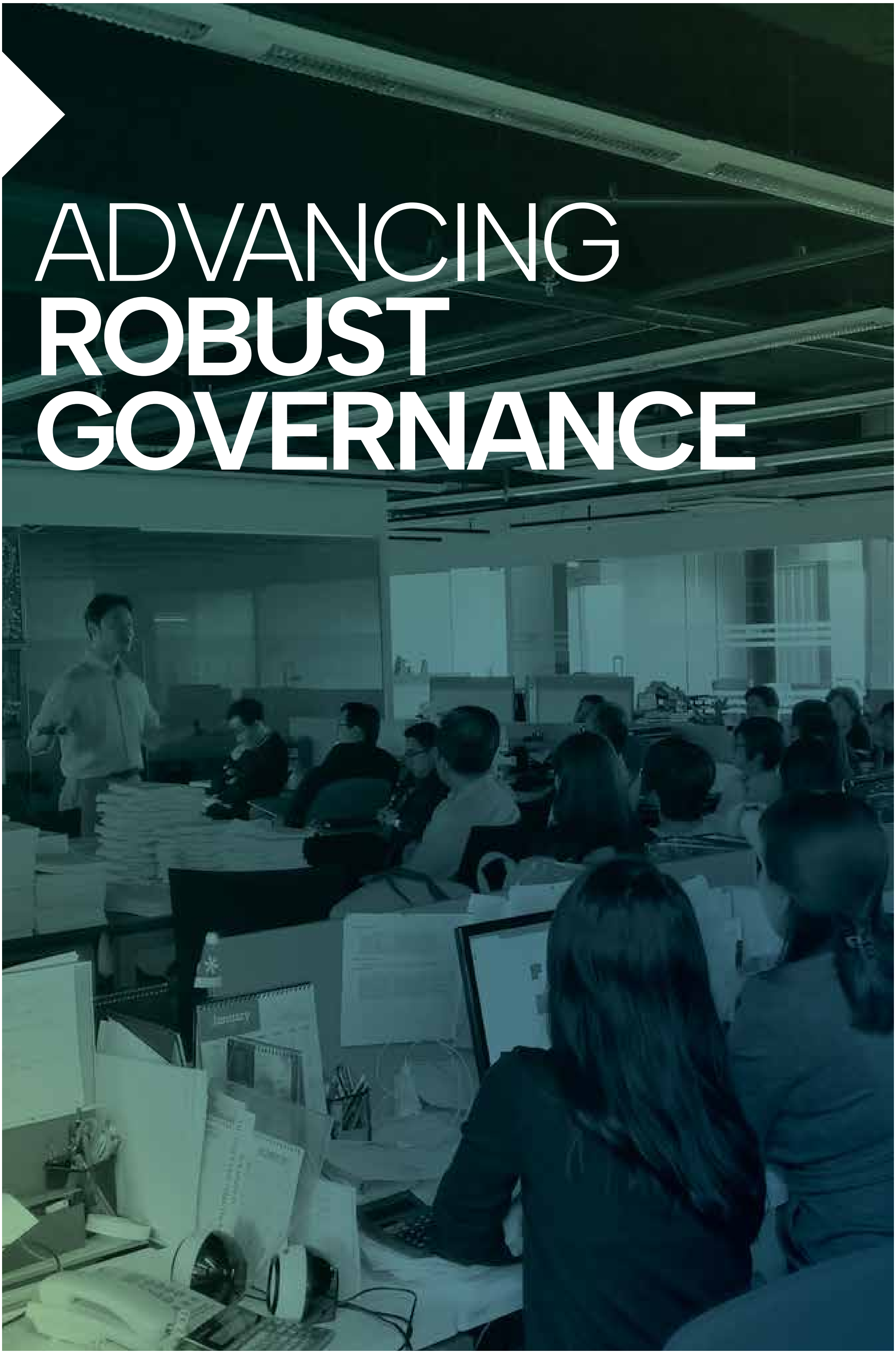


Parc3's design includes large spaces designed into the building's exterior and interior to facilitate the intake of natural air - a key part of Eupe's passive design approach that aims to reduce residents' reliance on energy-intensive air conditioning.

Our Commitment to Renewable Energy

- A solar panel system incorporated into Est8 @ Seputeh will generate around **104,497kWh** each year of providing renewable energy. This will equate to **saving** the emissions of **314,598km of car travel**.
- At Parc3 @ KL South, Eupe constructed a walkway lit with battery powered solar panels. This saves **655.2kWh of electricity a year**.
- At Cinta Sayang Resort, solar panel powered lights around the Resort saves **15,264kWh** of electricity a year.

ADVANCING **ROBUST GOVERNANCE**



Eupe believes that strong governance is a key part in maintaining sustainable business operations. We conduct business with integrity, transparency and accountability in full compliance with relevant legal and regulatory standards. We adhere to best-practice principles regarding whistleblowing, transparency and data privacy and cybersecurity measures. In doing so, we seek to gain and sustain the trust of our key stakeholders.

Material Sustainability Matters:

- Transparency and Anti-Corruption
- Regulatory Compliance
- Data Privacy and Security

Our Stakeholders:

Contribution to the UN SGDs:

Sustainability Highlights:

- **Zero** reported incidents of corruption
- **Zero** reported cases of grievances
- **Zero** whistleblowing cases reported
- **Zero** incidents of industry-related non-compliances reported

Transparency and Anti-Corruption

WHY IT MATTERS

Robust corporate governance is key to supporting the efficiency and effectiveness of our business operations and in turn, maximise the value we create. At the same time, effective corporate governance builds trust and accountability with our stakeholders. Moreover, maintaining effective governance across the Group ensures we sustain a fair and transparent work culture which is essential to many aspects of business success, including employee performance and retention.

EUPE'S APPROACH

To ensure ethical conduct and maintain a track record of zero instances of corruption, we have in place the following policies that encompass our corporate governance, anti-corruption and whistle-blowing approaches and processes.

Code of Ethics and Conduct	Director's Fit and Proper Policy	Board Charter
Integrity Policy (Whistleblowing Policy)	Anti-Bribery and Anti-Corruption Policy	Remuneration Policy and Procedure

The Risk Management and Audit Committee ("RMAC") of Eupe's Board provides oversight of these policies, ensuring compliance while managing cases of misconduct, whistleblowing and subsequent investigations and disciplinary actions. The Board itself is subject to the Group's Board Charter which governs the selection, responsibility and remuneration of Board members. A complete list of Eupe's corporate governance policies can be found on our website at eupe.com.my/investors.

We also regularly inform our employees, suppliers and other stakeholders of the relevant rules, regulations and responsibilities outlined in our various governance policies and practices to ensure alignment with government practices across our operations.

EUPE'S PERFORMANCE

In FY2024, we achieved zero reported incidents of corruption, zero fines or penalties in relation to corruption or bribery. No employees were disciplined or dismissed due to non-compliance. No instances of legal action were taken against our Group for anti-competitive behaviour or violations of anti-trust and monopoly legislation. Furthermore, every Eupe department was assessed for corruption risks as part of the Group's annual risk management process.

Corruption Incidents	FY2022	FY2023	FY2024
Number of confirmed corruption incidents	0	0	0
Operations assessed for corruption risks	FY2022	FY2023	FY2024
Operations (departments) assessed for corruption risk	0	0	15

Regulatory Compliance

WHY IT MATTERS

Regulatory compliance is vital to ensure our business operations are conducted at all times in a legal, responsible and sustainable manner. Laws and regulations regularly change or are updated so it is also important the Group remains updated on changes in regulations. This not only ensures ongoing compliance but is crucial to ensure the success and longevity of our projects.

EUPE'S APPROACH

We maintain compliance with procedural regulatory requirements such as company and security laws and regulations, governance matters and the MMLR. Eupe's comprehensive Enterprise Risk Management ("ERM") framework provides internal control that directly ensures adherence to the relevant government regulations and processes. Potential compliance issues and risks are documented in a Risk Register. A comprehensive flowchart has been created to ensure regulatory compliance for several of the Group's key operational processes.

Key laws and regulations applicable to the Group include:

- Employment & Labour Law Act 1955 (Employment (Amendment) Act 2022)
- Personal Data Protection Act 2010
- Employees Provident Fund Act 1991
- Employees Social Security Act 1969
- Employees' Social Security (Amendment) Act 2022
- Employment Insurance System (Amendment) Act 2022
- Employment (Termination and Lay-Off Benefits) Regulations 1980
- Human Resources Development Act 2001
- Minimum Retirement Age Act 2012
- Minimum Wage Order 2022
- Income Tax Act 1967
- Industrial Relations Act 1967
- Malaysian Anti-Corruption Act 2009
- CIDB Act 520
- Companies Act 2016
- Employment & Labour Law Act 1995
- Environmental Quality Act 1974
- Housing Development Act
- Housing Development (Control and Licensing) Act 2007
- Occupational Safety and Health Act 1994

EUPE'S PERFORMANCE

During the reporting period, the Group incurred no fines or non-monetary sanctions for non-compliance with social, economic or environmental laws and regulations.

Data Privacy and Security

WHY IT MATTERS

In an increasingly complex and interconnected digital world, safeguarding sensitive customer information and adhering to data protection laws is critical to business performance as well as gaining and sustaining customer trust. Preventing data breaches while circumventing financial and legal risks. Along with ensuring operational continuity, a culture of integrity and reliability is cultivated where the customer's trust and well-being are prioritised.

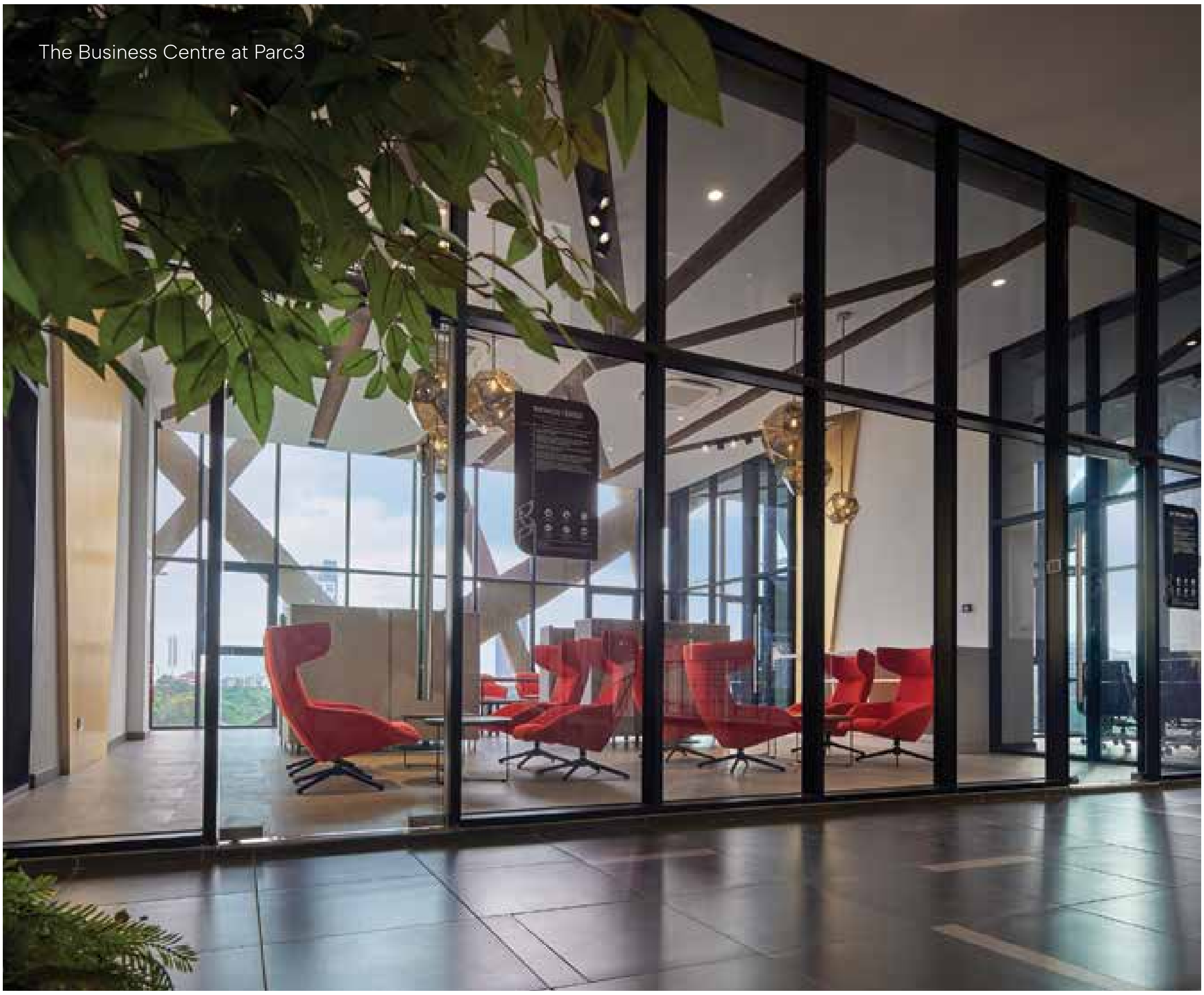
EUPE'S APPROACH

Eupe has in place a number of measures to ensure the secure handling of data. To ensure compliance with the Personal Data Protection Act of 2010, we conduct regular inventory checks of customer databases, adhere to strict security protocols, carry out regular system updates, perform security audits and provide data privacy and security training to employees to prevent potential breaches and unauthorised access.

The Group has in place a team responsible for monitoring and responding to security or data privacy incidents and adhering to optimum levels of data privacy and security. In the event of a potential data breach, we have a detailed incident response plan in place to address the issue promptly and effectively.

EUPE'S PERFORMANCE

There were no instances of complaints regarding security or privacy breaches or loss of customer data reported for FY2024.


The Business Centre at Parc3

BUSINESS **SUSTAINABILITY**

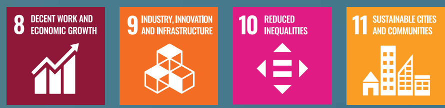
Sustaining a strong business through creating value for our buyers and customers, and in turn, the company, is fundamental to our ability to invest in practices and programmes that sustain the environment and the community. Through harnessing innovation and differentiation, particularly through the use of digital technologies, we aim to create sustainable homes and lifestyles which create long-term value to our business and enriches the communities in which we work.

Material Sustainability Matters:

- Financial Performance
- Affordability
- Supply Chain Management

Our Stakeholders:

Contribution to the UN SGDs:



Sustainability Highlights:

- Achieved 100% expenditure on local procurement in the Group's value chain
- Implemented supplier assessment criteria to manage the Group's value chain impact

Financial Performance

WHY IT MATTERS

Creating and sustaining financial and economic value allows us to share more value with our stakeholders, shareholders and the wider community, as well as value to invest in the natural environment. This relationship between creating economic value and distributing it with shareholders, stakeholders and customers is at core of Eupe's '*Shared Value*' Mission and Vision Statement.

EUPE'S APPROACH

Linking economic value with broader social, environment and community value creation is why Eupe places a strong emphasis on delivering innovation, differentiation and quality across its business operations, particularly in the property projects it designs and builds. These factors are recognised as critical in maximising economic value creation. Embedding systems including digital technology and quality assurance systems into our value chain provides important foundations for value creation. Eupe remains focused on building capability and performance in both areas.

Harnessing Digital Technology

Eupe is commited to expanding its use of digital technology and exploring advances in Artificial Intelligence ("AI") which can be used to create further efficiencies, maximise long-term value, ensure quality assurance and minimise construction waste.

Building Information Modeling ("BIM")

Eupe employs the Building Information Modelling ("BIM"), the Industrialised Building System ("IBS") technology and defect management software to design and achieve high standards in our construction processes.

Eupe has successfully utilised BIM in Est8 and the Group plans to incorporate it into all its major projects from FY2024 onwards.

BIM allows Eupe to turn the architectural designs for its projects into digital models which allow its contractors, architects and consultants to work on an integrated development model. This ensures every construction segment such as electrical, plumbing, landscaping or the construction of units and facilities merge into a single, coherent and accessible system.

As a result, collaboration within the project team becomes much easier while digital visualisation allows for the more accurate calculation of building materials required for construction. This means less wastage of resources utilised for building as well as ease the identification and tackling of future construction issues which increases efficiency.

BIM creates a digital model of a development with input from each consultant

Defect Management

Upon project completion, Eupe employs defect management software such as Novade to ensure that defects are handled in the most time-efficient way. This type of software provides instant communication between Eupe, our main contractors and sub-contractors.

Consequently, we can efficiently manage our defect management schedule for quicker response times fully digitising the defect rectification process, also removing the need for paper.

Eupe's defect management software in action

Industrialised Building System ("IBS")

With the IBS system, Eupe uses reusable formwork such as aluminium and prefabricated parts of the building such as metal roof trusses which results in lower construction costs and minimises material wastage.

The IBS system has been utilised in Eupe's Novum, Parc3, Est8 and Helix2 projects. 100% of the formwork used in Est8's construction is reusable aluminium.

Conventional construction methods in Malaysia utilise sawn timber with plywood to create the formwork for concrete to harden. This results in a high amount of wastage, especially for high rise buildings that require repeated use of this formwork as timber can only be used several times before it needs to be discarded.

Aluminium formwork recycles aluminium from other sources and can be used throughout the construction, saving construction time by reducing potential errors in fabricating the same formwork repeatedly. Also, there is more consistent building quality, strengthening structural durability as brick and mortar is not needed.

IBS utilisation percentage in Eupe projects
Novum: 81.9%
Parc3: 87.5%
Est8: 81.6%
Helix2: 90.3%

Robotic Construction

Eupe has begun exploring the use of robotics in its future construction processes. In collaboration with Eupe's main contractor at Est8 @ Seputeh, Bright Dream Robotics and MCC Malaysia, robots were tested at Est8 with repetitive tasks such as tile laying, ceiling polishing and painting.

Conventional construction methods carry with it the risk of errors, especially with repeated tasks carried out over a long period of time. Ceiling polishing can also be hazardous and strenuous for workers as it is done by hand with a grinder. Using robots will enable Eupe to minimise material wastage, prevent errors and foster a safer working environment.

Robots are also able to work continuously, saving time and electricity while leaving the more skilled portions of the work to expert labourers.

Robots being trialled during the construction of Est8

Smart Connectivity

Eupe plans to launch a comprehensive app for buyers of our KL high-rise units in 2025. The app will replace all current home apps used by Eupe's purchasers and will have a wide range of functionalities. The app will operate smart home functions via smart phones, connect users with sustainable lifestyle brands and empower Eupe's purchasers with a range of urban sustainable living information and choices.

Maximising Quality

Eupe's commitment to quality in construction is reflected in our adoption of the Quality Assessment System in Construction (QLASSIC) method. Employing random sampling and statistical approaches, QLASSIC benchmarks quality performance of key project elements such as architectural works, external finishes, and basic M&E fittings. As such, QLASSIC serves as a rigorous evaluation tool, systematically assessing the workmanship and finishes of building projects against approved standards.

Eupe's first KL high-rise project, Novum @ Bangsar South, achieved a 79% QLASSIC score, while its second high-rise development, Parc3 @ KL South, recorded 82%. These scores surpass the industry standard, where the average QLASSIC score for high-rise residential buildings is 76%. The system is being used for the company's third and fourth KL developments, Est8 @ Seputeh and Helix2 @ PJ South, which are currently under construction.

QLASSIC certificates for Novum and Parc3.

EUPE'S PERFORMANCE

Over the past year, Eupe has experienced a very solid financial performance due to the continuing strong market response to our property projects, in particular their innovative and sustainable design and facilities. Our revenue and profit-before-tax have increased and these outcomes are also reflected in the significant value the Group shares with its suppliers and building contractors through project construction payments and material procurement, its employees through salaries and benefits and to government through taxes and other fees. As Eupe launches new projects over the next year, the Group is poised to exceed current levels of financial performance.

CREATING VALUE	=	SHARING VALUE
Total FY2024 revenue RM340.2 million (up 68 per cent)		**Paid to government** Taxes = RM16.5 million Planning and development feeds = RM5.2 million
		Dividends paid to shareholders = RM1.9 million
Total profit-before-tax RM57.8 million (up 56 per cent)		**Paid to other local businesses and suppliers** = RM5.7 million
		Paid to contractors and building material businesses RM87.9 million (Klang Valley) RM61.6 million (Northern)
Total shareholders' funds RM483.6 million (up 10.1 per cent)		**Allocation of property development to affordable housing** = RM23 million

Affordability

WHY IT MATTERS

Property ownership is an important milestone for financial security. That's why we strive to deliver for affordable homes for various levels of the community that deliver lasting value for our buyers and in the process make a real difference to their lives.

EUPE'S APPROACH

Eupe places a high priority of creating affordable homes that give Malaysians the opportunity to invest in and build for their future. To this end, 13.2 per cent of its total project build in its Northern Division has been allocated to low-cost housing based on the total number of units sold in FY2024. In KL, 10 per cent of its Helix2 project has been allocated for affordable housing.

More generally, Eupe has sought to differentiate itself through its *Shared Value* approach, in which it provides premium design and facilities for a more affordable price. The approach is aimed at giving buyers more lasting value in what for many is the biggest investment they will make. In addition, we aim to incorporate sustainability features in our affordable housing projects that are not found in similar developments. Furthermore, all legal fees and stamp duties in relation to the purchase and mortgage for all affordable homes are absorbed by the Group.

EUPE'S PERFORMANCE

Eupe's allocation of affordable housing equates to RM23.3 million in housing value for FY2024.

	Helix2	Taman Ria Vistana (Padang Serai)
Percentage of affordable housing (%)	10	30

CASE STUDY

Sustainability for All – Sustainability in Affordable Housing

Eupe believes a sustainable lifestyle should not be an option or luxury but a basic standard for every home. Our *Shared Value* approach to property development – in which we invest more into our home and landscape design – provides us scope to incorporate more sustainability features into all our projects – including affordable residential projects. Our *Sustainability Plus Shared Value* focus is best demonstrated with two of our latest affordable housing projects, Helix2 @ PJ South in Klang Valley and Villa Natura in Sungai Petani.

Helix2 – Sustainable DNA

Our first high-rise affordable housing project Helix2 – has been awarded a provisional Gold GreenRE certificate. GreenRE is a global certification and rating system to assess buildings which meet the stringent eco-friendly design standards of the World Green Building Council's Quality Assurance Guide.

To ensure natural, healthy air is circulated throughout Helix2 – and to lower the building's temperature in Malaysia's tropical climate – 88% of dwelling spaces, 85% of lift lobbies and corridors and the entirety of the carpark have been designed for cross ventilation. While 74% of dwelling spaces also have a North/South orientation to avoid direct sunlight exposure.


Spiral staircase of Helix2 @ PJ South

Villa Natura – Sustainable Community

The Sungai Petani development is sited on a former plantation site previously dominated by a single species of oil palm tree. It is now landscaped with a diverse selection of uniquely native trees and plants. In fact, more than 70% of Villa Natura's trees and plants are native species, creating a biodiversity-rich precinct which will attract a wide variety of birds, insects and wildlife such as burung merbok and dragonflies.

Furthermore, 70% of the fertiliser used in Villa Natura landscaping is made from plant-based organic material. Fruit peels, tea grounds as well as food waste collected from Eupe's food courts in Sungai Petani are mixed with soil and turned into compost.


Villa Natura has been designed with extensive native tree and plant species


Biodiverse landscaping at Villa Natura is already attracting native species.


Organic composting is used for landscaping at Villa Natura

Supply Chain Management

WHY IT MATTERS

Eupe contributes to and supports many businesses and service providers though its supply chain requirements, particularly during the planning and construction phases of its property projects. This provides Eupe with an opportunity to help embed positive sustainability outcomes into the commercial operations of other businesses.

EUPE'S APPROACH

Prior to tendering, suppliers are screened and assessed on a range of environmental criteria for building materials or products as well as price, quality and prior performance. A range of criteria is employed by the Group during its procurement selection process to promote specific outcomes that promote resource efficiency and sustainability. Examples are included in the following table.

Environmental Risk Assessment Criteria

Materials/Products	Environmental Considerations
Tap fittings	• Preference of taps with slower flow rates based on water-per-minute, for more efficient water conservation.
Sanitary wares	• Selection of dual-flush systems which utilises half of the water needed for solid waste to be dispensed for liquid waste, for reduced water consumption.
Light fittings	• Preference of LED light fittings which consume less power per unit of light emitted, hence, reducing greenhouse gas emissions and generating less heat where associated cooling costs are comparatively lowered.
Air conditioner	• 5-star rated air-conditioners with inverter systems that efficiently control motor speed are sourced to reduce energy consumption.
Paint	• Volatile organic compound (VOC) content in paints cause ozone depletion and increase greenhouse effects; hence, paints with low VOC and non-solvent-based waterproofing paints are preferred as they decrease the impact on the environment and lower carbon footprint.

The Group also monitors and assesses the sustainability of goods and services provided by suppliers and vendors through several strategies, including the Group's Supply Chain Code of Conduct ("SCC").

Supply Chain Code of Conduct ("SCC")

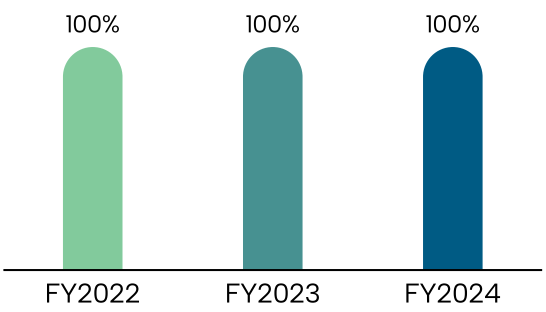
- Clearly outlines expectations and standards for suppliers.
- Ensures suppliers prioritise safe working conditions.
- Ensures suppliers observe fair employee treatment.
- Ensures suppliers observe and manage the environmental impacts of products and services.

These strategies also include the assessment of suppliers and vendors for social risks such as forced labour, child labour and violation of worker's rights in collective bargaining as well as environmental risks such as waste impact and climate change. Random visits to the suppliers' production plants and offices are also conducted to assure compliance with the Group's ESG criteria. The supplier's compliance with the Group's SCC is also assessed to ensure expectations and standards set by the Group are clearly understood, and major risks are managed in advance.

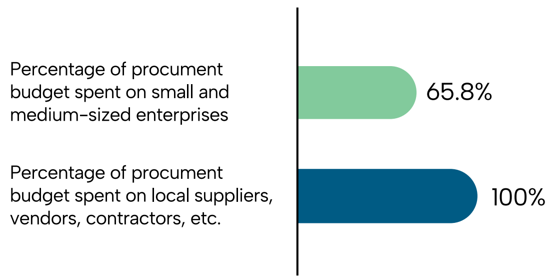
EUPE'S PERFORMANCE

For FY2024 we maintained 100% of our expenditure on local suppliers, vendors and contractors which reflect our contribution to boost the local economy. Significantly 65 per cent of Eupe's procurement budget is spent on materials and serviced provided by local small and medium-size businesses.

Proportion Spending on Local Supplier



Procurement Expenditure for FY2024



BUILDING **SUSTAINABLE RELATIONSHIPS**

Strong, sustainable communities are built on fairness, mutual respect and shared prosperity. As such, we prioritise social responsibility and community building throughout our operations, fostering connections and experiences that benefit our employees, customers and communities.

Material Sustainability Matters:

- Health and Safety
- Labour Practices and Standards
- Talent Management and Diversity
- Customer Engagement and Enrichment
- Community Wellbeing and Human Rights

Our Stakeholders:

Contribution to the UN SGDs:

Sustainability Highlights:

- Achieved 0.08 Lost Time Injury Rate for 4,804,591 hours worked
- Achieved a total of **20,173** training hours
- Recorded **Zero** reported incidents of human rights violation
- Contributed **RM95,968** in community investments

Health and Safety

WHY IT MATTERS

At Eupe, the well-being and safety of our people is paramount. As property construction is complex and potentially hazardous, it is critical to invest in comprehensive workplace safety programmes, safety equipment and training. In this way, Eupe actively promotes a work environment and culture which prioritises safety and health and minimises the risk of workplace injury or illness.

EUPE'S APPROACH

As part of Eupe's comprehensive annual risk assessment, we identify and manage potential occupational health and safety risks for our employees and workers. The Group's Safety and Health Committee, comprised of both senior management and employees, monitors the safety performance at our worksites, to ensuring established health and safety standards are adhered to, and promptly responding to risks that may arise.

Management	• Establishes, implements and maintains the Occupational Health and Safety Management System in strict adherence to the requirements of ISO45001:2018. • Coordinates internal audits to verify the effective implementation of the Occupational Health & Safety management system. • Presents performance reports of the Occupational Health & Safety management system during management reviews. • Formulates improvement recommendations based on statistical reports, utilising them as a foundation for enhancing overall performance.
Members	• Contributes to the development of Health, Safety and Environment rules and work systems. • Reviews Health, Safety and Environment programmes and initiates relevant activities to ensure its effectiveness. • Conducts investigations into accidents, near-miss accidents, dangerous occurrences, occupational poisonings or diseases, providing recommendations to prevent reoccurrence. • Conducts monthly workplace inspections to observe and ensure adherence to safe work practices and identify instances of non-compliance. • Initiates and completes corrective and preventive actions.

We also fully integrate the standards of the ISO 45001 OHS System Certification into our Occupational Health and Safety Management System.

EUPE'S PERFORMANCE

In FY2024, Eupe provided 20 health and safety training programmes to a total of 598 participants, including internal employees and external workers at our construction site, to equip them with the necessary skills and knowledge to maximise safety in their roles. The Group's Safety and Health Committee records data on work-related injuries and ill health across our value chain. In FY2024, both the Northern and Central Regions achieved our target of zero lost-time injuries. In FY2024, there was a decrease in the number of injuries, resulting in a Lost Time Injury Rate ("LTIR") of 0.08. We also maintained a record of zero fatalities and occupational-related ill-health for the year.

Information	FY2023	FY2024
Total number of hours worked	1,158,194	4,804,591
Number of fatalities as a result of work-related injury	0	0
Number of recordable work-related injuries	4	2
Number of fatalities as a result of work-related ill health	0	0
Number of cases of recordable work-related ill health	0	0
LTIR	0.69	0.08

Note: 1. LTIR is calculated as per Bursa Sustainability Reporting Guideline, per 200,000 hours worked per year.
2. Data on Occupational Health and Safety Performance is available only for FY2023 and FY2024 as data tracking commenced in FY2023.

	FY2023	FY2024
Number of employees trained on health and safety standards	179	598

Note: Occupational Health and Safety Training Programmes were provided to both internal employees and external workers at our construction sites.

Safety Training Programmes

Programme Title	Purpose of Training	No. of Attendees
Scaffold Erection / Dismantling Training	Provided skills and knowledge required for the safe assembly and disassembly of scaffolds.	67
Hot Work Hazard Identification, Risk Assessment and Risk Control ("HIRARC") and Dos / Don'ts Hot Work Briefed	Provided knowledge on HIRARC and insights into safe practices during hot work, emphasising do's and don'ts to prevent potential hazards.	5
Dangers of Working at Height & How to Wear Safety Harness	Raised awareness about the risks associated with working at heights and received hands-on training on the correct usage of safety harnesses, reducing the likelihood of accidents in elevated work areas.	4
Importance of Daily Pre-Task/ Toolbox Briefing	Raised awareness about the significance of daily pre-task and toolbox briefings.	11
Lifting and Hoisting Safe Work Procedure	Provided guidelines on safe lifting and hoisting procedures.	6
Dos and Don'ts at Site and Worker Quarters	Raised awareness about the do's and don'ts at construction sites and worker quarters.	23
Importance of Personal Protective Equipment ("PPE")	Raised awareness on the critical role PPE plays in ensuring individual safety, emphasising the proper selection, usage and maintenance of PPE.	15
Mosquitoes Control at Construction Site	Raised awareness and addressed the control and eradication of mosquitoes at construction sites.	15
Crane and Signal	Provided knowledge about tower crane operators responsibility and to build strong communication within the lifting team.	40

Programme Title	Purpose of Training	No. of Attendees
How to Fight Fire	Provided skills to react effectively in fire emergencies, including proper usage of fire extinguishers and evacuation procedures.	40
Erection of Scaffolding	Provided skills and knowledge required for the safe assembly and disassembly of scaffolds.	40
Safety Training for Fogging and Larvaciding	Enhanced knowledge and skills on safe techniques to handle fogging machine and larviciding.	4
Flagman and Traffic Control Training	Enhanced knowledge on workers' awareness on traffic control and safety when working.	2
Dangers of Working at Height and How to Wear Safety Harness	Enhanced awareness on working safely at heights which focuses on wearing safety harnesses to prevent slips or trips.	4
PPE Body Harness Training	Educated all workers involved in working at heights on the proper use of suitable PPE.	20
Management System Certification on Safety ISO 45001:90001	Provided all safety personnel with training in safety documentation.	7
Construction Waste Reduction Awareness	Provided training programmes to all safety personnel and workers on effective construction waste management.	275
Safety at Workplace	Educated employees on safety protocols, procedures and practices in the workplace.	4
MEF-PERKESO Seminar: Understanding OSH (Amendment) Act 2022 and The Implementation of Effective Self-Regulatory OSH Management System	Provided detailed understanding of the latest office safety measures and management practices.	1
Fire Drill Bomba Training	Educated employees on proper fire safety procedures, evacuation techniques and the effective use of fire extinguishing equipment.	15

Labour Practices and Standards

WHY IT MATTERS

Upholding labour practice standards fosters fairness, trust and collaboration in the workplace, and an environment that is rewarding for employees. As such it is an important contributor to the Group's long-term success. Priorities include fair wages, safe working conditions and proactive human resource practices within the Group.

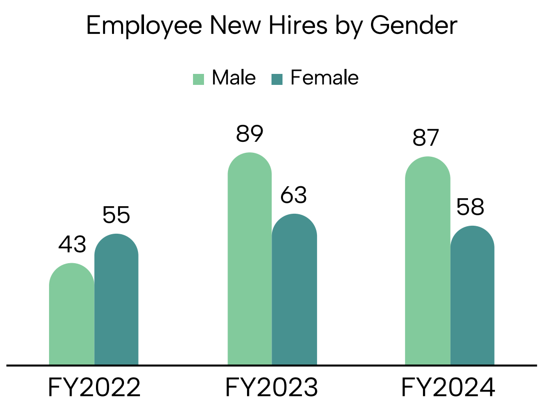
EUPE'S APPROACH

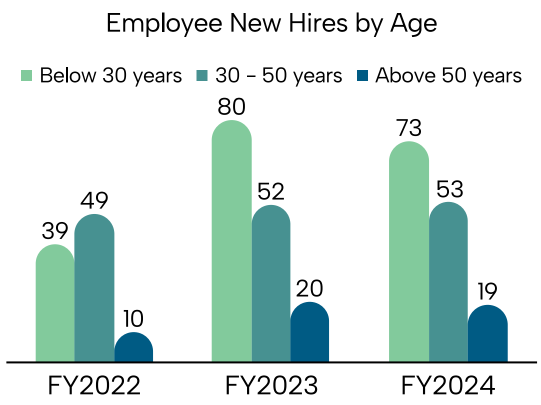
Eupe ensures adherence to the Employment Act 1955 and Minimum Wage Order 2022. We also offer a range of benefits and support mechanisms aimed at increasing commitment and engagement. Moreover, our Supplier Code of Conduct outlines clear expectations to our suppliers of employment, environmental as well as health and safety standards we consider acceptable and should be adhered to throughout our supply chain.

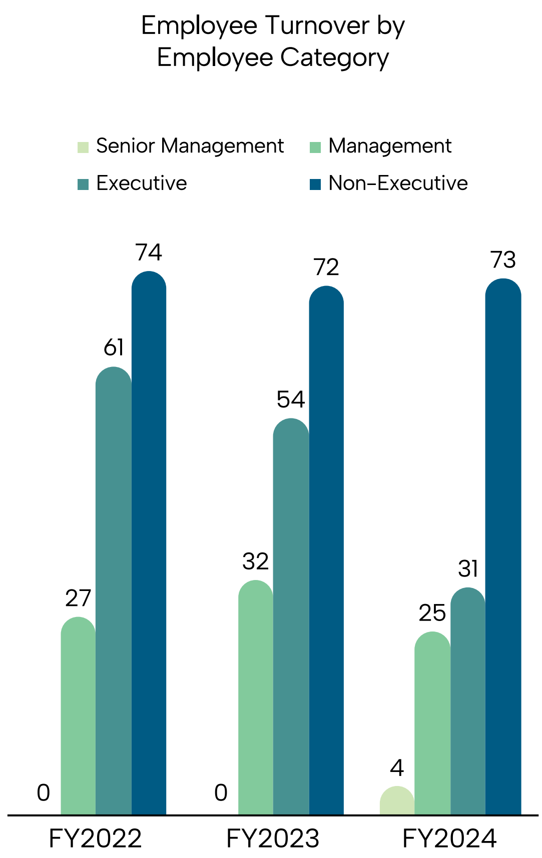
EUPE'S PERFORMANCE

In FY2024, the Group recorded a new hire rate of 37.56%, largely reflecting higher-than-normal turnover at Cinta Sayang Resort while recording a turnover rate of 34.46%, slightly lower than last year. Additionally, there were no reported complaints concerning human rights violations in FY2024.

	FY2022	FY2023	FY2024
New Hire Rate (%)	25.32	47.50	37.56
Turnover Rate (%)	41.86	49.38	34.46







Eupe employees have access to a competitive benefits package designed to support their health and well-being as well as financial security. Regular reviews and updates to the package ensure that we meet the evolving needs of our employees.

Life insurance	60 days hospitalisation leave
Health care	Annual sick leave: • 14 days (<2 years of service) • 18 days (2-5 years of service) • 22 days (>5 years of service)
Disability and invalidity coverage	
98 days maternity leave	
7 days paternity leave	Overtime for employees earning up to RM 4,000

The following outlines our diverse employee engagement programmes, designed to cultivate and build on a common sense of purpose as well as connection at work.

Programme Title	Description
Northern Team Site Visit (KL Site)	A team-building trip to the KL office for the Northern team, fostering connection and collaboration.
Birds of a Feather	A creative team-building activity where staff painted plastic birds to decorate the office pantry.
Eupe's Internal Newsletter (Eupe INsider): "How well do you know Eupe?" Contest	A contest to test employees' understanding and knowledge of Eupe senior management.

Programme Title	Description
EUPE Annual Dinner	A grand event to celebrate the year's achievements and connect with colleagues.
EUPE Townhall	A platform for employees to engage in open communication and updates with leadership.
Departmental Get-Togethers	A meeting to plan for future team building events and leadership training programmes.
Blood Donation	A blood donation drive to promote a spirit of service and encourage employees to give back to the community.
Deepavali Celebration	Embracing cultural diversity and celebrating the Festival of Lights.
Chinese New Year Celebration	Celebrating the Lunar New Year with a festive meal.
Ramadhan Buka Puasa Buffet	Sharing the spirit of Ramadan and celebrating this holy month with a traditional buffet open to all staff.
Christmas Celebration	Celebrating the year end with Christmas, food and presents.
Badminton Tournament	A friendly competition at Sunsuria Badminton Court, promoting sportsmanship and team spirit.
Archery Tag	A team building competition involving tagging participants with blunted arrows.

Talent Management and Diversity

WHY IT MATTERS

A diverse and inclusive workplace which provides for a range of perspective is pivotal to the employee engagement and innovation as well as the recruitment and retention of talent which in turn underpins company growth and success.

EUPE'S APPROACH

Eupe's recruitment practices focus on identifying those skills, experience and potential aligned with each specific role. This ensures a fair and merit-based process for all candidates.

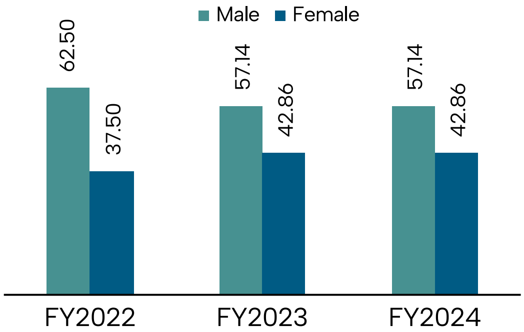
We invest in our employees through diverse training programmes, coaching and leadership mentoring, equipping them with the skills and knowledge aligned with the latest industry best practices to elevate both their and the Group's performance. These programmes cover a broad spectrum of topics from general career development to training on specific business functions.

EUPE'S PERFORMANCE

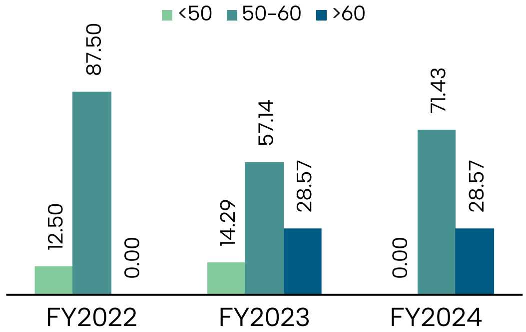
Our FY2024 workforce comprised 386 employees, with a near 60/40 split between men (57%) and women (43%). In terms of age, 22% were under 30 years old, 57% were within the 30–50 range and 21% were above 50 years old. Nearly 89% held permanent roles compared to 11% contract workers.

Our Board of Directors exceeded the Malaysian Code on Corporate Governance's ("MCCG") 30% female representation requirement, with three women and four men. 71% of members were between 51 and 60 years old and the remaining 29% were above 60.

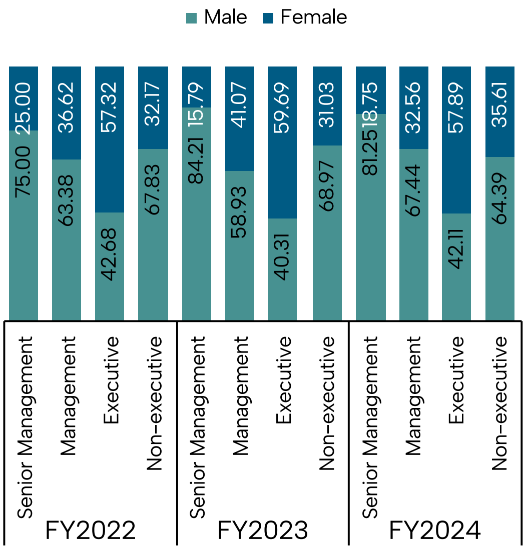
Board Diversity by Gender



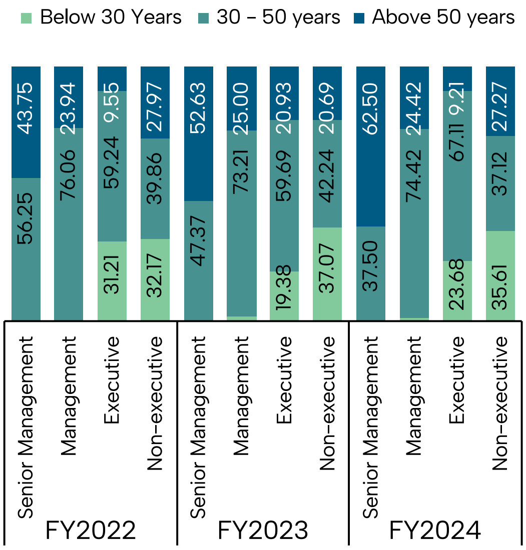
Board Diversity by Age



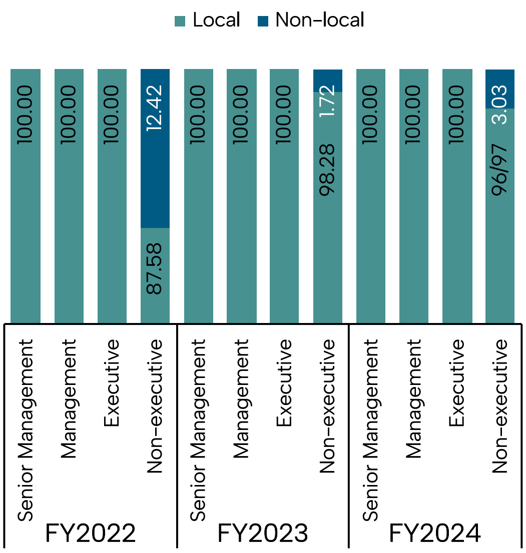
Employee Demographic by Gender (%)



Employee Demographic by Age (%)



Employee Demographic by Nationalities (%)



Employee Demographic by Hiring Category (%)

Note: for Sustainability Report, all references to senior management are defined as employees of the Group from Grade 18 – 26.

Employee Training

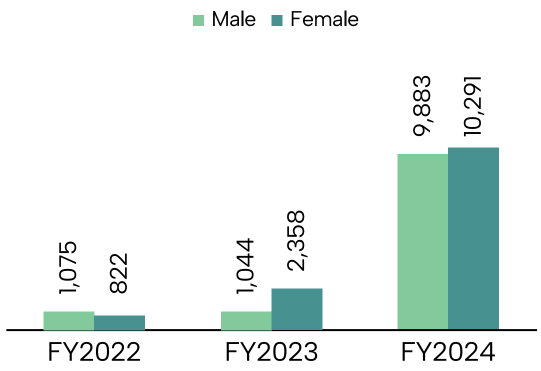
Enhanced learning and the development of work and technical skills are crucial to both Company growth and employee satisfaction and retention. The Group significantly expanded its training and development offering in FY2023. Total training hours provided to employees across the company was 3,402, more than double the total hours provided in FY2022. The total percentage of Eupe employees receiving training also more than doubled.

In FY2024, a total of 95 training programmes were conducted. Key focus areas are technical skills (63%) and health and safety (21%), ensuring a strong foundation for both individual well-being and operational excellence. We also invested in other important training areas like legal and compliance (9%), leadership (5%), quality management (2%).

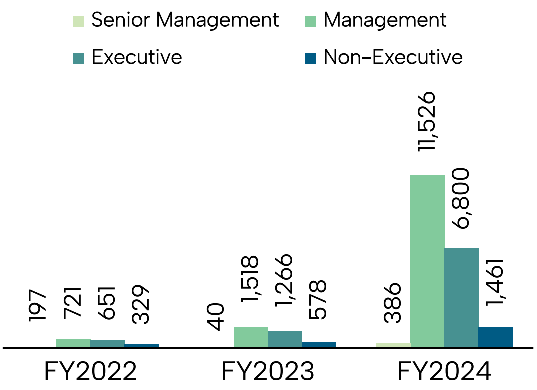
We reported a total of 20,173 training hours group-wide in FY2024.

As stated above, the company has embarked on a new stage of human resource development with a range of programmes and KPI/targets aimed at nurturing leadership skills, succession planning and training and development within the Group.

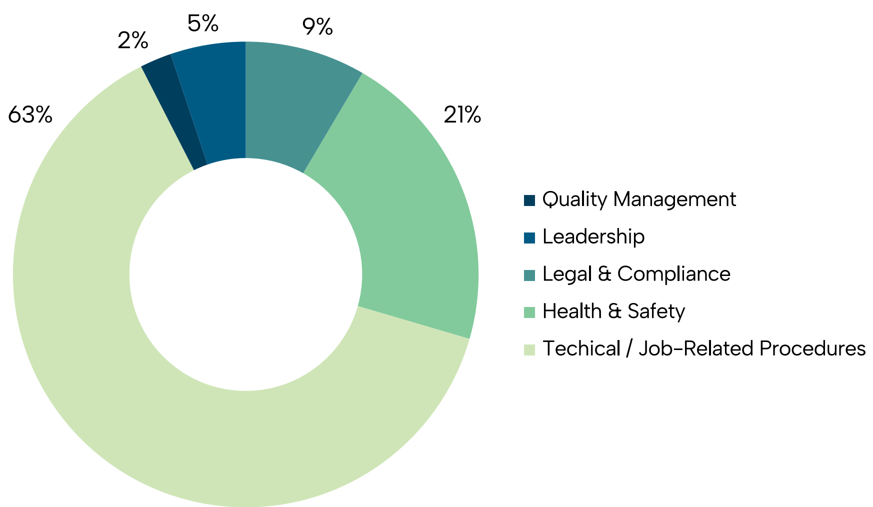
Total Training Hours by Gender



Total Training Hours by Employee Categories



Types of Training Programmes Provided



Customer Engagement and Enrichment

WHY IT MATTERS

Eupe success is derived from meeting the expectations, needs and promoting the well-being of our customers. Regular communication exchange between ourselves and customers is important both to raise awareness of our projects as well as to gain feedback from customers on our quality and our products as well as our customer service. This in turn builds trust and creates further value for our customers and our company.

EUPE'S APPROACH

We actively engage with our customers across a range of physical and digital platforms through communications activities, resident programmes, community initiatives and collaborative projects. Eupe's Property Trust is our main communication output, with the newsletter, published three to four times a year, providing the latest updates on our projects and industry initiatives. We are also active on a range of social media platforms which also host a wide range of interactive property-themed content as well as company information.

Northern Region	The Sales and Marketing Division conducts comprehensive Customer Experience Surveys, focusing on feedback regarding buyers' experiences with our Sales & Purchase Agreements process.
Central Region	Customer Experience Surveys in the Central Region are conducted at the point of Vacant Possession ("VP"). Moving forward, we are expanding our survey reach beyond the VP process, where we plan to implement an additional Customer Experience Survey at the signing of the Sales & Purchase Agreement ("SPA") for the upcoming Circadia @ Belfield development.
Cinta Sayang	At Cinta Sayang, we offer event spaces for meetings, team-building programmes and group events. Following each event, we distribute a customer feedback form to gather insights on aspects such as the booking process, service quality, venue experience and food quality.

EUPE'S PERFORMANCE

Northern Region	Based on 608 responses from buyers of Eupe properties in Sungai Petani (particularly Villa Natura which accounted for the bulk of properties sold in the Northern region), we are pleased to report an average satisfaction rating of 94% for purchasing experiences with Eupe.
Central Region	Given no new projects were handed over the buyers in the Central Region in FY2023, no new customer satisfaction surveys were undertaken.
Cinta Sayang	In FY2024, we received a total of 28 feedback responses from our guests, resulting in an overall customer satisfaction score of 85%. Notably, we observed improvements in our room service and food and beverage quality.

Community Wellbeing and Human Rights

WHY IT MATTERS

In line with our *Shared Value* vision and mission, helping to build strong communities through investing in worthy community programmes and supporting those in need are strategic initiatives that are integrated into our business goals.

EUPE'S APPROACH

Eupe's ***Building Strong Communities*** programme recognises the symbiotic relationship between thriving, resilient communities and an environment that is conducive to our success as a company. In past years, our ***Building Strong Communities*** programme has supported a range of community-based initiatives, ranging from targeted educational assistance, cultural events and direct support for those in need.

EUPE'S PERFORMANCE

In FY2024, Eupe's ***Building Strong Communities*** programme embraced a holistic approach in contributing our support to a range of environmental, social and health issues. Programmes supported include:

Description	FY2023	FY2024
Total investment in community programmes (RM)	49,283.00	95,968.00
Total number of beneficiaries of the investment in communities	209	1,403

Environmental Conservation Support:

In line with our support for biodiversity and a sustainable environment, Eupe donated RM10,000 to WWF Malaysia to directly support its ongoing projects. These included the Malayan Tiger monitoring programme. WWF Malaysia focuses its tiger conservation efforts in the Belum-Temengor Forest Complex, comprising Royal Belum State Park (1,175 sq.km) and Temengor Forest Reserve (1,489 sq.km) in Northern Perak.

Royal Belum, the second-largest protected area in Peninsular Malaysia and Temengor, the second-largest forest reserve in Malaysia, jointly form crucial tiger habitats. Eupe's contribution includes the installation of camera traps in Belum-Temengor, vital tools for estimating tiger populations, monitoring movements and assessing ecosystem health.


Malayan Tiger in the wild


WWF monitoring camera

Flood Relief Efforts:

Eupe flood relief contributions in action

Recognising the importance of building resilient communities, Eupe contributed RM20,000 to Mercy Malaysia assisting in their flood relief efforts last year.

Mental Wellness Programme for Children:

Eupe donated RM10,000 to Dignity for Children in support of the Dignity's Mental Wellness Programme for children who have experienced traumatic events. This helped in providing necessary resources, training and mental health support.


Dignity for Children providing mental health services to students

Support for Creative Thinking and Innovation:


PKK cultural drum performance by Alam Kreatif programme

Eupe donated RM7,000 to Pusat Kreatif Kanak-Kanak Tuanku Bainun (PKK). This contribution directly supports their Alam Kreatif programme called Artspire, designed to foster creative thinking and innovation in children, especially from B40 households.

Eupe Blood Donation Drive:

Eupe's Sungai Petani office held a blood donation drive in December where staff donated blood to help those undergoing medical emergencies, surgeries and treatment.


Eupe staff with medical officers from Hospital Sultan Abdul Halim


Blood donors getting ready to give back to Sungai Petani community

Villa Natura Green Community Planting:


Villa Natura buyers planting for a greener tomorrow

Eupe initiated a unique 'green community' project during the third stage launch of the Villa Natura project. New buyers and their families actively contributed to the creation of their green community by planting native trees like the Hopea odorata species.

Charity Events for Festivals:

Eupe's Cinta Sayang Resort actively engaged with local communities throughout the year by hosting charity events and making charitable contributions of food and other provision on important festival days:

- Chinese New Year Charity event with Pusat Jagaan Rumah Harapan Sungai Petani
- Buka Puasa with Orphanage Children at Rumah Anak Yatim Al-Munirah Pokok Tai
- Deepavali Charity event with Gurunatha Asraman Sungai Petani.

UCSI Partnership:


Eupe management briefed by UCSI design students


Announcement of the UCSI-Eupe partnership

Eupe collaborated with UCSI University to further both the university's academic and teaching programme while giving Eupe access to best design practices for further innovation in our building designs.

The Memorandum of Understanding (MOU) with UCSI University's Architecture and Design Department encompasses diverse areas of cooperation in research and development, reciprocal staff and student exchanges, the establishment of an Education Practice Centre and collaborative initiatives in publications.

The collaboration culminated in a competition where students were invited to submit a design for one of the community facilities of the sales gallery proposed for Eupe's fourth KL residential development, Circadia @ Belfield.

The winning entry deemed the most aesthetic and functional would be incorporated into the project. The panel of judges comprised Eupe's senior project managers as well as UCSI staff.

The competition was aimed at giving students invaluable experience to work and collaborate on a complex, real-world project as well as recognise practical project design skills.

PROTECTING **OUR ENVIRONMENT**

Eupe stands at the forefront of sustainable property development recognising that our commitment goes beyond brick and mortar. As such, we embrace sustainable techniques with eco-design along with resource conservation and innovative practices to minimise our carbon footprint while adhering to high operational standards.

Material Sustainability Matters:

- Energy, Emissions and Water
- Eco-design and Innovation
- Materials Conservation
- Waste and Effluent Management

Our Stakeholders:

Contribution to the UN SGDs:

Sustainability Highlights:

- Enhanced climate-related disclosures in alignment with TCFD recommendations
- Achieved 54% reduction in Scope 1 GHG Emissions compared with FY2023
- Achieved 22% total energy reduction in comparison with FY2023
- Develop a food waste recycling programme aimed at recycling 3 tonnes of waste from Eupe's hospoitaliity operations.
- Set biodiversity in as well as native tree planting.

Energy, Emissions

WHY IT MATTERS

Managing and reducing our energy consumption and emissions are key steps in our journey towards sustainable development, particularly as we play our part in managing the many challenges posed by climate change. Though our climate policy, we seek to minimise our carbon footprint while maximising operational efficiency, cost savings and the climate resilience of our projects.

EUPE'S APPROACH

Reducing energy emissions is a key focus for Eupe's sustainability efforts. As highlighted in the Climate Action Section, we have in place a multi-facet approach to reducing our emissions footprint throughout our property development value chain, with a particular emphasis on designing our residential homes and green spaces to mitigate energy use and emissions. We will expand our emissions measurement regime over the next year that will provide us with further insights on how we can further reduce our carbon footprint.

In addition to these approaches, Eupe has in place a number of initiatives within its corporate offices and ancillary operations to reduce energy use and/or increase our renewable energy use. These include:

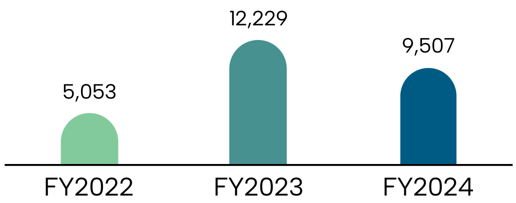
Northern Region	Our newly opened car park is equipped with a solar panel system to generate electricity and reduce our reliance on the grid. Switching to LED lighting office-wide and our transition to solar-powered floodlights and streetlights at construction sites boost energy efficiency.
Central Region	In the Central Region, smart office pilot projects are underway where meeting rooms are equipped with auto-switch lights and mobile-controlled air conditioners. Eupe implements paperless processes, embracing digital document storage and e-signatures for environmental benefits and to streamline operations.
Cinta Sayang	Within our Cinta Sayang Resort, chalet rooms boast energy-saving features such as timers, sensor lights and photocell timers. We also implemented solar powered lighting for corridors, solar heaters to generate warm water and energy saving key cards to conserve energy during guest absences.

EUPE'S PERFORMANCE

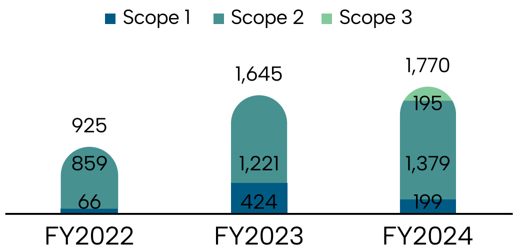
In FY2024, Eupe's total energy consumption was 9,507 GJ, comprised of 79,296 litres of fuel and 1,818,644 kWh of electricity. Eupe's total GHG emissions in FY2024 reached 1,770 tCO_2e, with 11% classified as Scope 1, 78% as Scope 2 and 11% as Scope 3.

Total GHG Emission	FY2022	FY2023	FY2024
Scope 1 GHG Emissions[1]	66	424	196
Scope 2 GHG Emissions[2]	859	1,221	1,379
Scope 3 GHG Emissions[3]	–	–	195
Total	925	1,645	1,770

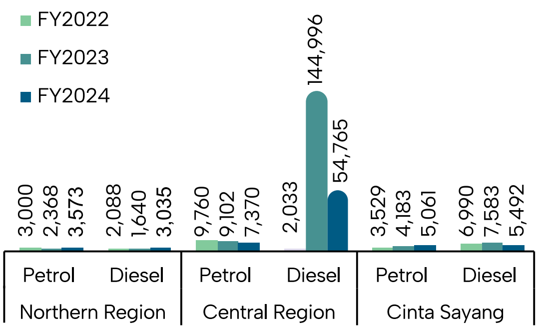
Total Energy Consumption (GJ)



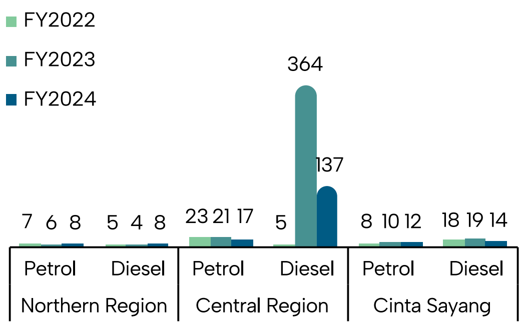
Total GHG Emissions (tCO_2e)



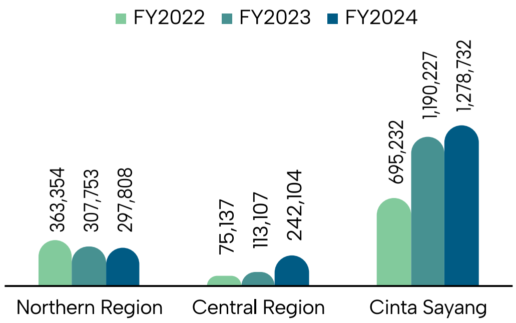
Fuel Consumption (litres)



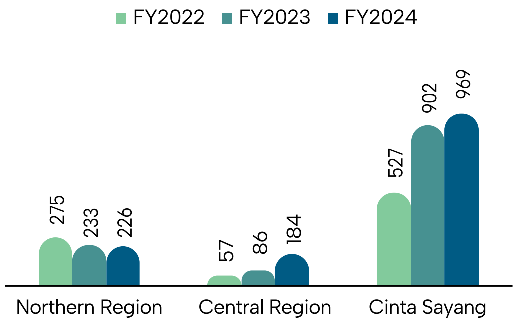
Scope 1 GHG Emissions (tCO_2e)



Electricity Consumption (kWh)

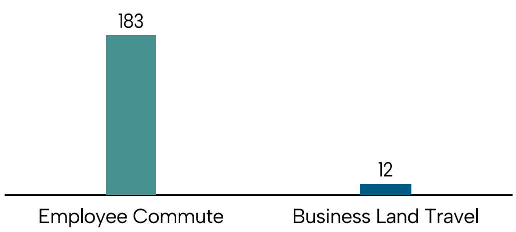


Scope 2 GHG Emissions (tCO_2e)



Scope 3 GHG Emissions (tCO_2e)

Total Scope 3 GHG Emission = 195 tCO_2e



1 Emissions resulting from the direct combustion of carbon-based fuel sources such as diesel and petrol. Scope 1 was calculated using emissions factors from the UK Government GHG Conversion Factors for Company Reporting 2023.

2 Emissions resulting from the purchase of grid electricity, generated in part from the combustion of carbon fuels, such as coal or natural gas. The emission factor from the Grid Emission Factor (GEF) in Malaysia by the Suruhanjaya Tenaga (Energy Commission) was used to calculate Scope 2 emissions.

3 Emissions resulting from indirect emissions such as business travel and employee commute. Scope 3 was calculated using emissions factors from the UK Government GHG Conversion Factors for Company Reporting 2023.

CASE STUDY

Building Back Nature with Biodiversity

Eupe's biodiversity approach aims not just to preserve nature but add more nature. It achieves this by committing to clear targets that aim to increase the amount and diversity of flora and fauna within our residential projects, compared to what previously existed on site.

To achieve this, Eupe has committed for all its future projects to undertake a comprehensive biodiversity audit of the land it plans to develop.

This audit process will provide a baseline for our project team and landscape consultants to understand in detail the natural flora and fauna attributes of the project site and how Eupe can increase the level of biodiversity with innovative landscaping and expansive green spaces.

Circadia @ Belfield

Circadia @ Belfield will be Eupe's fifth high-rise development in KL. The proposed site occupies a total of 4.8 acres and is only two kilometres from KLCC. Eupe commissioned environmental consultants last year to undertake a thorough biodiversity assessment of the site.

This assessment, through both direct and indirect observations (for example, animal tracks) as well as cameras, measured the number and types of species of birds, butterflies, reptiles and mammals. It also found a total of 161 tree species on site, 35 of which were native species. As the site was a former plant nursery, the audit found a larger-than-expected number of fruit tree species.

Circadia is being designed as an urban sanctuary with extensive landscaping and gardens. The concept will provide the platform to increase the amount of biodiversity on the site compared to what is already there. Eupe's project team and landscape designers are using the biodiversity audit as the basis of develop in Circadia's landscaping and green space areas.

Circadia will be designed to be natural urban haven within 2kms of KLCC

Edgewater

Edgewater is Eupe's latest major residential and commercial project being proposed for Sungai Petani. The project will be launched next year and have a strong emphasis on 'building back nature'. Wetlands, waterways and expansive green areas in and around the 800 homes proposed for the development will be centrepieces and create a biodiversity-rich community unique in northern Malaysia.

Like Circadia, Eupe has engaged external environment experts to undertake a major audit of the flora and fauna that currently exists on the site. This will provide a springboard to develop a comprehensive biodiversity plan to revitalise the 120-acre site's natural surroundings.

Fauna observed on-site as part of Edgewater biodiversity audit

Water Management

WHY IT MATTERS

With water scarcity becoming an increasingly pressing issue, responsible water usage is an increasingly important consideration for both the design and long-term operation of our property developments as well as our corporate activities.

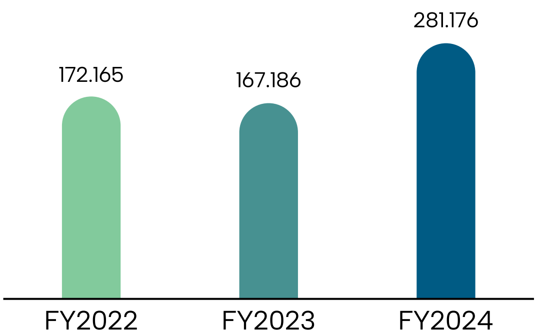
EUPE'S APPROACH

Northern Region

For construction and landscaping in the Northern Region, we prioritise non-potable water sources like underground water for non-hygienic and irrigation purposes, minimising impact on the domestic water supply. For our high-rise projects in KL, we utilise rainwater harvesting where rain and other run-offs are recycled to irrigate gardens.

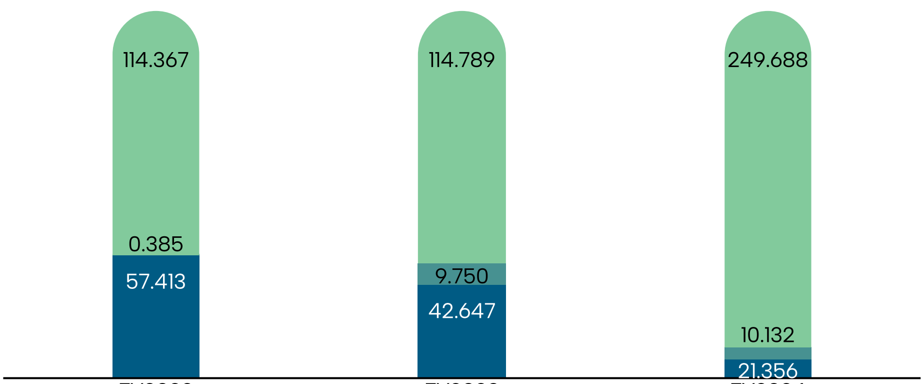
EUPE'S PERFORMANCE

Group Water Consumption (megalitres)



Eupe consumed a total of 281 megalitres of water, with the majority of this consumption attributed to the operations at Cinta Sayang Resort.

Water Consumption by Region (megalitres)



	FY2022	FY2023	FY2024
Northern Region	114.367	114.789	249.688
Central Region	0.385	9.750	10.132
Cinta Sayang	57.413	42.647	21.356

■ Northern Region ■ Central Region ■ Cinta Sayang

Eco-design and Innovation

WHY IT MATTERS

Eupe believes that designing and developing sustainable homes not only nurtures the environment but creates long-term value both for customers and the wider community. Eupe has been a leader in setting new 'green' building standards in Malaysia. Eupe's Sky Residence was the first building in Malaysia to receive the prestigious LEED's green accreditation.

EUPE'S APPROACH

Our projects are embedded with environmentally-friendly objectives and practices throughout their planning, construction and operation. In addition to minimising the environmental footprint of the resources and materials we use to construct our projects, Eupe seeks third-party certification that ratifies and recognises the Group's commitment to best practice eco-design and construction methods.

Our approach to environmentally friendly development includes:

- Selection of construction materials that are sustainable as well as recyclable;
- Emphasis on eco-friendly master-planning of building form, sunlight and wind orientations to maximise natural sunlight and airflow;
- Adoption of environmentally sound construction practices;
- Preservation, rehabilitation and enhancement of plants, water bodies and other eco-systems that are part of the communities we build;
- Use of appliances that use less water, as well as outdoor spaces and landscapes that can be sustained with recycled water;
- Encouraging our residents and communities to practice recycling and reduce landfill waste; and
- Promoting and encouraging sustainable practices among our communities, business partners and suppliers.

Eupe's overall approach to sustainability combines benchmarks and measurements conventionally used by the property sector with our own innovative directions that seek to broaden the practical benefits of sustainability for home buyers and the wider community.

That's why Eupe sees sustainability not only in environmental terms. We believe property developers have the unique and important responsibility to design and build homes to sustain the physical, mental and social well-being of their residents and, in turn, the communities of which our projects are a part of. We call this Social Sustainability.

To this end, Eupe has developed four Eco-Design Principles which we use to guide and inspire the design of our residential projects. These also support and sustain the individual's well-being as well as the quality of their social and community interactions.

These principles are central to Eupe's *Sustainability Plus* Strategy which aims to set innovative directions in sustainable residential design.

Novum is also designed with passive cooling to facilitate natural air flows.

Healthy Air

85 per cent of the air we breathe is indoors. Fundamental to sustaining individual and community well-being therefore is natural, healthy, air. Furthermore, one of the most important sustainability considerations for property developers in tropical climates is creating healthy, comfortable environments. This is why Eupe dedicates more investment and focus on designing its projects in a way which facilities the intake of natural, life-enhancing air as well as true ventilation which circulates throughout the buildings' units and corridors. It also means the operation of the building requires less artificial cooling, saving on the use of energy-intensive air conditioning.


Moonlight Deck at Parc3

Iconic Design

In a world which is becoming increasingly fragmented and community identity and bonds are under growing pressure, Eupe believes that the homes it designs should be infused with iconic design and creative architecture which helps create a common focus of identity and pride for both residents and the community as a whole. This is why Eupe dedicates more investment and focus on designing buildings that redefine every precinct we develop. We have expanded this framework to include public art such as sculptures that have a functional as well as aesthetic purpose to inspire and nurture community identity.

Green Community

Creating extensive green spaces that nurture biodiversity is central to Eupe's design approach. Eupe is committed to allocate a much greater quantity of green space in each development than required by planning regulations. It is also committed, through its biodiversity targets, to provide a high quality of green space, through intensive landscaping and gardens. In this way, we not only enhance environmental sustainability but create spaces that nurture social sustainability – where residents are able to connect with enhance their own well-being through improved connections with nature and each other.


Eupe smart app for Novum

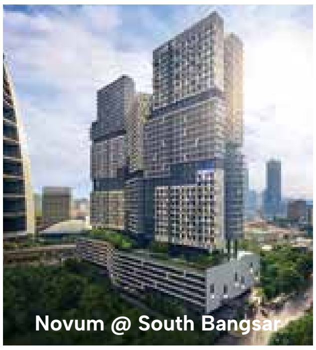
Smart Connectivity

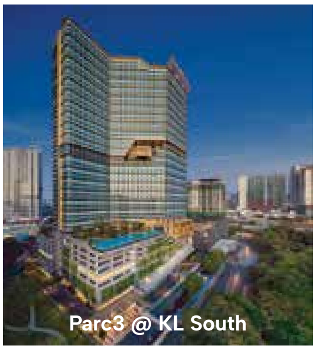
Harnessing physical and digital spaces to create and foster connections is also key to sustainable communities. That is why Eupe sites its projects in strategic locations that are nearby important amenities including public transports. It also harnesses digital technology to facilitate greater convenience and connections to amenities and services for its buyers.

The four eco-design principles are integral to the concept and design of Eupe's first two KL projects, Novum @ South Bangsar and Parc3 @ KL South. Both multi-award-winning projects (including Best Sustainable High-Rise Development awarded to Parc3 by PropertyGuru Asia in 2021).

These principles also underpin the design of Eupe's third and fourth high-rise residential projects in Est8 @ Seputeh (see Case Study – Est8: *Sustainability Plus* in Action on page 95) and Helix2 @ PJ South.

EUPE'S PERFORMANCE


Novum @ South Bangsar


Parc3 @ KL South


Est8 @ Seputeh


Helix2 @ PJ South

Each of Eupe's 4 KL high-rise residentials have been designed in line with the *Sustainability Plus* eco principles.

The four eco-design principles are integral to the concept and design of Eupe's first two KL projects, Novum @ South Bangsar and Parc3 @ KL South. Both are multi-award-winning projects (including Best Sustainable High-Rise Development awarded to Parc3 by PropertyGuru Asia in 2021).

These principles also underpin the design of Eupe's third and fourth high-rise residential projects, Est8 @ Seputeh and Helix2 @ PJ South.

CASE STUDY

Est8 @ Seputeh – *Sustainability Plus* In Action

Eupe's fourth high-rise residential development has been painstakingly designed to incorporate numerous environmental and social sustainability features, in line with Eupe's *Sustainability Plus* approach to eco-design.

The project, which is currently under construction, has also been awarded Gold status under the GreenRe accreditation scheme – a leading certifier of green building standards in Malaysia.

The following highlights how Est8 combines the four eco-design principles of Eupe's *Sustainability Plus* strategic with green building standards to create a highly innovative, sustainable home for Est8 buyers.

Est8's iconic design and sustainability features has attracted multiple design awards including PropertyGuru's Best High-Rise Residential Development in Malaysia for 2023 as well as PropertyGuru's Best Condo Interior Design for the Asia region for 2023.

Est8 will be extensively landscaped with biodiverse greenery

Sustainability Plus Principles in Action – Est8 @ Seputeh	
Healthy Air	The project is designed to be passively cooled with openings throughout the structure for the intake of natural, health-giving air and its circulation internally. Expansive green spaces designed into Est8's also help to cool the incoming air. Overall, Est8's 'thermal performance' which measure its ability to shed heat – is a 17.87. This compares to the gold standard 20W/m2 required by GreenRe (the lower the measurement the cooler the building environment).
	COVID-safe drainage infrastructure to reduce the spread of airborne germs. All units provided with 5 star energy efficient air conditioners. Lift lobbies and corridors natural ventilated.
	All podium carparks designed to be naturally ventilated.
	Low VOC paints and adhesive sealants that minimizes airborne contaminants used for 90% of flooring, wall finishes, and ceilings.

***Sustainability Plus* Principles in Action – Est8 @ Seputeh**	
Iconic Design	Designed to visually redefine the location through its nature-inspired iconic design to give residents a sense of community identity as well as curated spaces to renew their connection with nature. • Facades defined by giant sculptures – turning the building into a public art gallery. • Infused with sky gardens, forest and nature walks as well as herb gardens – more than 70 per cent of Est8 is biodiverse landscaping. • 40 imaginative lifestyle facilities, designed around a "Valley of Dreams" concept.
Green Community	Est8 comprises 33 per cent green space and landscaping – close to 145,000 square metres. This is three times more than required by planning regulations (typical high-rise development has 10-16 per cent green space) This is achieved by the building's landscaped podium areas as well as interior garden spaces encouraging greater use of greenery and restoration of existing trees to reduce heat island effect.
	Landscape irrigation uses only rainwater or recycled water.
	Sustainably-sourced/green-certified products used for laminated timber flooring, waterproofing and drainage cells.
	All lifts designed with Variable Voltage Variable Frequency drives, using much less power during acceleration and deceleration. Hand-dug caisson piling methods used in construction resulting in minimal site movement / noise / pollution (despite 25 per cent additional cost).
Smart Connectivity	Location of Est8 designed to offset private modes of transport Basic services are located within 1 km. Nearest bus stop is 500 meters walking distance. Direct covered walkway linking Est8 to Mid Valley city. High speed internet provided in all homes and common areas.

Materials Conservation

WHY IT MATTERS

Property construction relies signifyingly on natural resources to create the projects its turns into homes. In order to manage and minimise our call on these resources and in turn reduce our environmental footprint we prioritise recycled and renewable materials, optimise material consumption and explore alternative construction methods that aim to reduce material wastage, as part of our commitment to a circular economy.

EUPE'S APPROACH

We prioritise innovative construction methods such as the Industrialised Building System ("IBS"). With which we can significantly reduce waste from frame formwork. For projects in Kuala Lumpur, we achieved a total of 11.38% recycled content material and 2% total reused materials such as system formworks in FY2024. Our Sustainability KPI's have set targets for recycling materials and waste reduction for our KL high-rise projects. These were achieved for our previous KL project, Parc3 and have been achieved for Est8 which is currently under construction. They are in the process of being achieved for our other KL project under construction, Helix2.

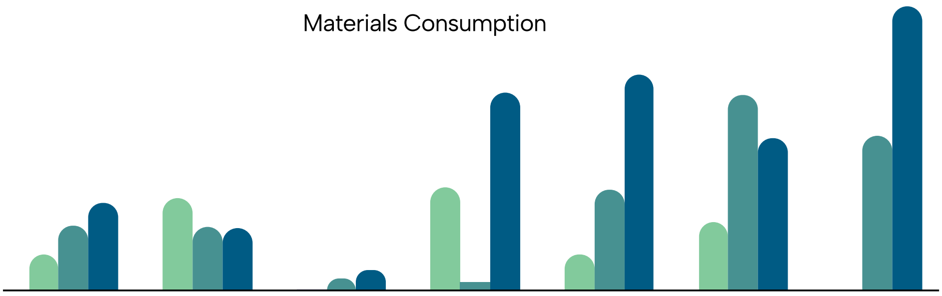
Steel Wastage: Reduce steel wastage to not more than **10%** of wastage per project by **2025**.	Helix2:	
	Est8:	
Concrete Wastage: Reduce concrete wastage to not more than **3%** per project by **2025**.	Helix2:	
	Est8:	
Steel Reinforcement: Use of materials with recycled content is such that the sum of post-counsumer recycled content and one-half of the pre-consumer recycled content constitutes more than **10%** (based on cost) of the total value of the materials in the project by **2025**.	Helix2:	
	Est8	

In our Sungai Petani projects, we are at the forefront of utilising Acotec Wall panels, which are prefabricated elements that replace traditional bricks and concrete, thereby reducing the need for timber formwork and steel usage. This innovative approach is expected to yield a 20% reduction in material usage for Sungai Petani projects in FY2024. In property landscaping, our goal is to recycle up to 70% of landscape waste, reducing reliance on chemical fertilisers and promoting healthy soil.

EUPE'S PERFORMANCE

In FY2024, Eupe was able to achieve significant reductions in material consumption across key building materials. We achieved a 3% reduction for aggregates and 22% for brick consumption. Our transition to adopt the Industrialised Building System ("IBS") for further reduction of timber and steel usage has resulted in an increase in cement and IBS panel consumption.

Materials Consumption



	Sand (Tonne)	Aggregates (Tonne)	Rebar (Tonne)	Cement (M2)	Concrete (M2)	Brick (M2)	IBS Panel (M2)
FY2022	8,194	20,558	399	23,047	8,166	15,319	-
FY2023	14,395	14,359	2,729	1,865	22,503	43,745	34,541
FY2024	19,533	13,877	4,566	44,173	48,167	34,146	63,347

FY2022 FY2023 FY2024

Waste and Effluent Management

WHY IT MATTERS

Responsible waste management and efficient wastewater treatment practices are essential to sustaining not only the health of the natural environment but also the communities that rely on the environment.

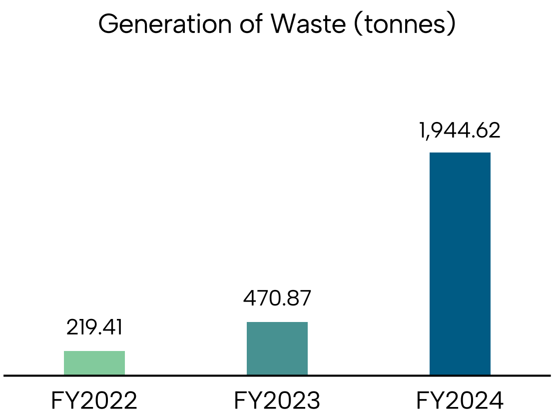
EUPE'S APPROACH

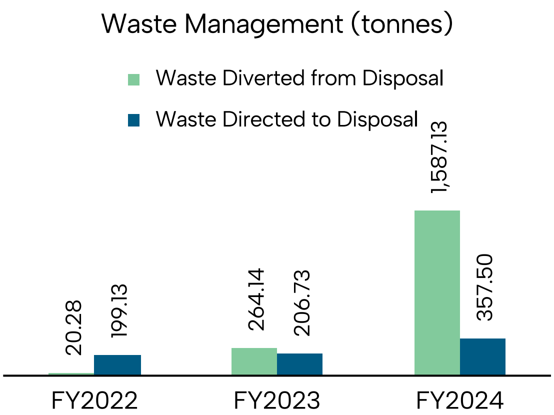
As we implement waste reduction and diversion strategies, we minimise the environmental impact of our operations while ensuring sustainable waste disposal that contributes to a reduced burden on landfills In utilising IBS, we prefabricate components off-site, reduce construction debris and unnecessary material usage. Additionally, we recycle construction waste such as unused hardened cement, concrete waste and broken wall panels wherever possible. Dried leaves, twigs and branches are collected and composted, becoming organic fertiliser that nourishes plant growth. Organic waste such as fruit skin, tea grounds and vegetable scraps from our subsidiaries are also collected and added to the composting mix. At Cinta Sayang Resort, we recycle food waste for fertilisation purposes, and recycled oil is responsibly sent to vendors and suppliers. The implementation of a 3R bin/cage system categorises waste types such as paper, plastic and cans for efficient recycling.

Central Region	In our Central Region offices, we encourage employees to bring their own utensils eliminating the need for single-use plastic forks and spoons. Additionally, a water dispenser machine and a coffee machine have been installed, minimising the use of single-use plastic bottles and plastic or paper cups. This initiative saves costs for employees and lessens carbon emissions associated with coffee deliveries. The "Bring Your Waste to Work" programme was initiated where waste is gathered for composting, serving as a natural fertiliser for plants.

EUPE'S PERFORMANCE

In FY2024, we tracked and recorded a total of 1,944.62 tonnes of waste, with 82% of the waste being diverted from disposal through recycling or reuse.





CASE STUDY

Reusing Nature to Renew Nature

Eupe's "Reuse Nature to Renew Nature" programme organises the company's initiatives to recycle nature in order to revitalise it. Eupe aims to contribute to a circular economy by helping to reduce the Group and our customers' overall environmental impact.

Utilising UV Waves in Parc3

At Parc3, Eupe adopts an advanced approach to swimming pool maintenance, which in effect uses sunlight to filter and clean pool water instead of using the conventional approach of chemicals. Generally, the process involves using a UV steriliser which uses UV waves from sunlight to ensure clear and contaminant-free water.

As we adopt this eco-friendly solution, it optimises pool safety as well as the health of pool users. It also minimises environmental impacts by removing chlorine usage ensuring a safe and enjoyable user experience.

Parc3's swimming pool uses minimal chlorine for cleaning.

Turning food waste into compost

Eupe spearheads a "Bring Your Waste to Work" campaign, aiming to recycle food and other kitchen leftovers into compost fertiliser for landscaping, reusing what would otherwise be thrown away while simultaneously curbing household waste.

The initiative, launched on 8 January 2024, involves collecting food waste, such as fruit peels, vegetable scraps, and eggshells from Eupe's staff, tenants at Wisma Ria, and subsidiaries like Eupe Food Court and Cinta Sayang Resort's F&B department. In the first six weeks of the programme, 2,232 kg of organic waste was recycled.

Collection bin for suitable compost materials.

Solar powered innovation

The proposed 80 kW solar panel system at Est8 @ Seputeh is anticipated to generate around 104,497 kWh each year, providing renewable energy for various facilities within the building.

This is expected to result in an offset of approximately 82 tonnes of CO2 annually, equivalent to saving the mileage emissions of 314,598 km of car travel for a year, or the CO2 absorption of 3,718 trees over one year.

At Parc3 @ KL South, Eupe constructed a walkway with battery powered solar panels. With a quick 5–6-hour charge under sunlight, the walkway harnesses solar energy to illuminate at full power for over 12 hours regardless of cloudy skies. The implementation of motion sensors further enhances efficiency, triggering 30 seconds of 100% brightness upon detection.

At Cinta Sayang Resort, solar panel powered lights around the Resort reduces reliance on traditional energy sources, minimising the Resort's carbon footprint and enhancing overall energy efficiency. Approximately 15,264 kWh of electricity has been saved in FY2024 by using solar power.

Reusing Paper

Eupe is committed to using recycled paper products wherever practical. More than 1,394 kg of FSC (sustainable forestry) paper was used to print 2024 angpows and calendars respectively.

FSC paper is used for Eupe's calendar and festive packets

CREATING **VALUE SUSTAINABLY**

As a business whose operations are predominantly focused on property development, we believe we have a unique role and responsibility to nurture the environmental in which we build, while contributing to the health and well-being of the buyers of our properties, and investing in programmes and events that create community cohesion and a shared identity. In short, Eupe believes that an innovative, robust sustainability practice is not only a corporate responsibility but a fundamental aspect of our overall mission and identity.

Over the last 12 months we have continued to progress and deepen our sustainability commitments through monitoring of our performance against clear, measurable performance indicators, while charting new directions in our sustainability principles and practices that reflect emerging priorities as our business operations grow and evolve.

Looking ahead, we will continue to embed our projects with design, features and facilities that create value not just in terms of financial outcomes for the company, our commercial partners and our buyers, but also creates sustained value for the environment and the wider community. In doing so, we lay the foundation for a sustainable legacy that transcends business-as-usual and has a lasting, positive impact for all our stakeholders.

PERFORMANCE DATA TABLE

Governance

Indicator	Unit	FY2022	FY2023	FY2024
Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
• Senior Management	%	0	0	0
• Management	%	0	0	0
• Executive	%	0	0	0
• Non-Executive	%	0	0	0
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	0	0	0
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	0	0	0
Data Privacy and Security				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	0
Supply Chain Management				
Bursa C7(a) Proportion of spending on local suppliers	&	100	100	100

Social

Indicator	Unit	FY2022	FY2023	FY2024
Occupational Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	-	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	-	0.69	0.08
Bursa C5(c) Number of employees (crews) trained on health and safety standards	Number	-	179	598
Labour Practices and Standards				
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0
Talent Attraction and Development				
Bursa C6(a) Total hours of training by employee category				
• Senior Management	Hours	197	40	386
• Management	Hours	721	1,518	11,526
• Executive	Hours	651	1,266	6,800
• Non-Executive	Hours	329	578	1,461
Bursa C6(c) Total number of employee turnover by employee category				
• Senior Management	Number	0	0	4
• Management	Number	27	32	25
• Executive	Number	61	54	31
• Non-Executive	Number	74	72	73

Indicator	Unit	FY2022	FY2023	FY2024
Diversity and Inclusion				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Gender group by employee category				
• Senior Management (Male)	%	75.00	84.21	81.25
• Senior Management (Female)	%	25.00	15.79	18.75
• Management (Male)	%	63.38	58.93	67.44
• Management (Female)	%	36.62	41.07	32.56
• Executive (Male)	%	42.68	40.31	42.11
• Executive (Female)	%	57.32	59.69	57.89
• Non-Executive (Male)	%	67.83	68.97	64.39
• Non-Executive (Female)	%	32.17	31.03	35.61
Age group by employee category				
• Senior Management (<30)	%	0.00	0.00	0.00
• Senior Management (30-50)	%	56.25	47.37	37.50
• Senior Management (>50)	%	43.75	52.63	62.50
• Management (<30)	%	0.00	1.79	1.16
• Management (30-50)	%	76.06	73.21	74.42
• Management (>50)	%	23.94	25.00	24.42
• Executive (<30)	%	31.21	19.38	23.68
• Executive (30-50)	%	59.24	59.69	67.11
• Executive (>50)	%	9.55	20.93	9.21

Indicator	Unit	FY2022	FY2023	FY2024
• Non-Executive (<30)	%	32.17	37.07	35.61
• Non-Executive (30-50)	%	39.86	42.24	37.12
• Non-Executive (>50)	%	27.97	20.69	27.27
Bursa C3(b) Percentage of directors by gender and age				
Male	%	62.50	57.14	57.14
Female	%	37.50	42.86	42.86
<50	%	12.50	14.29	0.00
51-60	%	87.50	57.14	71.43
>60	%	0.00	28.57	28.57
Bursa C6(b) Percentage of employees that are contractors or temporary staff				
• Permanent	%	89.12	95.03	88.60
• Contract	%	10.88	4.97	11.40
Community Engagement				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	-	49,283.00	95,968.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	209	1,403

Environment

Indicator	Unit	FY2022	FY2023	FY2024
Energy, Emissions and Climate Resilience				
Bursa C4(a) Total energy consumption	MWh	1,403	3,397	2,641
Bursa C4(a) Total energy consumption	GJ	5,053	12,229	9,507
Bursa C11(a) Scope 1 emissions in tonnes of CO_2e	tCO_2e	66	424	196
Bursa C11(b) Scope 2 emissions in tonnes of CO_2e	tCO_2e	859	1,221	1,379
Bursa C11(c) Scope 3 emissions in tonnes of CO_2e (business travel and employee commuting)	tCO_2e	-	-	195
Waste and Effluent Management				
Bursa C10(a) Total waste generated	Metric tonnes	219.41	470.87	1,944.62
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	20.28	264.14	1,587.13
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	199.13	206.73	357.50
Water Consumption				
Bursa C9(a) Total volume of water used	Megalitres	172.165	167.186	281.176

GRI CONTENT INDEX

Statement of use	Eupe Corporation Berhad has reported the information cited in this GRI content index for the period 1 March 2023 to 29 February 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 2: General Disclosures 2021	2-1 Organisational details	30 – 31
	2-2 Entities included in the organisation's sustainability reporting	31
	2-3 Reporting period, frequency and contact point	31
	2-6 Activities, value chain and other business relationships	31
	2-7 Employees	82 – 84
	2-9 Governance structure and composition	49
	2-10 Nomination and selection of the highest governance body	49
	2-11 Chair of the highest governance body	49
	2-12 Role of the highest governance body in overseeing the management of impacts	49
	2-13 Delegation of responsibility for managing impacts	49
	2-14 Role of the highest governance body in sustainability reporting	49
	2-16 Communication of critical concerns	49
	2-17 Collective knowledge of the highest governance body	49
	2-19 Remuneration policies	67 – 68
	2-20 Process to determine remuneration	67 – 68
	2-23 Policy commitments	39 – 41, 67 – 68
	2-24 Embedding policy commitments	39 – 41, 67 – 68

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
	2-26 Mechanisms for seeking advice and raising concerns	67 - 68
	2-27 Compliance with laws and regulations	68
	2-28 Membership associations	34
	2-29 Approach to stakeholder engagement	51 - 53
	2-30 Collective bargaining agreements	76
GRI 3: Material Topics 2021	3-1 Process to determine material topics	54
	3-2 List of material topics	55
	3-3 Management of material topics	Throughout
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	60 - 62
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	76
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	67 - 68
	205-2 Communication and training about anti-corruption policies and procedures	67 - 68
	205-3 Confirmed incidents of corruption and actions taken	67 - 68
GRI 301: Materials 2016	301-1 Materials used by weight or volume	97
	301-2 Recycled input materials used	98 - 99
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	64, 90
	302-4 Reduction of energy consumption	65, 90
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	92
	303-2 Management of water discharge-related impacts	92
	303-5 Water consumption	92

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	64, 90
	305-2 Energy indirect (Scope 2) GHG emissions	64, 90
	305-3 Other indirect (Scope 3) GHG emissions	64, 90
	305-5 Reduction of GHG emissions	64, 90
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	98
	306-2 Management of significant waste-related impacts	98
	306-3 Waste generated	98
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	80
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	81
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	78
	403-3 Occupational health services	81
	403-4 Worker participation, consultation, and communication on occupational health and safety	78 - 80
	403-5 Worker training on occupational health and safety	79 - 80
	403-6 Promotion of worker health	79 - 80
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	79 - 80
	403-9 Work-related injuries	79
	403-10 Work-related ill health	79
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	84
	404-2 programmes for upgrading employee skills and transition assistance programmes	84
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	83
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	85 - 87
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	69

Corporate Governance Overview Statement

The Board of Directors ("the Board") of Eupe Corporation Berhad ("Eupe" or "the Company") is committed to maintain high standards of corporate governance in the conduct of its business and in all respect of its operation within the Company and its subsidiaries ("the Group"). The Board believes strong corporate governance ("CG") practices that promotes integrity, regulatory compliance and operational efficiencies is essential to the Group's reputation in ensuring long-term sustainable business growth and enhancing shareholders' value and stakeholders' confidence.

The Board is pleased to present the Corporate Governance Overview Statement ("Statement"), which set out an overview of the CG principles adopted by the Group throughout the financial year ended 29 February 2024 ("FY2024") as well as its key focus area and future priorities in relation to the CG practices. This Statement is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), and in accordance with the Malaysian Code on Corporate Governance ("MCCG") updated in 2021 by the Securities Commission Malaysia. The detailed articulation on the application of the Company's CG practices vis-à-vis the MCCG is furnished in the CG Report which is made available on Bursa Securities and Eupe's website:

https://www.bursamalaysia.com/market_information/announcements/company_announcement

http://www.eupe.com.my/investors

The following are the three (3) main principles set out in the MCCG:

A. BOARD LEADERSHIP AND EFFECTIVENESS

B. EFFECTIVE AUDIT AND RISK MANAGEMENT

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

In general, the Group has complied with all material aspects of the principles set out in the MCCG throughout the FY2024 to achieve the intended outcome. Details of the application are summarised below:

	Applied/Adopted	Departure/Not Adopted	Total
PRACTICES	41	2*	43
STEP-UP PRACTICES	2	3	5

* Inclusive of Practice 12.2 - Integrated Reporting which is not applicable to Eupe as it is not a Large Company as defined under the MCCG.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board is responsible for the stewardship of the Company's business and affairs, overseeing the Group's strategies, business performance and the Management's conduct, ensuring the adequacy of internal control and risk management systems in place, with a view to deliver long-term sustainable value to the shareholders and other stakeholders.

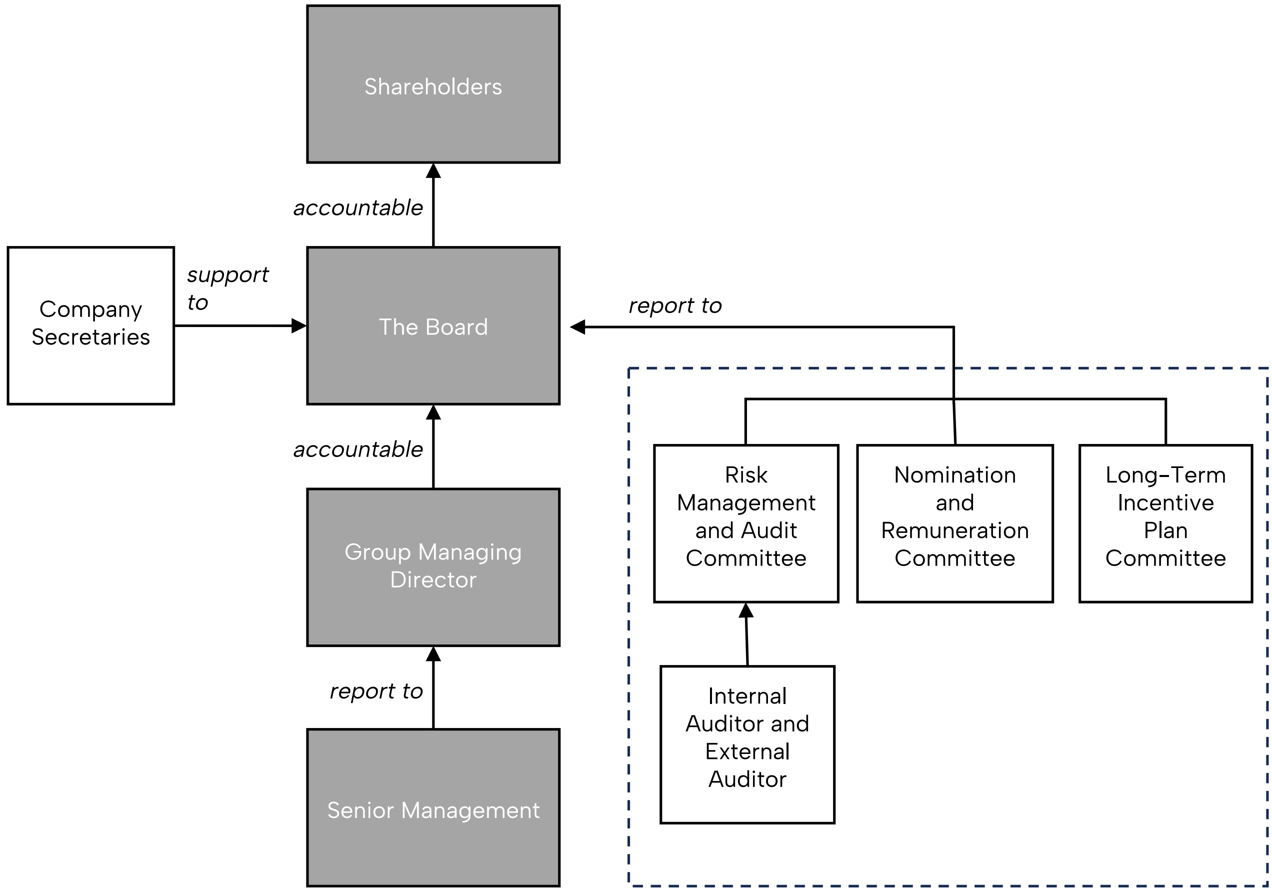
In discharging its functions and responsibilities, the Board delegates specific responsibilities to the Board Committees namely Risk Management and Audit Committee ("RMAC"), Nomination and Remuneration Committee ("NRC") (merger of the Nomination Committee ("NC") and Remuneration Committee ("RC") into a single Board Committee with effect from 27 April 2023) and Long-Term Incentive Plan Committee ("LTIPC") (established on 24 January 2024) which operate within their respective Terms of Reference. The Chairman of the respective Board Committees report to the Board on key matters considered at the respective Board Committee meetings and make recommendations to the Board for final decision.

The Board also ensure that the Group is led by qualified Management to execute the Group's strategic plans, policies and decisions of the Board. In doing so, the Board entrusts the day-to-day Group's operation to the Group Managing Director ("Group MD") with the support from the Chief Financial Officer ("CFO") and other Senior Management that consists of Head of Department of various functions and Head of Business Unit, to manage the affairs of the Group and to ensure the Group operates within a framework of prudent and effective controls.

Corporate Governance Overview Statement (cont'd)

I. BOARD RESPONSIBILITIES (cont'd)

The Group's Governance Model as of the date of this Statement is outlined as follows:



Separation of Duties between the Chairman and the Group MD

Separation of duties between the Chairman of the Board and the Group MD allows a balance of power, authority and accountability and that no individual has unfettered powers of decision and control. The Chairman of the Board is responsible for providing leadership to the Board, ensuring that the Board fulfils its fiduciary obligations, whilst the Group MD focuses on the Group's businesses, oversees the Group's day-to-day operations, implements the Board's policies, and makes operational decisions.

Roles of Senior Independent Non-Executive Director

Senior Independent Non-Executive Director ("Senior INED") is responsible to coordinate the activities of the Independent Non-Executive Directors ("INED") in circumstances where it would be inappropriate for the Chairman of the Board to serve in such capacity. Senior INED also assists the Chairman to ensure effective corporate governance in managing affairs of the Board and the Company. Senior INED is the point of contact for shareholders and other stakeholders particularly on concerns which cannot be resolved through the normal channels of the Chairman or the Group MD.

Board Meetings and Procedures

The Board meets at least 5 times a year to review and oversee the execution of the Group's strategic plans by the Management, including to review and approve the financial, operations and business performance of the Group. During the FY2024, the CFO updated the Board on the Group's financial performance for each reporting period as well as all corporate development related matters, whilst the Group MD together with the Director of Property Development and Senior General Manager of Projects updated the Board on the Group's operating performance, in particular the progress of the Central Region development projects, the challenges faced and the key initiatives taken by the management team as to navigate the challenges, as well as the Cinta Sayang Resort's General Manager updated the Board on the marketing strategy of Cinta Sayang Resort. This is to ensure that the Group's businesses are well managed and adequate resources are in place to achieve the targeted goals whilst constantly considering the need for new initiatives for business growth. The breakdown of the Board meetings held, and Directors' attendance are set out in page 116 of this Annual Report.

Corporate Governance Overview Statement (cont'd)

I. BOARD RESPONSIBILITIES (cont'd)

Prior to any board meeting, adequate and sufficient information is provided to all Board members in a timely manner. Notice of Board meetings is issued at least seven (7) days ahead of the meetings which allows active participation of the Directors during the meeting. Besides, meeting materials (i.e. significant financial and corporate issues, the Group's financial and business performance, and any management proposals) are circulated to Directors at least five (5) business days prior to each meeting. This is to accord sufficient time for the Directors to review, consider and obtain further information or seek clarification on the matters to be deliberated at the meeting, if required, from the Senior Management or the Company Secretaries.

Board Charter and Reserved Matters

The Board's functions are guided by its Board Charter, which serves as a primary guide to the Board members. The Board Charter sets out the roles and responsibilities of the Board, Board Committees, individual Directors and management, Board reserved matters, Board structure and composition, authority and obligations of Directors. It also provides insights for prospective and existing Directors of their fiduciary duties as Directors of the Company and the functions of the Board Committees as a whole. The matters which require the Board's approval are as follow:

MATTERS FOR BOARD'S APPROVAL

- Corporate and Strategic Planning
- Capital Expenditure and Investment Transactions
- Major action items or emerging issues that could affect the business of the Group
- Regulatory Compliance and Internal Controls

The Board endeavours to comply at all times with the principles and practices as set out in the Board Charter. The Board will review the Board Charter from time to time and make any necessary amendments to ensure it remains consistent with the Board's objectives, current law and practices.

Qualified and Competent Company Secretaries

The Board is supported by two (2) qualified Company Secretaries who play an advisory role to the Board in relation to the Company's Constitution, Board policies and procedures, corporate governance and compliance with the relevant regulatory requirements and legislation. The Directors have unrestricted access to the advice and services of the Company Secretaries, whether as a full Board or in their individual capacities at the expense of the Company to assist them in effectively discharging their duties. The Company Secretaries attend all Board meetings and the Company's general meetings and ensure that deliberations and resolutions passed are accurately and properly documented.

Code of Conduct and Ethics

The Board acknowledges its leadership role in creating ethical values and observing ethical conduct. The Board had established a Group-wide Code of Conduct and Ethics which provides guidance to Directors, management and employees to deal with ethical issues and provides mechanism to report unethical conducts, fostering a culture of honesty and accountability. The principles of the Code are based on sincerity, integrity, responsibility and corporate social responsibility and it is periodically reviewed by the Board to ensure it remains relevant.

Integrity Policy (Whistleblowing Policy) and Procedures

The Integrity Policy (Whistleblowing Policy) and Procedures were established to provide an avenue for all employees, suppliers, customers, shareholders and other stakeholders to raise genuine concerns about any suspected fraud, malpractices, illegal acts, improper conduct, corruption and other acts or omissions which are against the interest of the Group. The Policy sets out the procedures for dealing with any complaints lodged by whistle-blowers. With such a policy in place helps the Board to protect the interest of the Company and its stakeholders by identifying and investigating complaints and suspected misconducts (if any) on independent basis and helps the Board in maintaining a culture of openness and honesty within the Group.

Anti-Bribery and Anti-Corruption Policy ("ABAC Policy")

The ABAC Policy was established to identify, prevent, and manage bribery and corruption issues. It sets out rules and providing guidance to Directors, management, employees and business associates who work for and/or act for or on behalf of the Group, on how to deal with improper solicitation, requests for bribes and other corrupt activities and issues that may arise in the course of business. Regular assessment of the ABAC Policy will be carried out by the Senior Management to ensure that it continues to remain relevant, appropriate and effective to enforce the principles highlighted therein.

Corporate Governance Overview Statement (cont'd)

II. BOARD COMPOSITION, BALANCE AND DIVERSITY

Board Composition

During the year under review, with the support of the NRC, the Board has reviewed and made the following changes to the composition of the Board having considered the enhanced MMLR and best practices recommended by the MCCG:

(i) Alfian Bin Tan Sri Mohamed Basir was redesignated as Independent Non-Executive Chairman on 27 April 2023, taking over from Datuk Tan Hiang Joo who had stepped down from the Board as the Board Chairman; and

(ii) Iskandar Abdullah @ Sim Kia Miang was redesignated as Senior Independent Non-Executive Director on 27 April 2023.

Consequently, the Board now has seven (7) members, comprising 4 INEDs, 1 Non-Independent Non-Executive Director ("NINED") and 2 Executive Directors, including the Group MD. The 4 INEDs represents 57.1% of the Board, which complies with Paragraph 15.02(1) of the MMLR where at least 2 or 1/3 of the Board are Independent Directors. In the event of any vacancy on the Board which results in non-compliance with this requirement, the Board will ensure such vacancy be filled within 3 months. The current composition of the Board is also in line with Practice 5.2 of MCCG, which requires at least half of the Board to be independent. The profiles of the Directors are set out on pages 14 to 20 of this Annual Report.

The presence of 4 INEDs out of 7 Directors in the Board, provides necessary checks and balances on the Board's decision-making process through objective participation in Board deliberations and the exercise of unbiased and independent judgement which takes into account the interest of the Group, stakeholders and shareholders including minority shareholders.

The size and composition of the Board are periodically reviewed by the NRC. Based on the annual assessment of the Board conducted in April 2024, the NRC was satisfied that the present size and composition of the Board is optimum and well balanced, whilst bringing experience from diverse professional backgrounds and disciplines. There is no individual director or group of directors who dominates the Board's decision-making.

Board Committees

In FY2024, there were three (3) Board Committees supported the Board (i.e. RMAC, NRC and LTIPC). The composition of the respective Board Committees is as follows:-

Risk Management and Audit Committee

Chairperson	: Tham Sau Kien (INED)
Member	: Iskandar Abdullah @ Sim Kia Miang (Senior INED)
Member	: Leow Peen Fong (INED)

Nomination and Remuneration Committee

Chairperson	: Leow Peen Fong (INED)
Member	: Beh Yeow Seang (NINED)
Member	: Tham Sau Kien (INED)

Long-Term Incentive Plan Committee

Chairperson	: Leow Peen Fong (INED)
Member	: Beh Yeow Seang (NINED)
Member	: Tham Sau Kien (INED)

All Board Committees comprise entirely Non-Executive Directors with a majority or all Independent Directors and are chaired by Independent Directors. The Chairman of the Board does not sit on any Board Committees.

Risk Management and Audit Committee

The RMAC supports the Board in fulfilling its fiduciary responsibilities, amongst others, to provide robust and comprehensive oversight on the Group's financial reporting, ensure effectiveness and independence of internal and external auditors, adequacy and effectiveness of the Group's internal control and risk management framework, and oversees related party transactions, conflict of interest situations and whistleblowing.

Further details on the RMAC and its activities are contained in the RMAC Report on pages 129 to 133 of this Annual Report.

Nomination and Remuneration Committee (effective 27 April 2023)

In view of the overlapping functions between the NC and RC, and the current size and business activities of the Group, the NC had reviewed and recommended to the Board the proposal to merge the NC and RC into a single Board Committee known as NRC, and adopt the Terms of Reference of the NRC, to which such proposal was approved by the Board with effect from 27 April 2023.

Corporate Governance Overview Statement (cont'd)

II. BOARD COMPOSITION, BALANCE AND DIVERSITY (cont'd)

Nomination and Remuneration Committee (effective 27 April 2023) (cont'd)

With the support of the NRC, the Board has also reviewed and made the following changes to the composition to the Board Committees during the financial year under review, having considered the best practices recommended by the MCCG:-

(i) Alfian Bin Tan Sri Mohamed Basir resigned as Chairman of the RMAC;

(ii) Tham Sau Kien was redesignated as Chairperson of the RMAC;

(iii) Leow Peen Fong was appointed as member of the RMAC and Chairperson of the NRC;

(iv) Tham Sau Kien was appointed as member of the NRC; and

(v) Beh Yeow Seang was appointed as member of the NRC.

The NRC had assisted the Board in ensuring that the Group was led by a qualified Board and Senior Management that comprise individuals with the appropriate mix of skills, experience, qualifications and core competencies to ensure the effectiveness of the Board in discharging its responsibilities, and determining the remuneration framework principles and policy for the Directors and Senior Management pursuant to the Terms of Reference of the NRC having regard the level of responsibilities, demand, complexities, company performance as well as skills and experience required to perform their role and responsibilities to support the Group's long-term objectives. The NRC had carried out the following activities for FY2024:

a) Assessed the effectiveness of the Board as a whole, the Board Committees and the contribution and performance of each individual Director;

b) Assessed the mix of skills, experience, size and composition of the Board and Board Committees;

c) Assessed the independence of the Independent Directors;

d) Reviewed the character, experience, integrity, competence and time commitment of the Directors to ensure each of them has effectively discharged their roles accordingly;

e) Evaluated and determined the training needs for each Director;

f) Reviewed the terms of office and performance of the RMAC and each of its members pursuant to the MMLR of Bursa Securities;

g) Reviewed and recommended to the Board the re-election of the Directors retiring in accordance with Clause 76(3) of the Company's Constitution in the 28th AGM;

h) Reviewed the performance of the Executive Directors and selected Senior Management and recommended their remuneration packages for the financial year ending 28 February 2025 to the Board for approval;

i) Reviewed and recommended to the Board the Directors' fees and benefits payable to Directors; and

j) Reviewed and recommended to the Board the appointment of new Chief Financial Officer.

Long-Term Incentive Plan Committee (effective 24 January 2024)

The LTIPC was established to assist the Board, in implementing and administering the Long-Term Incentive Plan ("LTIP") of the Group, comprising an employees' share option scheme ("ESOS") and a share grant plan ("SGP") in accordance with the rules, terms and conditions as stated in the By-Laws of the LTIP. The LTIPC had its first meeting on 18 April 2024 and had carried out the following activities:

a) Reviewed and recommended to the Board the Terms of Reference of the LTIPC for adoption; and

b) Received presentation on the allocation methodology for SPG award and ESOS award and recommended to the Board for approval.

Balance, Diversity and Skills

The Board recognises the benefits of diversity in its broad spectrum and by adopting a Diversity Policy, the Board is in a view that a diversified Board can offer greater depth and breadth, which lead to better decisions and greater capacity to stay resilient in challenging and uncertain business environment. The Policy is to ensure the drive of the Board's effectiveness by creating diverse perspectives among Directors and Senior Management.

The Board, via the NRC, takes serious consideration of the diversity of the existing Board members and Senior Management. The Board has zero tolerance policy to discrimination regardless of age, gender, ethnicity and cultural background, and impartial when identifying potential candidate(s). This helps to ensure an appropriate balance between the experienced perspectives of the long-term Directors and new perspectives that bring fresh insights to the Board.

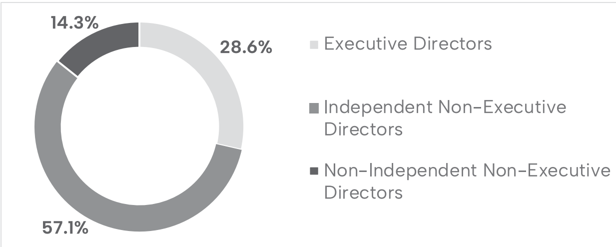
Corporate Governance Overview Statement (cont'd)

II. BOARD COMPOSITION, BALANCE AND DIVERSITY (cont'd)

Balance, Diversity and Skills (cont'd)

The breakdown of the Board and Senior Management by composition, gender and age as of the date of this Statement, are as follows:

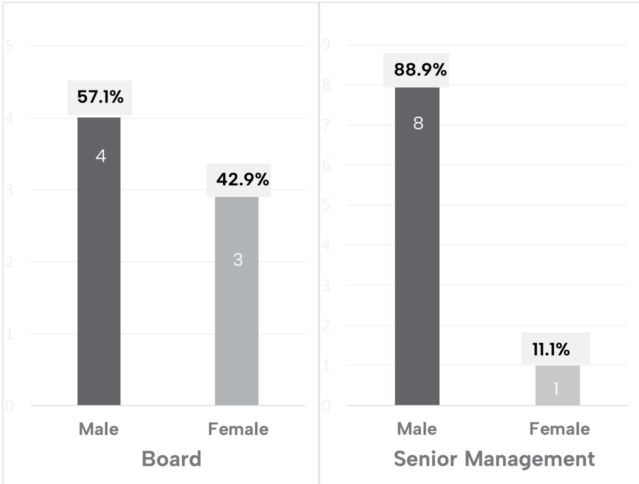
Composition of the Board



Age

Age	Board	Senior Management
30-39 years	-	1 (11.1%)
40-49 years	-	3 (33.3%)
50-59 years	4 (57.1%)	4 (44.5%)
60 years and above	3(42.9%)	1 (11.1%)

Gender Diversity



Directors' Fit and Proper Policy

Directors' Fit and Proper Policy ("Policy") is to guide the NRC and the Board in their review and assessment of the candidates who are to be appointed to the Board as well as Directors who are seeking for re-election in complying the MMLR. The Policy sets out the overarching criteria in assessing the candidates' ability to fulfil their duties as Director as well as their integrity and independence of mind. Any candidate for new appointment as Director, and Directors who are due for retirement and subject to re-election at the AGM are required to make the fit and proper declaration via a self-declaration form. The NRC will assess if such candidate has good standing based on the fit and proper criteria, before making recommendation to the Board for consideration or approval.

Conflict of Interest Policy

A Conflict of Interest Policy was adopted on 24 January 2024 to provide guidance in identifying and manage any actual, potential and perceived conflict of interest situations between the employees (including Directors) and the Group.

The Directors are aware that they have to declare their interests in transactions with the Group and abstain from deliberation and voting in respect of such transactions at Board or general meetings convened to consider the matter. The RMAC reviews the conflict of interest situation that arose, persisted, or may arise within the Group that may challenge the Group's integrity.

Re-election of Directors

Any Director appointed during the year is required under the Company's Constitution to retire and may seek re-election by the shareholders at the following Annual General Meeting ("AGM") immediately after their appointment. The Company's Constitution also requires that one-third of the Directors including the Group MD to retire by rotation and seek re-election at each AGM at least once in every 3 years.

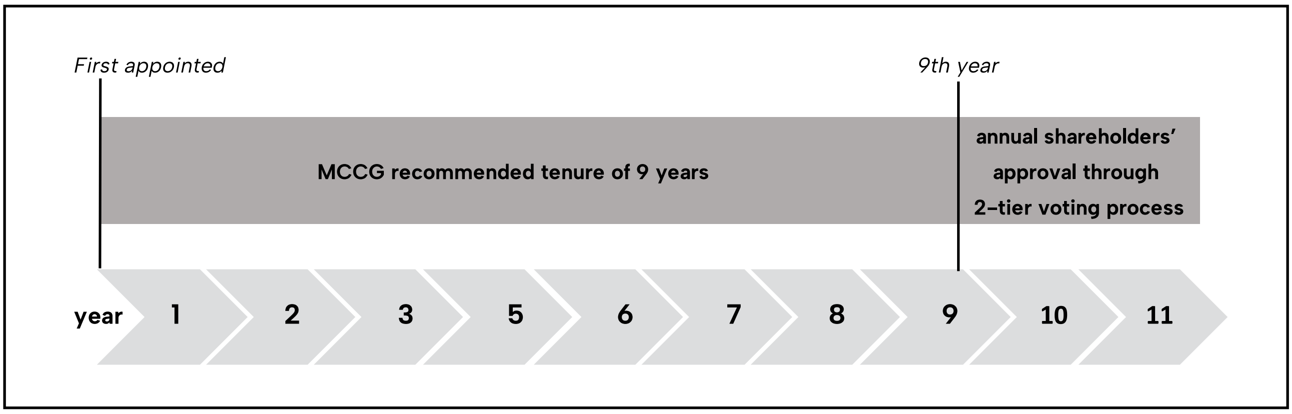
Directors who are subjected to retirement at the AGM will be assessed by the NRC. The NRC will, upon the review and evaluation of the Directors' performance and contribution to the Board together with their fit and proper declaration, if satisfactory, submit its recommendations to the Board for consideration, thereafter, be tabled to shareholders for approval at the upcoming AGM. On 18 April 2024, the NRC evaluated the performance of the Directors and recommended the re-election of Directors who are due for retirement namely, Beh Yeow Seang and Tham Sau Kien for shareholders' approval at the forthcoming 28th AGM.

The aforesaid Directors have expressed their intention to seek re-election at the forthcoming AGM. All retiring Directors are eligible for re-election. The re-election of each Director is tabled under separate resolution during the AGM of the Company.

Corporate Governance Overview Statement (cont'd)

II. BOARD COMPOSITION, BALANCE AND DIVERSITY (cont'd)

Tenure of Independent Directors



The MCCG recommends that the tenure for an INED should not exceed a cumulative term of nine (9) years. Upon reaching the nine (9) years cumulative term, the INED may continue to serve on the Board as NINED. If the Board intends to retain an INED beyond 9 years, justifications from the Board and annual shareholders' approval through a two-tier voting process at a general meeting are required.

Following the amendments to the MMLR of Bursa Securities which limits the tenure of an INED to not more than a cumulative period of 12 years from the date of such person's first appointment as INED in the listed issuer or its related corporation effective 1 June 2023, Datuk Tan Hiang Joo had decided to step down from the Board as Independent Non-Executive Chairman of the Company effective 27 April 2023 after serving the Board for more than 26 years since his first appointment as INED on 19 May 1997.

As of to date, none of the INED has served the Board for more than nine (9) years in cumulative term.

Criteria for Recruitment and Annual Assessment of Directors

The primary responsibility for the appointment of new Directors lies within the Board. The Board delegates the responsibility of assessing and recommending potential candidates to fill vacancy in the Board and Senior Management to the NRC.

In identifying suitable candidates, the NRC adopts various approaches which include recommendations from various sources including the management, existing Board members, major shareholders or engaging professional recruitment firms whenever necessary as authorised by the Board.

All nominees and candidates to the Board are first considered by the NRC taking into consideration potential candidates' skillset, experience, age, cultural background, gender, capabilities, professionalism, integrity, fit and properness, expertise and commitment (including time commitment). For the position of INED, the NRC will also evaluate the ability of the candidate in discharging such responsibilities or functions as are expected from an INED as outlined in the Board Charter.

Following the NRC's review of a candidate's qualification, legal and background checks on the proposed candidate, the evaluation process may include, at the NRC's discretion, subsequent interviews with the Board Chairman or Board members. Upon completion of evaluation of the proposed candidate, the NRC would make its recommendation to the Board for approval. With the acceptance of the offer, the candidate would be appointed as director of the Company.

During the financial year under review, the NRC conducted a formal and objective internal annual evaluation on the effectiveness of the Board based on self and peer assessment approach through customised questionnaires evaluation form. The assessment covers the Board's size and composition, mix of skills, industry experience, integrity, independence and other criteria set to meet the operational objectives, strategic goals and business requirements of the Group. This includes a review of the desirable mix of core competencies, qualifications, skills, expertise and personal traits of the Directors to ensure the mix of skills required for the Board is optimum. The assessments and evaluations carried out by the NRC in discharging its functions are properly documented.

The results of the assessments were compiled, deliberated and presented to the Board by the NRC at the Board meeting held on 25 April 2024. Based on the results of the recent assessments, the Board concluded that the overall performance of the Directors was satisfactory whilst the Board and Board Committees had discharged their duties and responsibilities effectively and have the right balance, size and composition in terms of the mix of skills, industry experience, integrity, independence and other professional background.

The NRC had also conducted annual evaluation on the terms of office and performance of the RMAC and its members via a combination of self and peer assessment obtained from each RMAC member through customised questionnaires evaluation form. Based on the analysed Statistical Report, the NRC concluded that the RMAC had carried out its roles and responsibilities effectively. All RMAC members are financially literate and have a sufficient understanding of the Group's business.

Corporate Governance Overview Statement (cont'd)

II. BOARD COMPOSITION, BALANCE AND DIVERSITY (cont'd)

Training and Professional Development

The Board acknowledges that continuous training and professional development is vital due to the increasingly demanding, complex and multi-dimensional role of Directors. Enhancing professionalism and knowledge of professional is important for them to discharge their roles in an effective and objective manner to the Board as prescribed in the MMLR of Bursa Securities. The Board has delegated the roles of reviewing the training and development needs of the Directors to the NRC.

For the financial year under review, the Directors had continually broadened their knowledge and skills to keep themselves abreast of changes in the constantly evolving business environment and regulatory requirements, ranging from governance to industry trends by attending training and development programmes organised by relevant regulatory authorities and professional bodies. The Company had also during the year engaged professional training providers to conduct in-house trainings.

The trainings and development programmes attended by the Directors during FY2024 included:

1. ESG Awareness
2. CPD Perintis Live & Conveyancing Pocket Series Part 9 | Tanah Rezab Melayu di Negeri Kelantan, Johor, Kedah dan Perlis
3. Malaysian Bar Budget 2023 Conference
4. The Cooler Earth Sustainability Summit 2023: Business Opportunities for a Better World
5. 10 Tips for Successful 2023 Investing
6. Future Forum 2023: Consumer Tech Unicorns
7. Mandatory Accreditation Programme Part II: Leading for Impact

Board and Board Committee Meeting Attendance and Time Commitment

The Board requires all members to devote sufficient time for the functioning of the Board in discharging their duties as Directors effectively and attend the meetings diligently. The Board and Board Committees meetings as well as the shareholders' meetings are scheduled in advance before the end of each financial year to facilitate the Directors in planning their attendance. Special Board meetings may be convened to consider urgent proposals or matters that require expeditious deliberation and decision by the Board.

The Board is satisfied with the level of time commitment given by the Directors in performing their responsibilities for FY2024; all the Directors have given their full commitment by attending most of the Board and Board Committees' meetings held during FY2024. At present, no Directors have more than five (5) directorships in public company at any one time.

The breakdown of the Directors' attendance (based on their membership) at the Board and Board Committees meetings during the FY2024 is set out below:

Directors	Attendance in meeting of				
	Board	RMAC	NRC	NC	RC
Independent Non-Executive Directors (INEDs)					
Alfian Bin Tan Sri Mohamed Basir (Chairman) *	5/5	1/1	-	1/1	-
Iskandar Abdullah @ Sim Kia Miang	5/5	5/5	-	1/1	1/1
Tham Sau Kien	5/5	5/5	1/1	-	1/1
Leow Peen Fong **	4/5	3/4	1/1	-	1/1
Datuk Tan Hiang Joo ***	1/1	-	-	-	-
Non-Inddependent Non-Executive Directors (NINED)					
Beh Yeow Seang	5/5	-	1/1	1/1	-
Executive Directors					
Dato' Beh Huck Lee (Group MD)	5/5	-	-	-	-
Muhamad Faisal Bin Tajudin	5/5	-	-	-	-

* Alfian Bin Tan Sri Mohamed Basir resigned as RMAC Chairman with effect from 27 April 2023

** Leow Peen Fong was appointed as RMAC member on 27 April 2023

*** Datuk Tan Hiang Joo resigned from the Board with effect from 27 April 2023

Corporate Governance Overview Statement (cont'd)

III. REMUNERATION

Directors' and Senior Management's Remuneration Policy

The Board had formalised a Directors' and Senior Management's Remuneration Policy which set out guidelines and principles in determining the remuneration of the Board and Senior Management. Such policy aims to support the Group's long-term objective, create a strong performance oriented environment in order to attract, motivate and retain high performing Directors and Senior Management.

Directors' Remuneration

The NRC reviews and recommends the remuneration policies and packages for Non-Executive Directors which reflects their experiences, level of responsibilities, time commitment required in attending both the scheduled and special Board meetings as well as the number of memberships assumes on Board Committees, while benchmarking against the market competitiveness. Such remuneration package comprising of fees, chairmanship allowance and meeting allowance for Board and Board Committee meetings.

On top of that, the NRC also reviews and recommends the remuneration package of the Executive Directors and Senior Management, taking into consideration all relevant factors including skills, experience, responsibilities involved as well as linking rewards to the corporate and individual performance. The remuneration packages of Executive Directors and Senior Management comprises a fixed salary and bonus approved by the Board.

Upon the recommendation by the NRC, the Board will consider and, if deemed appropriate, approve the remuneration for the Executive Directors and propose the fees and allowance payable to the Non-Executive Directors to the shareholders for approval at the AGM. The interested Directors will abstain from discussion of his/her remuneration.

The details of the remuneration by each Director for the FY2024 including remuneration for services rendered to the Company and its subsidiaries are outlined below:

(a) Company

No.	Directors	RM'000					
		Salaries	Fees	Bonus	Defined Contribution	Other Emoluments	Total
	Independent Non-Executive Directors (INEDs)						
1	Alfian Bin Tan Sri Mohamed Basir (Chairman)	–	75.0	–	–	10.2	**85.2**
2	Iskandar Abdullah @ Sim Kia Miang	–	68.5	–	–	13.3	**81.8**
3	Leow Peen Fong	–	66.0	–	–	10.1	**76.1**
4	Tham Sau Kien	–	66.0	–	–	14.1	**80.1**
5	Datuk Tan Hiang Joo *	–	10.0	–	–	5.8	**15.8**
	Non-Inddependent Non-Executive Directors (NINED)						
6	Beh Yeow Seang	–	66.0	–	–	10.4	**76.4**
	Executive Directors						
7	Dato' Beh Huck Lee (Group MD)	–	–	–	–	10.7	**10.7**
8	Muhamad Faisal Bin Tajudin	–	–	–	–	5.6	**5.6**
	Total	**–**	**351.5**	**–**	**–**	**80.2**	**431.7**

* Datuk Tan Hiang Joo resigned from the Board with effect from 27 April 2023

Corporate Governance Overview Statement (cont'd)

III. REMUNERATION (cont'd)

(b) Subsidiaries

No.	Directors	RM'000					
		Salaries	Fees	Bonus	Defined Contribution	Other Emoluments	Total
	Independent Non-Executive Directors (INEDs)						
1	Alfian Bin Tan Sri Mohamed Basir (Chairman)	–	–	–	–	–	–
2	Iskandar Abdullah @ Sim Kia Miang	–	–	–	–	–	–
3	Leow Peen Fong	–	–	–	–	–	–
4	Tham Sau Kien	–	–	–	–	–	–
5	Datuk Tan Hiang Joo *	–	–	–	–	–	–
	Non-Inddependent Non-Executive Directors (NINED)						
6	Beh Yeow Seang	–	–	–	–	–	–
	Executive Directors						
7	Dato' Beh Huck Lee (Group MD)	595.0	–	129.6	94.2	3.2	**822.0**
8	Muhamad Faisal Bin Tajudin	384.0	–	83.4	60.8	2.4	**530.6**
	Total	**979.0**	**–**	**213.0**	**155.0**	**5.6**	**1,352.6**
	Total for Company and Subsidiaries	**979.0**	**351.5**	**213.0**	**155.0**	**85.8**	**1,784.3**

* Datuk Tan Hiang Joo resigned from the Board with effect from 27 April 2023

Remuneration of Senior Management

The profiles of the Senior Management personnel are disclosed on the Company's website under the caption "Senior Management" and pages 21 and 25 of this Annual Report. Senior Management are those primarily responsible for managing the business operations and corporate divisions of the Group.

The Board did not disclose on a named basis the top five Senior Management's remuneration in bands of RM50,000 as it may give rise to recruitment and talent retention issue due to the intense competitiveness in the market for calibre Senior Management as well as confidentiality and sensitivity of the remuneration package. Notwithstanding that, the Board ensures that the remuneration of the Senior Management commensurate with their performance and level of responsibility as well as the demand, complexities and performance of the Group, with due consideration to attract, retain and motivate the Senior Management.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. RISK MANAGEMENT AND AUDIT COMMITTEE

The RMAC consists of three (3) members, all of whom are INEDs. As of the date of this Statement, the RMAC is chaired by Ms Tham Sau Kien, an INED who is distinct from the Chairman of the Board.

A full RMAC Report enumerating its composition, summary of activities and the Group Internal Audit function during the financial year is included in this Annual Report on pages 129 to 133.

Corporate Governance Overview Statement (cont'd)

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its overall responsibility for maintaining a sound risk management framework and internal control system throughout the Group in order to safeguard the Group's assets.

The Board had established a structured Enterprise Risk Management framework and clear governance structure that takes into account all significant aspects of internal control including risk assessment, the control environment and control activities, information and communication, and monitoring. Risk identification and mitigation strategies are developed by the Group's Enterprise Risk Management consultant in consultation with Senior Management. Processes are put in place to ensure that full risk management assessment includes a comprehensive risk management framework that identifies and locates specific risks within a risk matrix which act as a guideline for the Company in prioritising those risks based on the likelihood and potential impact to the Group's operation, and enabling the Senior Management in setting up the necessary actions to mitigate the risks. The Board has delegated the overall risk management matters of the Group to RMAC to review the adequacy and integrity of the Group's risk management and internal control framework.

The RMAC also assists the Board to fulfil its responsibilities pertaining to the risk governance and risk management in order to manage the overall risk exposure of the Group. The Directors' Statement on Risk Management and Internal Control on pages 122 to 128 of this Annual Report features the Group's risk management framework and its state of internal control.

III. DIRECTORS' RESPONSIBILITY STATEMENT

The Board is responsible for ensuring that the financial statements prepared for each financial year are in accordance with the applicable approved accounting standards and give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year and of the results and cash flows of the Company and the Group for the financial year.

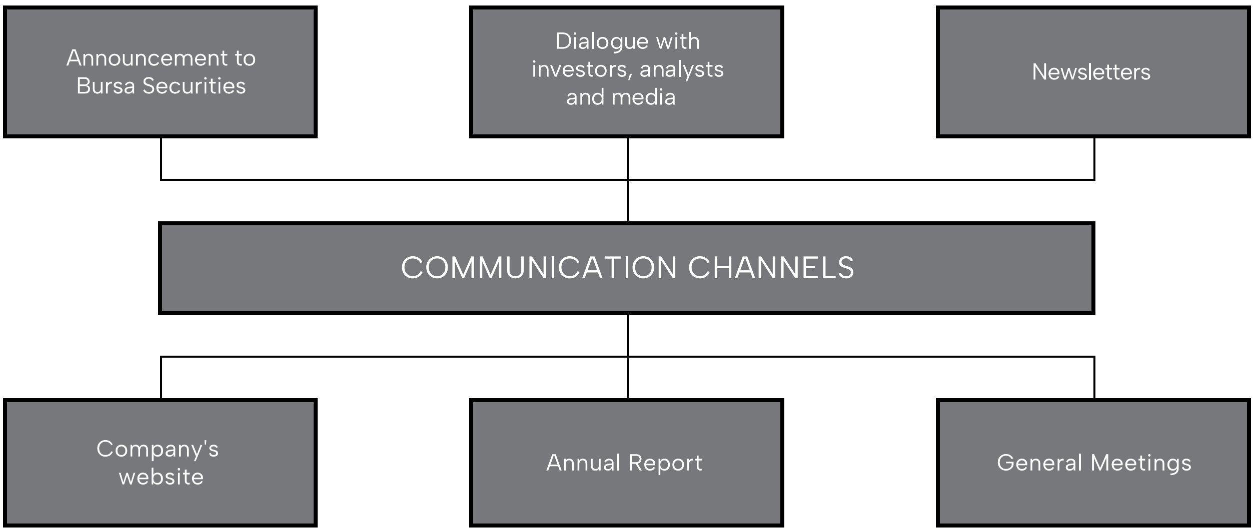
In preparing the financial statements for FY2024, the Board had:

- adopted appropriate and relevant accounting policies which were consistently applied;
- made judgements and used estimates that are reasonable and prudent;
- ensured that all applicable approved accounting standards have been complied; and
- prepared financial statements on a going concern basis, having made inquiries that the Company and Group have adequate resources to continue in operational existence for the foreseeable future.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS

I. COMMUNICATION WITH STAKEHOLDERS

The Company strives to maintain an open and transparent channel of communication with its shareholders and stakeholders, analysts and the public at large with the objective to provide a clear and complete picture of the Group's performance and financial position. Any question or feedback from them is welcomed by the Group. Whenever deemed appropriate, the Board or the relevant management personnel will respond to their queries or opinions on a timely basis.



Corporate Governance Overview Statement (cont'd)

I. COMMUNICATION WITH STAKEHOLDERS (cont'd)

As part of its corporate governance initiatives, the Company has in place a Corporate Disclosure Policy to provide guidance on the determination and dissemination of sensitive and material information to investors, stakeholders, local media, the investing public and other relevant persons in line with the applicable legal and regulatory requirements.

II. CONDUCT OF GENERAL MEETINGS

The AGM is the principal forum for dialogue with shareholders, provides an opportunity and means for shareholders to seek and clarify issues pertaining to the Group's direction and performance. The notice of the 27th AGM in 2023 and the upcoming AGM in 2024 were circulated to the shareholders more than twenty-eight (28) clear days before the date of AGM. The additional time given to the shareholders would allow them to make the necessary arrangements to participate in the meeting and have sufficient time to scrutinise the Annual Report and information supporting the resolutions proposed in order to make informed decisions on exercising their votes.

The 27th AGM and Extraordinary General Meeting ("EGM") of the Company were conducted virtually through live streaming and online remote voting platform. All Directors had attended the general meetings. Besides the Board, the CFO, the Company Secretaries and the External Auditors of the Company as well as the principal adviser and solicitors were also present at the general meetings to respond to any financial and operational queries raised by the shareholders and provide clarification or explanation on the proposed resolutions before putting a resolution to vote.

At the 27th AGM, the Group MD and the CFO gave presentations on the Group's business strategies, financial performance and projects' milestone. The questions from the Minority Shareholder Watch Group for both the general meetings were responded by the Management and were also shared with all the participants during the general meetings. The shareholders were encouraged to pose questions where the Group MD and the CFO had addressed all the questions and comments raised by shareholders and proxies.

All the resolutions set out in the Notice of the 27th AGM and EGM were put to vote by poll and were duly passed. The outcome of the general meetings was announced to Bursa Securities on the same day of the meeting.

The minutes of the 27th AGM and EGM were circulated to the shareholders, via publishing on the Company's website on 29 September 2023 and 5 February 2024 respectively, which is within 30 business days after the general meetings. The Minutes of the 27th AGM and EGM are available on the Company's website at https://www.eupe.com.my/investors.

FOCUS AREAS AND FUTURE PRIORITIES

The Board remains committed to ensure good corporate governance and practices are implemented and embedded throughout the Group.

The Board will continue to enhance the Company's corporate governance practices and place more focus on its *Sustainability Plus* approach in tackling sustainability issues including governance, economic, environmental and social challenges, which help the Group to remain durable and resilient in such a challenging and uncertain business environment. The Board will continue to instil a risk and governance awareness culture and mindset throughout the organisation in the best interests of all stakeholders.

The Board also ensure that the identification and development of succession pipeline for critical position in the Group remains a top-of-mind agenda. The Board would ensure that the succession planning aligns with the human resources policies and strategies of the Group and only high calibre personnel with the relevant skills and experience are appointed to the Board and key management position of the Group.

This Corporate Governance Overview Statement is issued in accordance with a resolution of the Board dated 13 June 2024.

Additional Compliance Information

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

PRIVATE PLACEMENT

The Company had at the Extraordinary General Meeting held on 22 December 2023 obtained its shareholders' approval to issue up to 19,200,000 new ordinary shares, representing 15% of the total number of issued shares (excluding treasury shares, if any) of the Company.

On 19 February 2024, the Company had undertaken the first tranche of the private placement exercise and had placed out 13,600,000 new ordinary shares of the Company which raised total proceeds of RM11,288,000.

As of 29 February 2024, the details of utilisation of proceeds raised from the private placement were as follows:

Details of utilisation	Timeframe for utilisation	Proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000
Part finance the infrastructure works for the Group's land located in Daerah Kuala Muda, Kedah	within 18 months	10,698	-	10,698
Estimated expenses in relation to the proposals	Immediate	590	414	176
Total		11,288	414	10,874

On 7 May 2024, the Company had undertaken the second tranche of the private placement exercise and had placed out 5,600,000 new ordinary shares of the Company which raised total proceeds of RM6,888,000. The Private Placement exercise was completed on 7 May 2024.

LONG TERM INCENTIVE PLAN ("LTIP")

The Company had at the Extraordinary General Meeting held on 22 December 2023 obtained its shareholders' approval to establish a LTIP of up to 15% of the total number of issued shares (excluding treasury shares, if any) of the Company at any point in time during the duration of the LTIP for the eligible Directors and employees of the Group (excluding dormant subsidiaries, if any).

The LTIP shall be in force for a period of 5 years from the effective date on 24 January 2024. There were no options granted by the Company as at 29 February 2024.

AUDIT AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the Group and the Company's external auditors for the financial year ended 29 February 2024 are as follows:

	Group RM'000	Company RM'000
Audit fees	189	38
Non-audit fees	5	5
Total	194	43

MATERIAL CONTRACTS INVOLVING THE INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

There were no material contracts entered into by the Company and its subsidiaries involving the interest of Directors or major shareholders, either still subsisting at the end of the financial year ended 29 February 2024 or entered since the end of previous financial year ended 28 February 2023.

RECURRENT RELATED PARTY TRANSACTIONS

At the Annual General Meeting of the Company held on 24 August 2023, the Company has renewed the shareholders' mandate for the Group to enter into recurrent related party transactions of a revenue or trading nature ("Shareholders' Mandate") which is necessary for its day-to-day operations. The Shareholders' Mandate shall expire at the conclusion of the forthcoming Annual General Meeting and is subject to renewal by the shareholders at the said Annual General Meeting.

The aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year ended 29 February 2024 are disclosed in Note 34 of the financial statements.

Directors’ Statement on Risk Management and Internal Control

INTRODUCTION

The Board of Directors (“Board”) of Eupe Corporation Berhad (“Company” or “Eupe”) is committed in maintaining a robust system of risk management and internal control within its group of companies (“Group”) for good corporate governance to safeguard the Group’s assets and shareholders’ investment. This statement outlines key features of the Group’s risk management framework and internal control system and is prepared in accordance with Paragraph 15.26(b) of Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“MMLR”) and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuer endorsed by Bursa Securities.

BOARD’S RESPONSIBILITIES

The Board acknowledges its responsibilities for maintaining a sound and effective risk management and internal control system, reviewing the adequacy and the effectiveness of the Group’s risk management framework to identify key risks and ensuring the implementation of appropriate risk management and internal control system to manage those risks. These systems encompass various types of controls including those which are strategic, operational, environmental and compliance in nature, as well as financial controls for the purpose of safeguarding shareholders’ investment and the Group’s assets.

The Board has delegated the responsibility of undertaking this process of periodic review to the Risk Management and Audit Committee (“RMAC”), whose responsibilities and duties are detailed in the RMAC Report of this Annual Report. However, the Board as a whole remains ultimately responsible for the effectiveness and adequacy of the Group’s system of risk management and internal control.

In view of the limitations that are inherent in any system of risk management and internal control, the Board recognises that the system of risk management and internal control is designed to manage and control risks that may impede the achievement of the Group’s business objectives rather than to totally eliminate these risks. Accordingly, this system can only provide reasonable but not absolute assurance against material misstatement of loss or fraud.

RISK MANAGEMENT FRAMEWORK

The Board regards risk management as an integral part of the Group’s business operations and has oversight over this area through the RMAC ensuring its effectiveness. The risk management practice of the Group is an ongoing process in place for identifying, evaluating, monitoring and managing the various diverse risks faced by the Group. This process includes enhancing and regularly reviewing the system of risk management and internal control as and when there are changes to the business environment or regulatory guidelines.

The Group's risk management framework was established based on the principles set out in the ISO 31000, an international standard for Risk Management. The key aspects of the Group's risk management framework are outlined as follows:

a. Structured Risk Management Process

The Group has a structured risk management process for timely identification, assessment of identified risks, development of relevant risk action plans and continuous monitoring of key risks associated with functions, processes and activities to enable the Group to minimise losses and optimise opportunities.

The risk management process undertaken for the financial year under review is summarised below:

Directors' Statement on Risk Management and Internal Control (cont'd)

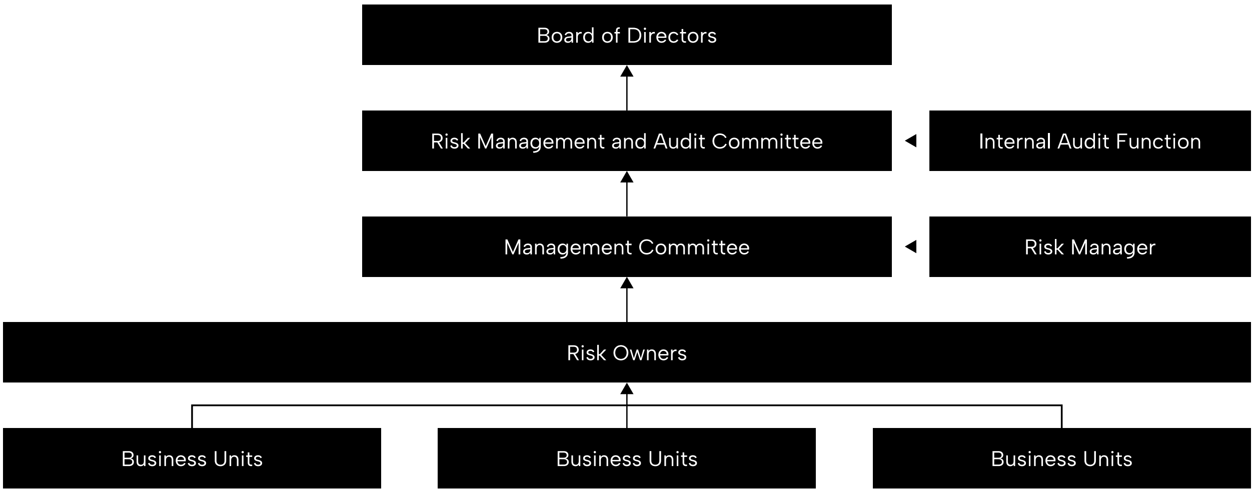
a. Structured Risk Management Process (cont'd)

- The identification of key risks is based on the broad spectrum of strategic, operation, financial, environmental and compliance to regulatory requirements.
- Risk assessment techniques are also embedded and applied by the Management on day-to-day operations such as facilitating decision-making for new projects / investments.
- Risk action plans for identified key risks are developed based on the selected risk treatment strategies and are mitigated to an acceptable level. These actions are implemented to close the gaps and are continuously monitored by the respective risk owners.
- During the financial year, key risks are continuously monitored to ensure appropriate action plans are initiated due to the dynamic changes of internal and external environment.

b. Risk Management Governance Structure

The Board delegates the day-to-day risk management decision to the Management Committee which is assumed collectively by the Senior Management. In fulfilling its oversight responsibility, the Board as a whole or through delegation to the RMAC, reviews and assesses the adequacy and effectiveness of the structured risk management process implemented and practiced by the Senior Management and business units' heads, as well as Heads of Department. The Management Committee, led by the Group Managing Director, is responsible for implementing Board-approved frameworks, policies and procedures on risk management and internal control management.

The Group's risk management governance structure is illustrated below:



The principal roles and responsibilities of the Board, RMAC, Management Committee, risk owners, risk co-owners and risk manager in the implementation and execution of risk management practices are set out below:

Board	• Have an overall risk management oversight; • Approve and adopt the Enterprise Risk Management ("ERM") Policies and Framework; • Articulate and provide direction on risk appetite, organisation control environment and risk culture of the Group; and • Monitor the overall ERM framework's performance and implementation effectiveness of the Group.
RMAC	• Review the context within which risk is managed in relation to the Group's strategic direction and objectives; • Oversee and provide oversight and direction for the implementation of risk management in the Group and consistent application of ERM principles; • Periodic review the Group's risk management framework and supporting structure, including: – Satisfying itself that appropriate systems ae in place to identify, assess and manage the significant risks affecting the Group; – Ensuring that the Group's staff are clear as to their roles and responsibilities with regards to ERM Framework; and • Provide an objective and independent view on the effectiveness of ERM implementation to the Board.

Directors' Statement on Risk Management and Internal Control (cont'd)

RISK MANAGEMENT FRAMEWORK (cont'd)

b. Risk Management Governance Structure (cont'd)

The principal roles and responsibilities of the Board, RMAC, Management Committee, risk owners, risk co-owners and risk manager in the implementation and execution of risk management practices are set out below (cont'd)

Management Committee	• Recommend ERM policies to the Board and monitor consistent enforcement of the policies across the Group; • Review and endorse the risk parameters, risk appetite, risk profiles, risk treatment options and risk action plans; • Provide guidance and advice on appropriateness of risk treatment option selected and risk action plans development; • Ensure the Group is conducted within the agreed risk constraints and operations rules; • Articulate and challenge risk ratings, control effectiveness, risk treatment options and risk action plans identified by Risk Owners; • Ensure that the ERM reports prepared are submitted to the Board on a timely manner, and flash reports are submitted in the event of any risk(s) that require urgent attention; and • Evaluate the adequacy of ERM tools, resources, trainings, and subject matter expert.
Risk Owners (i.e. Heads of Business Units and Heads of Department)	• Identification and assessment of risks, implementation and monitoring of risk action plans and key risk indicators; • Review the Group's risk registers; • Prepare and report to Management Committee through Risk Manager on a timely manner and timely preparation of flash reports in the event of any risk(s) that require urgent attention; and • Maintain highest alert on both internal and external activities or circumstances that may have adverse risk impacts and consequences to the Group.
Risk Co-owners	• Provide support to Risk Owners on key risks identified and to assist in the implementation of risk action plans; and • Engage and discuss with Risk Owners on internal and external activities or circumstances that may give rise to new risks or changes on rating or control effectiveness of existing risks.
Risk Manager (both internal resources & external consultant)	• Ensure effective implementation of ERM activities of the Group; • Receive and review reports on significant risks affecting the Group and recommendations on how such risks are being managed (risk action plan); • Determine risk programmes and priorities; • Review the Group's risk registers; and • To recommend to RMAC any matter or issue of significance relating to risk management for RMAC's decision or approval.

c. Risk Management Activities

During the financial year under review, with the assistance of an out-sourced ERM consultant, an annual update of the risk profiles was undertaken. Several risk assessment and consultation sessions were conducted with related risk owners to update the Group's risk profiles for corporate functions and business units in terms of the controls in place and the risk ratings for each risk.

All risks identified were individually assessed and ranked, having regard to the impact of the identified risk, likelihood or frequency of risk occurring, and effectiveness of the internal control systems currently in place to manage these key risks. Risk management activities are reported to the RMAC to keep the RMAC informed and advised of key risks and risk trends. The updated Group's top 10 risk profiles as well as other key risk profiles were presented to the RMAC on a quarterly basis, for their notification and deliberation.

Directors' Statement on Risk Management and Internal Control (cont'd)

MANAGING KEY RISKS

The Group's key risks have been identified and are monitored by the RMAC. The following table details the key risks and its mitigation actions:

Risk	Description	Mitigation
Market positioning and differentiation challenge	Increasing competition in the property industry is resulting in innovation and product differentiation becoming more crucial to creating a distinctive brand image and achieving market impact and higher sales. At the same time higher construction costs due to product differentiation features can potentially increase product prices beyond buyer affordability expectations.	The Group mitigates this risk by keeping abreast of new construction technology, lifestyles and demographic changes through ongoing strategic market analysis and incorporating these into developments. Regular discussions are held between key divisions to analyse the impact and practicality of specific design differentiation features and new construction technology, so an appropriate balance is achieved between meeting specific target market needs and product differentiation on the one hand and achieving cost control and project conversion requirements on the other.
Climate-related risk	Climate-related risk is driven by climate changes that in turn give rise to increasing regulatory actions, technological advancements, and a shifting of consumer preferences toward low-carbon products. As a result, the Group is likely to be impacted in the medium term with increasing costs to its products, growing regulatory requirements on emissions reporting and emissions reduction as well as growing expectations among buyers for more climate-resilient, resource efficient homes.	The Group mitigates this risk by tracking and monitoring the company electricity, water and diesel consumption/intensity, based on benchmarks established by the Group, as well as those required by regulatory authorities, as part of its sustainability strategy. The objective is to reduce resource consumption to levels identified by these benchmarks. The Group also regularly reviews and incorporates project design features where practical to promote climate resilience of its residential products.
Poor market response to new projects	Less competitiveness in pricing and promotional packages, potential insufficient product differentiation, and lack of understanding purchasers' demand might lead to poor take-up rate of a new project. This may significantly erode the cashflow of the Group.	The Group mitigates this risk by carrying out feasibility studies and market studies before the development and launching of new projects in order to fully understand potential purchasers needs and affordability limits and in turn, to ensure competitive yet differentiated products are offered to targeted market segments. The Group also continue to maintain and expand its current networks with key stakeholders (e.g. real estate agent, end financier, solicitors and etc.) that can assist both with further developing our market knowledge with a view to maximise the market impact of our products as well as efficiency of sales conversion.
Liquidity challenges	Liquidity challenges refers to the ability of a company to meet its payment obligations and to finance its business operations. Ensuring liquidity issues are properly managed impacts positively on the reputation of the Group in terms of the willingness of vendors to offer their goods and services and in turn promotes the project progress.	The Group mitigates this risk by closely monitoring the cash flow projections, implementing cost optimising plans and ensuring the timely issuance of progress billings and collections, within the overall context of continuous monitoring project costs.

Directors' Statement on Risk Management and Internal Control (cont'd)

MANAGING KEY RISKS (cont'd)

The Group's key risks have been identified and are monitored by the RMAC. The following table details the key risks and its mitigation actions: (cont'd)

Risk	Description	Mitigation
Funding constraints	Funding constraints refers to the ability to secure sufficient finance to fund the company's expansion with new lands for future developments, without which the company's growth potential is constrained.	The Group mitigates this risk by maintaining a good track record in term of sales and project performance, as well as a positive and reliable reputation in terms of compliance with terms and conditions of existing bank facilities while maintaining strong working relationships with relevant banks.
Authority risk	Authority risk refers to a risk where lack of communication and/or working relationships with local government authority may affect the timing of obtaining relevant project approvals from local authorities, or a lack of knowledge of approval processes and requirements may impact on project conversion.	The Group mitigates this risk by maintaining good working relationships with local government authorities. It also constantly monitors the regulatory and planning environment to anticipate and respond to any changes in new requirements and factor the impacts in project feasibility studies.
Project conversion risk	Gross development value and cost are prepared by the Group during the project planning stage based on the overall design, various market assumptions and foreseeable cost projections. Project conversion risk is the risk that any or all of these assumptions are not in line or subject to unforeseen risk, and in turn may affect the viability of the project and reduce the profitability of the Group.	The Group mitigates this risk by performing detailed feasibility studies, ensuring the accuracy of budgeted project costs based on market information and its differentiation strategies. The Group also continually undertakes value engineering to reduce construction costs and ensure there is an appropriate product balance between function and aesthetic.
Competency gap	Competency gap refers to differences between skills, knowledge or experience possessed by the staff compared to Management expectations. It may affect the efficiency and effectiveness of project conversion and execution of the Group's overall strategies.	The Group carries out bi-annual performance appraisals of all employees to monitor individual competency level. Expectations, goals and KPIs are established from the commencement of any new employment to ensure competency and performance. On-the-job, in-house, and external training opportunities are provided to all employees to improve their skills and knowledge and ensure these align with overall company objectives.
Service quality competitiveness	Service quality risk refers to the quality and consistency of service quality provided by the Group, particularly in relation to the customer relations experienced provided by the company to home buyers. Poor service quality may create a negative reputation impact and affect sales performance.	The Group provides internal and external training to all customer-facing employees, along with embedding customer service-specific KPIs with which evaluate their performance. Feedbacks in the form of customer surveys are also employed to ensure the Group's customer service performance matched customer requirements and expectations.
Facilities disruption	Facilities at the company's Cinta Sayang Resort may potentially be disrupted due to aging or poor maintenance. This may affect the quality of the Resort's offering and in turn visitor numbers.	The Group mitigates this risk by establishing a regular facilities maintenance plan for the Resort as well as employing specialised technicians to perform routine as well as urgent maintenance when required.

Directors' Statement on Risk Management and Internal Control (cont'd)

INTERNAL AUDIT FUNCTIONS

The Group's internal audit function has the primary objective of carrying out reviews of the internal control systems to determine if the internal control procedures have been complied with as well as to make recommendations to strengthen the system so as to foster a strong management control environment. The Board has engaged an independent professional service provider to undertake independent assessment and provide assurance of the adequacy and effectiveness of the Group's internal control system. Further details of the internal audit function are set out in the RMAC Report of this Annual Report.

OTHER KEY ELEMENTS OF THE GROUP'S CONTROL ENVIRONMENT

Apart from risk management and internal audit, the Board has put in place the following pertinent measures to strengthen the internal control system of the Group:

Culture and Employee Conduct

- The vision and mission set the tone of the Board to employees and shape the culture for the Group;
- The Group has in place an organisational structure with clearly defined authority and reporting lines aligned with business and operational requirements;
- The Group has drawn up and adopted Authority Matrix which sets out the authorisation level of Senior Management in all key areas;
- Code of Conduct and Ethics are in place to set out standards of ethics and conduct expected from employees;
- Integrity Policy (Whistle-Blowing Policy) and Procedures are in place to enable individuals to raise genuine concerns without fear of retaliation;
- Anti-Bribery and Anti-Corruption Policy is in place to set out rules and guidance to employees and external parties who performs services for the Group on how to deal with improper solicitation, requests for bribes and other corrupt activities that may arise in the ordinary course of business; and
- Conflict of Interest Policy is in place to ensure employees conduct themselves with integrity, impartiality and professionalism at all times, and to take all reasonable steps to avoid actual, potential or perceived conflict of interest that may arise in the performance of their duties.

Policies and Procedures

- Policies and procedures for key processes are documented and communicated to employees for application across the Group. These are supplemented by operating procedures set by individual companies, as required for the type of business of each company;
- Policy and procedures on Related Party Transactions ("RPT") and Recurrent Related Party Transactions ("RRPT") are formalised to ensure that all RPT and RRPT are monitored and conducted in a manner that is within arm's length, fair and on normal commercial terms not more favourable to the related parties than those generally available to the public, not to the detriment of minority shareholders and in the best interest of the Group;
- Policy and procedures for External Auditors outline the Company's policies and procedures in assessing the suitability, objectivity and independence of external auditors and continuous monitoring of their performance; and
- Continuous quality improvement initiatives to ensure accreditation such as ISO certification for selected businesses.

People

- Employee handbook outlines the employment terms and conditions, including compensation, leaves, benefits and other matters related to their employment; and
- A half-yearly review of Key Performance Indicators is undertaken by the Management to identify, and where appropriate, address significant variances.

Communication and Reporting

- An effective reporting system which ensures the timely generation of financial information for management review has been put in place. Financial results are reviewed and approved on a quarterly basis by the RMAC and the Board respectively, before it is released to shareholders and stakeholders; and
- Internal corporate disclosure policies and procedures are in place to govern the disclosure of material information to shareholders and stakeholders.

Directors’ Statement on Risk Management and Internal Control (cont'd)

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR, the external auditors have performed limited assurance procedure on this Statement in accordance with Malaysian Approved Standard on Assurance Engagements ISAE 3000 (Revised), Assurance Engagement Other Than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 ("AAPG 3") – Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report as issued by the Malaysia Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

Based on their procedures performed, the external auditors have reported to the Board that nothing has come to their attention which causes them to believe that this Statement, in all material respects:

1. has not been prepared in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor
2. is factually inaccurate.

CONCLUSION

Based on the risk management framework and system of internal controls maintained by the Group, the Group Managing Director and Chief Financial Officer have given their assurance to the Board that the Group’s risk management and internal control system are operating adequately and effectively, in all material aspects.

Taking into consideration the assurance from the Management and input from the relevant service providers, the Board is of the view that the Group’s system of internal control and risk management in place for the financial year under review, and up to the date of approval of this Statement, are adequate in safeguarding the shareholders’ interests and the Group’s assets. The Board is also satisfied that the risk management framework and internal control processes of the Group are able to function effectively in identifying, assessing and managing the key risks including those relating to the overall business operations, financial reporting and compliance. The business objectives on risk and control information have been well communicated across the business.

This Statement is issued in accordance with a resolution of the Board dated 13 June 2024.

Risk Management and Audit Committee Report

The Board of Directors ("the Board") of Eupe Corporation Berhad ("Company") is pleased to present the report of the Risk Management and Audit Committee ("RMAC") which provides insights into the manner in which the RMAC discharged its functions for the Company and its subsidiaries (the "Group") for the financial year ended 29 February 2024 ("FY2024").

The RMAC was established to assist the Board with independent review and comprehensive oversight on financial reporting, effectiveness of internal audit function and external audit processes, related party transactions, conflict of interest situations as well as risk management matters.

In discharging its responsibilities, the RMAC is guided by its Terms of Reference, which was last reviewed and approved by the Board on 25 April 2024. The Terms of Reference of the RMAC is available on the Company's website at https://eupe.com.my/investors.

COMPOSITION OF THE RMAC

The RMAC comprises three (3) members, all of whom are Independent Non-Executive Directors, which satisfy the requirements of Paragraphs 15.09(1) (a) and (b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and Step Up 9.4 of the Malaysian Code on Corporate Governance ("MCCG").

The RMAC members who were in office during FY2024, and up to the date of this report, are as follows:

Designation	Name of RMAC members
Chairman / Chairperson	Tham Sau Kien Independent Non-Executive Director (Re-designated as the Chairperson of the RMAC on 27 April 2023)
	Alfian Bin Tan Sri Mohamed Basir Independent Non-Executive Chairman (Resigned as the Chairman of the RMAC on 27 April 2023)
Members	Iskandar Abdullah @ Sim Kia Miang Senior Independent Non-Executive Director
	Leow Peen Fong Independent Non-Executive Director (Appointed as Member on 27 April 2023)

Iskandar Abdullah @ Sim Kia Miang is a Fellow of the Institute of Chartered Accountants in England and Wales. The RMAC therefore meets the requirement of Paragraph 15.09(1)(c) of the MMLR which requires at least one (1) member of the committee to be a qualified accountant. The RMAC members collectively equip themselves with the necessary accounting, financial, banking, capital markets, business management, legal and regulations experience and skills to perform the functions and roles of the RMAC. In line with the requirement of Paragraph 15.09(2) of the MMLR, no alternate director was appointed as member of RMAC.

Risk Management and Audit Committee Report (cont'd)

MEETINGS AND ATTENDANCE

The RMAC held five (5) meetings during FY2024. The details of the attendance of each RMAC member are as follows:

RMAC Membership	Meetings Attended
Tham Sau Kien (Chairperson)	5 / 5
Alfian Bin Tan Sri Mohamed Basir (Resigned on 27 April 2023)	1 / 1
Iskandar Abdullah @ Sim Kia Miang	5 / 5
Leow Peen Fong	3 / 4

The Group Managing Director ("Group MD") and Chief Financial Officer ("CFO") were invited to attend all RMAC meetings to assist the RMAC in its review of the unaudited quarterly financial results and annual audited financial statements, resolving and clarifying matters raised in relation to operations and financial. The Chairman/Chairperson of the RMAC may also invite other Board members and/or management to participate in the meetings, where necessary. The representatives of External Auditors, out-sourced Internal Auditors and the out-sourced Enterprise Risk Management consultant were also invited to attend the RMAC meetings to present their reports on their review matters and/or other matters deemed relevant. After each meeting, the Chairman/Chairperson of the RMAC reported to the Board on the activities, deliberations, and recommendations of the RMAC to the Board for information and attention. Significant matters reserved for the Board were tabled at the Board meetings for approval.

The proceedings of the RMAC meetings and deliberations including issues tabled, key observations made by the RMAC members and rationale adopted for decisions were properly recorded in the minutes of each meeting. Minutes of the RMAC meetings were tabled for confirmation at the following RMAC meeting, after which the minutes were presented to the Board for notation.

SUMMARY OF ACTIVITIES OF THE RMAC

The RMAC carried out the following key activities for FY2024:

1. Financial Reporting

a) Reviewed the Group's unaudited quarterly financial results of FY2024 during its meeting held on 26 July 2023, 25 October 2023, 23 January 2024 and 24 April 2024 respectively, together with the Group MD and CFO before recommending them to the Board for approval.

   During these meetings, the Group MD and CFO provide explanations on matters particularly any material changes in financial performance, significant changes to accounting policies and practices, unusual events relating to the Group's operation and performance, and other matters that required the RMAC's attention.

b) At the RMAC meeting held on 12 June 2024, reviewed and recommended to the Board for approval the annual audited financial statements of the Group for FY2024, together with RSM Malaysia PLT, the External Auditors. The key considerations in the deliberations of these financial statements included the following:

   i. The annual audited financial statements did not contain material misstatements and gave a true and fair view of the financial position of the Group and of the Company.

   ii. The audit opinion given by the External Auditors stating that the financial statements gave a true and fair view of the financial position of the Company as at 29 February 2024 and of its financial performance and cash flows for the financial year ended are in accordance with MFRS and the requirements of the Companies Act 2016.

   iii. The accounting policies and methods of computation adopted by the Group were consistent with those adopted in the previous audited financial statements except for the adoption of new or amended accounting standards that were effective for FY2024.

Risk Management and Audit Committee Report (cont'd)

2. External Audit

a) Reviewed the Audit Planning Memorandum for FY2024 presented by the External Auditors on 23 January 2024. The annual audit planning memorandum outlined the audit scope, timeline and approach, audit materiality, potential key audit matters, and other audit issues carried forward from the previous financial year.

b) On 24 April 2024, reviewed the Audit Review Memorandum in respect of the audit of the Group for FY2024 presented by the External Auditors and deliberated on the audit findings and observations arising from the statutory audit including financial reporting issues, significant judgement made by the Management, as well as key audit matters identified for the Group. The RMAC also received assurance from the External Auditors that they were independent from the Group and in compliance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standard).

c) On 12 June 2024, reviewed the final report for the audit for FY2024 presented by the External Auditors and recommended the Audited Financial Statements for FY2024 to the Board for approval.

d) Reviewed the proposed fees for audit and non-audit services provided by the External Auditors for FY2024.

e) Met with the External Auditors at the RMAC meetings held on 23 January 2024 and 24 April 2024 without the presence of the Executive Directors and the management to ensure there were no restriction on the scope of external audit (in terms of adequacy of information provided and cooperation from management) and to discuss key matters that required the RMAC's attention and suggestions thereon. No major concerns or material issues for FY2024 was noted. The External Auditors had been receiving full cooperation from the management throughout the audit progress.

f) Reviewed and assessed the independence and effectiveness of the External Auditors on 12 June 2024, based on the annual assessment using questionnaires and feedback received from the management.

The RMAC has made recommendation to the Board for appointment of Grant Thornton Malaysia PLT as the new External Auditors for the financial year ending 28 February 2025, subject to the approval of the shareholders at the 28th Annual General Meeting ("AGM").

3. Internal Audit

a) Reviewed and approved the internal audit plan for FY2025 proposed by the outsourced Internal Auditors, Tricor Axcelasia Sdn Bhd. The internal audit plan was developed based on the understanding of the Group's corporate and strategic goals, business environment and significant business processes that have an impact on the Group's performance.

b) Reviewed and deliberated on internal audit reports prepared by the Internal Auditors at the RMAC meetings held on 26 July 2023, 25 October 2023, 23 January 2024 and 24 April 2024, deliberation of major findings and Management's responses together with Internal Auditors' recommendations.

c) Monitored the implementation of action plans agreed by Management on the internal audit observations which remain in progress on a quarterly basis, to ensure that all actions have been implemented based on the committed timelines and adequate controls are in place.

d) Met with the Internal Auditors on 25 October 2023, 23 January 2024 and 24 April 2024 without the presence of the management for discussion on internal audit related matters.

e) Reviewed the adequacy of the scope, functions, competency and resources of the Internal Auditors. The areas being assessed are as follows:

- knowledge on the Group's businesses;
- adequacy of resources;
- professionalism; and
- their observations, findings and recommendations for improvements.

The RMAC was satisfied with the competency and independence of the Internal Auditors in carrying out its scope of work. The Internal Auditors was able to provide meaningful inputs when developing action plans and protect the Group's value by providing risk based and objective assurance and insight to improve the Group's operation.

Risk Management and Audit Committee Report (cont'd)

4. Enterprise Risk Management ("ERM")

a) On 26 July 2023, reviewed the updated ERM profile of the Group for 2023/2024 and identified the Group's top 10 risk profiles, presented by the out-sourced ERM consultant, Moore Stephens Associates PLT. Each identified risk had been assigned to the respective risk owners and the controls in place are adequate to address and manage these risks.

b) Reviewed the update on the Group's top 10 risk profiles as well as other key risk profiles on a quarterly basis at the RMAC meetings held on 25 October 2023, 23 January 2024 and 24 April 2024.

c) Conducted a special review on the project management of Helix2 @ PJ South.

d) Reviewed and recommended the ERM Framework to the Board for adoption.

For further details on ERM functions, please refer to Directors' Statement on Risk Management and Internal Control on pages 122 to 128 of the Annual Report 2024.

5. Related Party Transactions ("RPTs") & Recurrent Related Party Transactions ("RRPTs")

a) Reviewed RPTs and RRPTs entered into / to be entered into by the Group at the RMAC meetings held on 26 July 2023, 25 October 2023, 23 January 2024 and 24 April 2024, to ensure that the transactions are at arm's length basis and on normal commercial terms which are not more favourable to the related party than those generally available to the public and are not to the detriment of the Group's minority shareholders.

b) Reviewed the processes and procedures on RPTs on 12 June 2024 to ensure that related parties are appropriately identified and that they have declared and reported appropriately.

c) On 12 June 2024, reviewed the circular to shareholders in relation to the proposed renewal of shareholders' mandate for RRPTs of a revenue or trading nature which is necessary for the Group's day-to-day operations and are in the ordinary course of business on terms that are not more favourable to the related parties than those generally available to the public and recommended to the Board for approval prior to recommending to the shareholders for approval at the 28th AGM.

6. Other Activities

a) Assessed the effectiveness of risk management and internal control of the Group for FY2024 on 12 June 2024. Based on the assessment results, the RMAC was satisfied that the risk management framework and internal control processes of the Group are able to function effectively in identifying, assessing and managing its risks including those relating to the overall business operations, financial reporting and compliance.

b) Reviewed and recommended to the Board, the RMAC Report and the Directors' Statement on Risk Management and Internal Control, for inclusion in the Annual Report 2024.

c) Reviewed and recommended the Conflict of Interest Policy to the Board for adoption. Reviewed the conflict of interest situation that arose or persisted during FY2024, including potential conflict of interest.

d) Reviewed the revised Terms of Reference of the RMAC.

SUMMARY OF CONFLICT OF INTEREST SITUATION

Dato' Beh Huck Lee, the Group MD, had in January 2024 reviewed the performance assessment of Datin Michelle Gan, his spouse who is currently the Director of Sales, Marketing and Design of the Company.

Save as disclosed, there was no other conflict of interest situation arose or persisted during the FY2024.

INTERNAL AUDIT FUNCTION

The Group's internal audit function, which reports directly to the RMAC, is outsourced to Tricor Axcelasia Sdn Bhd, an independent professional services provider whose principal responsibility is to undertake regular and systematic reviews of internal controls system in accordance with the approved risk based internal audit plan, to provide reasonable assurance that the system continues to operate effectively.

The engagement Executive Director is Mr. Chang Ming Chew who has over 20 years of wide-ranging professional experiences that includes statutory audit, transaction reporting for IPO, share registration & IPO processing, internal audit, risk management, IT/cybersecurity advisory, operational risk and control review, financial due diligence, management consulting and corporate governance advisory.

The number of staff deployed for the internal audit reviews was 4 to 5 staff per cycle including the engagement Executive Director. The staff involved in the internal audit reviews possess professional qualification and/or a university degree. Most of them are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.

During the FY2024, the Internal Auditors performed audit reviews in accordance with the approved risk based internal audit plan covering the following divisions and auditable processes:

Risk Management and Audit Committee Report (cont'd)

Business Division	Auditable Processes
Property Development	• Project Management for Helix2 @ PJ South • Project Management for Est8 @ Seputeh • Strategic Management

The internal audit reports were issued to the RMAC and presented at the RMAC scheduled quarterly meetings. The internal audit reports containing key audit observations and recommendations together with management's responses to address the control weaknesses identified during the course of internal audit review and enhance the adequacy and effectiveness of the Group's system of internal controls. The Internal Auditors subsequently conducted follow-up assessment on the audit observations highlighted in the previous audit reports to ensure that agreed corrective action plans were implemented appropriately. The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework (IPPF).

The costs incurred for the internal audit function for FY2024 was RM84,000 (FY2023: RM84,000).

This report is issued in accordance with a resolution of the Board dated 13 June 2024.

Directors' Report

The directors have pleasure in presenting their report and the audited financial statements of the Group and of the Company for the financial year ended 29 February 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiary companies are described in Note 8 to the financial statements.

RESULTS	**GROUP RM'000**	**COMPANY RM'000**
Profit for the year attributable to:		
Equity holders of the Company	35,400	311
Non-controlling interests	5,933	-
Total	41,333	311

In the opinion of the directors, the financial results of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDEND	**RM'000**
In respect of the financial year ended 29 February 2024:	
Single-tier interim dividend of 1.50 sen per ordinary share, declared on 27 July 2023 and paid on 13 September 2023	1,920

The directors do not recommend any final dividend in respect of the financial year ended 29 February 2024.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and paid up share capital of the Company was increased from RM133,982,000 to RM145,005,000 by way of an issue of 13,600,000 ordinary shares of RM0.83 per ordinary shares via Private Placement to eligible investors for a total cash consideration of RM11,288,000 to part finance the infrastructure works for the Group's land located in Daerah Kuala Muda, Kedah.

The new ordinary shares issued during the financial year rank pari-passu in all respects with the existing ordinary shares of the Company.

DIRECTORS

The directors who held office during the financial year until the date of this report are:

THE COMPANY

Alfian bin Tan Sri Mohamed Basir (Chairman)

Dato' Beh Huck Lee (Group Managing Director)

Muhamad Faisal bin Tajudin

Iskandar Abdullah @ Sim Kia Miang

Beh Yeow Seang

Leow Peen Fong

Tham Sau Kien

Datuk Tan Hiang Joo (Resigned on 27 April 2023)

Directors' Report (cont'd)

DIRECTORS (cont'd)

THE SUBSIDIARY COMPANIES

Dato' Beh Huck Lee

Muhamad Faisal bin Tajudin

Chiau Haw Choon

Datin Paduka Teoh Choon Boay

Datuk Seri Chiau Beng Teik, PJN

Lee Kam Choon

Noordihan bin Hashim

Tan Soon Huat

Tuan Haji Syed Yussof bin Syed Othman

Y.A.M Dato' Seri Sharifah Fazira binti DYMM Syed Sirajuddin

YBM Dato' Seri Diraja Syed Razlan Ibni Syed Putra

YM Syed Hazrain Bin Syed Razlan Jamalullail

Chiam Tow Heng (Resigned on 25 October 2023)

The directors holding office at the end of the financial year and their beneficial interest in the ordinary shares of the Company and of its related corporations during the financial year ended 29 February 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 were as follows:

	Number of Ordinary Shares ('000)			
	At 1.3.2023	Acquired	Disposed	At 29.2.2024
THE COMPANY				
Direct interests				
Dato' Beh Huck Lee	3,500	–	–	3,500
Tham Sau Kien	2,002	–	–	2,002
Indirect interests				
Dato' Beh Huck Lee	53,315	–	–	53,315
Iskandar Abdullah @ Sim Kia Miang	103	–	–	103

By virtue of his interest in the shares of the Company, Dato's Beh Huck Lee is also deemed to be interested in the shares of all the subsidiaries to the extent the Company has an interest.

Other than disclosed above, none of the other directors holding office at the end of the financial year held any interest in the ordinary shares of the Company and of its related corporations.

Since the end of the previous financial year, no director has received or become entitled to receive any significant benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors shown in the notes to the financial statements) by reason of a contract made by the Company or a related corporation with a director or with a firm of which a director is a member, or with a company in which a director has substantial financial interest except for any benefits which may deemed to have arisen by virtue of the significant related party transactions as disclosed in Note 34 to the financial statements.

Directors' Report (cont'd)

DIRECTORS' REMUNERATION

The amount of remuneration of the directors or past directors of the Company comprising remuneration received/receivable from the Company and the subsidiaries during the financial year are as follows:

	From the Company RM'000	From the subsidiaries RM'000
Executive directors		
Directors' fee and allowances	16	–
Short term employee benefits	–	1,192
Contribution to defined contribution plans	–	155
Other benefits	–	6
	16	1,353

	From the Company RM'000	From the subsidiaries RM'000
Non-executive directors		
Directors' fee and allowances	416	–

INDEMNIFYING DIRECTORS, OFFICERS AND AUDITORS

The total amount of insurance premium paid for the directors and officers of the Group and of the Company is as follows:

	GROUP RM'000	COMPANY RM'000
Directors and officers	22	22

No indemnities have been given or insurance premium paid for the auditors of the Group and of the Company.

SUBSIDIARY COMPANIES

The details of the Company's subsidiaries are disclosed in Note 8 to the financial statements.

AUDITORS' REMUNERATION

The details of the auditors' remuneration for the financial year are as follows:

	GROUP RM'000	COMPANY RM'000
Audit fees	189	38
Non-audit fees	5	5
	194	43

Directors' Report (cont'd)

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances:

(i) which would render the amount written off for bad debts and the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the Group's and the Company's financial statements misleading.

(c) At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.

(d) In the opinion of the directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to substantially affect the results of the operations of the Group and of the Company for the current financial year.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:

MUHAMAD FAISAL BIN TAJUDIN

DATO' BEH HUCK LEE
13 June 2024

Statements of Financial Position as at 29 February 2024

		GROUP		COMPANY	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	6	59,158	56,408	–	–
Right-of-use assets	7	1,976	1,443	–	–
Investment in subsidiaries	8	–	–	117,418	117,418
Inventories – land held for property development	9	293,387	272,890	–	–
Investment properties	10	40,251	40,143	–	–
Deferred tax assets	11	3,592	4,674	–	–
		398,364	375,558	117,418	117,418
Current assets					
Inventories – property development costs	9	107,782	136,196	–	–
Inventories – completed properties and others	9	19,140	26,835	–	–
Contract costs	12	17,723	16,590	–	–
Contract assets	13	128,511	66,634	–	–
Trade and other receivables	14	54,360	55,139	27	27
Amount owing from subsidiaries	15	–	–	46,522	38,279
Sinking funds	16	864	687	–	–
Tax recoverable		411	1,540	–	–
Deposits, cash and bank balances	17	80,921	87,776	36	267
		409,712	391,397	46,585	38,573
TOTAL ASSETS		808,076	766,955	164,003	155,991

Statements of Financial Position as at 29 February 2024 (cont'd)

		GROUP		COMPANY	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	18	145,005	133,982	145,005	133,982
Reserves	19	338,571	305,091	18,730	20,339
		483,576	439,073	163,735	154,321
Non-controlling interests	8	16,888	18,880	–	–
TOTAL EQUITY		500,464	457,953	163,735	154,321
LIABILITIES					
Non-current liabilities					
Long-term borrowings	20	182,146	174,656	–	–
Lease liabilities	24	1,229	640	–	–
Deferred tax liabilities	11	13,765	13,279	–	–
		197,140	188,575	–	–
Current liabilities					
Contract liabilities	13	1,159	1,195	–	–
Trade and other payables	25	80,880	83,648	143	73
Provisions	26	12,420	13,335	–	–
Amount owing to subsidiaries	15	–	–	125	1,597
Short-term borrowings	20	13,728	19,691	–	–
Lease liabilities	24	851	889	–	–
Current tax payable		1,434	1,669	–	–
		110,472	120,427	268	1,670
TOTAL LIABILITIES		307,612	309,002	268	1,670
TOTAL EQUITY AND LIABILITIES		808,076	766,955	164,003	155,991

The annexed notes form an integral part of the financial statements.

Statements of Profit or Loss and Other Comprehensive Income
for the Financial Year Ended 29 February 2024

		GROUP		COMPANY	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
REVENUE	27	340,175	201,995	1,600	1,550
COST OF SALES	28	(248,579)	(144,217)	–	–
GROSS PROFIT		91,596	57,778	1,600	1,550
OTHER OPERATING INCOME		3,657	14,085	–	9,470
MARKETING AND DISTRIBUTION COSTS		(6,869)	(6,578)	–	–
ADMINISTRATIVE EXPENSES		(23,677)	(22,171)	(1,289)	(1,338)
OTHER OPERATING EXPENSES		(3,472)	(3,498)	–	(6)
FINANCE COSTS		(3,427)	(2,550)	–	–
PROFIT BEFORE TAX	29	57,808	37,066	311	9,676
TAX EXPENSE	30	(16,475)	(8,774)	–	–
NET PROFIT REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		41,333	28,292	311	9,676
PROFIT ATTRIBUTABLE TO:					
EQUITY HOLDERS OF THE COMPANY		35,400	26,124	311	9,676
NON-CONTROLLING INTERESTS		5,933	2,168	–	–
		41,333	28,292	311	9,676
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
EQUITY HOLDERS OF THE COMPANY		35,400	26,124	311	9,676
NON-CONTROLLING INTERESTS		5,933	2,168	–	–
		41,333	28,292	311	9,676
BASIC AND DILUTED EARNINGS PER ORDINARY SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (SEN)	31	27.57	20.41		

The annexed notes form an integral part of the financial statements.

Statements of Changes In Equity for The Financial Year Ended 29 February 2024

	← Attributable to equity holders of the Company →					
		Non-distributable	**Distributable**			
	Ordinary share capital RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
GROUP						
Balance as at 1 March 2022	133,982	(206)	281,271	415,047	37,507	452,554
Net profit representing total comprehensive income for the financial year	–	–	26,124	26,124	2,168	28,292
Disposal of interests in subsidiaries (Note 33)	–	206	–	206	(19)	187
Dividend paid	–	–	(2,304)	(2,304)	–	(2,304)
Dividend paid by subsidiaries to non-controlling shareholders	–	–	–	–	(20,776)	(20,776)
Balance as at 28 February 2023/ 1 March 2023	133,982	–	305,091	439,073	18,880	457,953
Net profit representing total comprehensive income for the financial year	–	–	35,400	35,400	5,933	41,333
Issuance of ordinary shares (Note 18)	11,023	–	–	11,023	–	11,023
Dividend paid	–	–	(1,920)	(1,920)	–	(1,920)
Dividend paid by subsidiaries to non-controlling shareholders	–	–	–	–	(7,925)	(7,925)
Balance as at 29 February 2024	145,005	–	338,571	483,576	16,888	500,464

		Distributable	
	Ordinary share capital RM'000	Retained earnings RM'000	Total RM'000
COMPANY			
Balance as at 1 March 2022	133,982	12,967	146,949
Net profit representing total comprehensive income for the financial year	–	9,676	9,676
Dividend paid	–	(2,304)	(2,304)
Balance as at 28 February 2023/1 March 2023	133,982	20,339	154,321
Net profit representing total comprehensive income for the financial year	–	311	311
Issuance of ordinary shares (Note 18)	11,023	–	11,023
Dividend paid	–	(1,920)	(1,920)
Balance as at 29 February 2024	145,005	18,730	163,735

The annexed notes form an integral part of the financial statements.

Statements of Cash Flows for The Financial Year Ended 29 February 2024

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	280,359	213,536	–	–
Cash payments to suppliers and creditors	(203,551)	(138,296)	–	–
Cash payments to employees and for expenses	(44,583)	(31,186)	(1,219)	(1,358)
Cash generated from/(used in) operations	32,225	44,054	(1,219)	(1,358)
Deposits (paid)/received	(214)	601	–	446
Insurance claim received	–	97	–	–
Rental income received	814	829	–	–
Tax paid	(14,013)	(10,455)	–	–
Net cash generated from/(used in) operating activities	18,812	35,126	(1,219)	(912)
CASH FLOWS FROM INVESTING ACTIVITIES				
Advances to subsidiaries	–	–	(9,715)	(7,554)
Deposits paid for purchase of lands	(4,068)	(2,000)	–	–
Dividend received	–	–	1,600	1,550
Interest income received	1,747	2,095	–	–
Net changes in fixed deposits pledged	(153)	793	–	–
Net proceeds from disposal of subsidiaries (Note 33)	–	9,153	–	9,471
Proceeds from disposal of property, plant and equipment	–	88	–	–
Proceeds from disposal of investment properties	–	3,703	–	–
Purchase of investment property	(108)	–	–	
Purchase of land	(13,315)	(161,000)	–	–
Purchase of property, plant and equipment	(1,797)	(869)	–	–
Purchase of right of use assets	(714)	–	–	
Net cash (used in)/generated from investing activities	(18,408)	(148,037)	(8,115)	3,467

Statements of Cash Flows For The Financial Year Ended 29 February 2024 (cont'd)

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid to shareholders	(1,920)	(2,304)	(1,920)	(2,304)
Dividend paid to non-controlling interests	(7,925)	(20,776)	–	–
Issuance of ordinary shares	11,023	–	11,023	
Net drawdown/(repayment) of lease liabilities	473	(822)	–	–
Net drawdown of revolving credits	9,200	6,000	–	–
Net (repayment)/drawdown of term loans	(7,740)	126,423	–	–
Bank overdraft interest paid	(197)	(186)	–	–
Bankers' acceptances interest paid	–	(2)	–	–
Lease liabilities interest paid	(71)	(78)	–	–
Revolving credit interest paid	(828)	(261)	–	–
Term loans interest paid	(9,378)	(6,020)	–	–
Net (used in)/generated from financing activities	(7,363)	101,974	9,103	(2,304)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(6,959)	(10,937)	(231)	251
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	70,870	81,807	267	16
CASH AND CASH EQUIVALENTS CARRIED FORWARD (NOTE 17)	63,911	70,870	36	267

Statements of Cash Flows For The Financial Year Ended 29 February 2024 (cont'd)

	GROUP	
	2024 RM'000	2023 RM'000
Cash (inflows)/outflows for leases as a lessee		
Included in net cash from operating activities:		
Payment relating to leases of low-value assets	46	20
Payment relating to short-term leases	-	195
Included in net cash from financing activities:		
Interest paid in relation to lease liabilities	71	78
Net (drawdown)/repayment of lease liabilities	(473)	822
Total cash (inflows)/outflows for leases	(356)	1,115

Reconciliation of liabilities arising from financing activities

GROUP	2023	Cash flows	Non-cash changes		2024
			Acquisition	New leases	
	RM'000	RM'000	RM'000	RM'000	RM'000
Borrowings	194,347	1,460	67	-	195,874
Lease liabilities	1,529	473	-	78	2,080
	195,876	1,933	67	78	197,954

	2022	Cash flows	Non-cash changes		2023
			Acquisition	New leases	
	RM'000	RM'000	RM'000	RM'000	RM'000
Borrowings	61,983	132,423	(59)	-	194,347
Lease liabilities	2,191	(822)	-	160	1,529
	64,174	131,601	(59)	160	195,876

The annexed notes form an integral part of the financial statements.

Notes to The Financial Statements – 29 FEBRUARY 2024

1 PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding.

The principal activities of the subsidiary companies are described in Note 8.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and the Company have been prepared in accordance with applicable approved Malaysian Financial Reporting Standards ("MFRSs") issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3. MATERIAL ACCOUNTING POLICIES

3.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise stated in the financial statements.

The preparation of financial statements requires the directors to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. In addition, the directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 5. Although these estimates and assumptions are based on the directors' best knowledge of events and actions, actual results could differ from those estimates.

3.2 Basis of consolidation

(a) Subsidiaries

A subsidiary is an entity controlled by the Group, i.e. the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its current ability to direct the entity's relevant activities (power over the investee).

The existence and effect of potential voting rights that the Group has is the practical ability to exercise (i.e. substantive rights) are considered when assessing whether the Group controls another entity.

The Group's financial statements incorporate the results, cash flows, assets and liabilities of Eupe Corporation Berhad and all of its directly and indirectly controlled subsidiaries. Subsidiaries are consolidated from the effective date of acquisition, which is the date on which the Group effectively obtains control of the acquired business, until that control ceases.

The non-controlling interests in the net assets and net results of consolidated subsidiaries are shown separately in the consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income.

Total comprehensive income (i.e. profit or loss and each component of other comprehensive income) is attributed to the equity holders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interest in a subsidiary that do not result in the Group losing control are accounted for as transactions with owners in their capacity as owners (i.e. equity transactions). The carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the equity holders of the Company.

Upon loss of control of a subsidiary, the Group's profit or loss is calculated as the difference between (i) the fair value of the consideration received and of any investment retained in the former subsidiary and (ii) the previous carrying amount of the assets (including any goodwill) and liabilities of the subsidiary and any non-controlling interests.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments excludes transaction costs.

(b) Business combinations

The Group applies the acquisition method to account for all acquired businesses, whereby the identifiable assets acquired and the liabilities assumed are measured at their acquisition-date fair values (with few exceptions as required by MFRS 3 *Business Combinations*).

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, the liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.2 Basis of consolidation (cont'd)

(b) Business combinations

Acquisition-related costs (e.g. finder's fees, consulting fees, administrative costs, etc.) are recognised as expenses in the periods in which the costs are incurred and the services are received.

On acquisition date, goodwill is measured as the excess of the aggregate of consideration transferred, any non-controlling interests in the acquiree, and acquisition-date fair value of the Group's previously held equity interest in the acquiree (if business combination achieved in stages) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after appropriate reassessment, the amount as calculated above is negative, it is recognised immediately in profit or loss as a bargain purchase gain.

At acquisition date, non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement is made separately for each business combination. Other components of non-controlling interests are measured at their acquisition-date fair values, unless otherwise required by MFRS.

The acquisition-date fair value of any contingent consideration is recognised as part of the consideration transferred by the Group in exchange for the acquiree. Changes in the fair value of contingent consideration that result from additional information obtained during the measurement period (maximum one year from the acquisition date) about facts and circumstances that existed at the acquisition date are adjusted retrospectively against goodwill. Other changes resulting from events after the acquisition date are adjusted at each reporting date only when the contingent consideration is classified as an asset or a liability and the adjustment is recognised in profit or loss.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value and any resulting gain or loss is recognised in profit or loss. If any, changes in the value of the Group's equity interest in the acquiree that have been previously recognised in other comprehensive income are reclassified to profit or loss, if appropriate had that interest been disposed of directly.

3.3 Property, plant and equipment

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the Company and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group and the Company are obligated to incur when the asset is acquired, if applicable.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful lives, is depreciated separately.

After initial recognition, property, plant and equipment are stated at cost less any accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives.

The principal annual depreciation rates are as follows:

Leasehold land	1.85%
Buildings	2%
Renovation, electrical and amusement equipment	10% to 20%
Motor vehicles	20%
Furniture, fittings and equipment	10% to 20%
Sports equipment, machinery and others	10% to 20%

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.3 Property, plant and equipment (cont'd)

At each reporting date, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write-down is made if the carrying amount exceeds the recoverable amount (see Note 3.7 on impairment of non-financial assets).

The residual values, useful lives and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued used of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.4 Leases

(a) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(b) Recognition and initial measurement

(i) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentive receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.4 Leases (cont'd)

(b) Recognition and initial measurement (cont'd)

(i) As a lessee (cont'd)

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

If an arrangement contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract based on the stand-alone selling prices.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

(c) Subsequent measurement

(i) As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use asset are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(ii) As a lessor

The Group recognises lease payments received under operating leases as income on straight-line basis over the lease term as part of "Revenue".

3.5 Inventories

(a) Land held for property development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at lower of cost and net realisable value.

Costs associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and where the development activities can be completed within the normal operating cycle.

(b) Property development costs

Property development costs are stated at the lower of costs and net realisable value. The cost of land, related development costs common to whole projects and direct building costs less cumulative amounts recognised as expense in the profit or loss for property under development are carried in the statement of financial position as property development costs. The property development cost is subsequently recognised as an expense in profit or loss as and when the control of the inventory is transferred to the customer.

Property development cost of unsold unit is transferred to completed development unit once the development is completed.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.5 Inventories (cont'd)

(c) Unsold completed properties

Unsold completed properties are stated at the lower of cost and net realisable value.

The cost of unsold completed properties held for sale comprise cost associated with the acquisition of land, direct costs and appropriate proportions of common costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(d) Building materials and resort operating supplies

Building materials and resort operating supplies are stated at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out basis and comprises the original cost of purchase plus the cost of bringing the inventories to their intended location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

3.6 Investment properties

(a) Investment property carried at fair value

Investment properties are held to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purpose.

Investment properties are measured initially at cost, including transaction costs. The cost comprises the purchase price and any directly attributable expenditure (e.g. professional fees for legal services, property transfer taxes). The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bring the investment property to a working condition for their intended use and capitalised borrowing costs.

Subsequently, investment properties are carried at fair value at the reporting date and, unlike operational properties, they are not depreciated. Fair value is based on active market prices adjusted as necessary to reflect the specific assets' location and condition. In cases where active market prices are not available, the Group engages independent valuers who hold a recognised and relevant professional qualification. Changes in fair value are recognised in the statement of profit or loss.

Where the fair value of the investment property under construction is not reliably determinable, the investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

Leased assets are not classified and accounted for as investment properties.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

(b) Reclassification to/from investment property

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.7 Impairment of non-financial assets

Impairment of property, plant and equipment

The carrying amounts of such assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through profit or loss to its estimated recoverable amount. Recoverable amount is the higher of value in use and the fair value less costs to sell of the individual asset or the cash-generating unit.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs.

Value in use is the present value of the estimated future cash flows of that unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the unit which impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the unit.

Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

3.8 Financial instruments

(a) Initial recognition and measurement

The Group and the Company recognise a financial asset or a financial liability (including derivative instruments) in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the instruments.

On initial recognition, all financial assets and financial liabilities (including intra-group payables) are measured at fair value plus or minus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

(b) Derecognition of financial instruments

For derecognition purposes, the Group and the Company first determine whether a financial asset or a financial liability should be derecognised in its entirety as a single item or derecognised part-by-part of a single item or of a group of similar items.

A financial asset, whether as a single item or as a part, is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Group and the Company transfer the contractual rights to receive cash flows of the financial asset, including circumstances when the Group and the Company act only as a collecting agent of the transferee, and retain no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. For this purpose, the Group and the Company consider a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate is different by 10% or more when compared with the carrying amount of the original liability.

(c) Financial assets

For the purpose of subsequent measurement, the Group and the Company classify financial assets into three measurement categories, namely: (i) financial assets at amortised cost ("AC"); (ii) financial assets at fair value through other comprehensive income ("FVOCI") and (iii) financial assets at fair value through profit or loss ("FVPL"). The classification is based on the Group's and the Company's business model objective for managing the financial assets and the contractual cash flow characteristics of the financial instruments.

After initial recognition, the Group and the Company measure financial assets as financial assets at AC.

A financial asset is measured at AC if: (a) it is held within the Group's and the Company's business objective to hold the asset only to collect contractual cash flows, and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest in principal outstanding.

Typically, trade and other receivables (excluding prepayments) and cash and cash equivalents are classified as financial assets at AC.

For the financial year ended on 29 February 2024 and 28 February 2023, the Group and the Company did not carry any financial assets classified as FVPL and FVOCI.

All financial assets are subject to review for impairment in accordance with Note 3.8(g).

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.8 Financial instruments (cont'd)

(d) Financial liabilities

After initial recognition, the Group's and the Company's financial liabilities are classified as financial liabilities at amortised cost using the effective interest method.

(e) Fair value measurement

The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique as described in Note 3.21.

(f) Recognition of gains and losses

For financial assets and financial liabilities carried at amortised cost, interest income and interest expense are recognised in profit or loss using the effective interest method. A gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

(g) Impairment of financial assets

The Group and the Company apply the expected credit loss ("ECL") model of MFRS 9 to recognise impairment losses of financial assets measured at amortised cost. Except for trade receivables, a 12-month ECL is recognised in profit or loss on the date of origination or purchase of the financial assets. At the end of each reporting period, the Group and the Company assess whether there has been a significant increase in credit risk of a financial asset since its initial recognition or at the end of the prior period. Other than for financial assets which are considered to be of low risk grade, a lifetime ECL is recognised if there has been a significant increase in credit risk since initial recognition. For trade receivables, the Group and the Company have availed the exception to the 12-month ECL requirement to recognise only lifetime ECLs.

The assessment of whether credit risk has increased significantly is based on quantitative and qualitative information that include financial evaluation of the creditworthiness of the debtors or issuers of the instruments, ageing of receivables, defaults and past due amounts, past experiences with the debtors, current conditions and reasonable forecast of future economic conditions.

The ECL is measured using an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, discounted for the time value of money and applying reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecast of future economic conditions. The ECL for a financial asset (when assessed individually) or a group of financial assets (when assessed collectively) is measured at the present value of the probability-weighted expected cash shortfalls over life of the financial asset or group of financial assets. When a financial asset is determined as credit-impaired (based on objective evidence of impairment), the lifetime ECL is determined individually.

For trade receivable, the lifetime ECL is determined at the end of each reporting period using a provision matrix. For each significant receivable, individual lifetime ECL is assessed separately. For significant receivables which are not impaired, they are grouped into risk classes by type of customers and businesses, and the ageing of the receivables. Collective lifetime ECLs are determined using past loss rates, which are updated for effects of current conditions and reasonable forecasts for future economic conditions. In the event that the economic or industry outlook is expected to worsen, the past loss rates are increased to reflect the worsening economic conditions.

3.9 Contract costs

Incremental cost of obtaining a contract

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained (for example, a sales commission). These costs are recognised as assets if the Group expects to recover those costs.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the profit or loss when the carrying amount of the contract costs exceed the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract costs does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

3.10 Contract assets and contract liabilities

Contract asset is the right to consideration for goods and services transferred to the customers. In the case of property development and construction contracts, contract asset is the excess of cumulative revenue earned over the billings to date. Contract asset is stated at cost less accumulated impairment loss, if any.

Contract liability is the obligation to transfer goods and services to customer for which the Group has received the consideration or has billed the customer. In the case of property development and construction contracts, contract liability is the excess of the billings to date over the cumulative revenue earned.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.11 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the statements of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statements of financial position.

3.12 Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transactions costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost with any difference between cost and redemption value being recognised in the profit or loss over the period of the loans and borrowings using the effective interest method.

Interest relating to financial liabilities is reported within finance cost in the profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve (12) months after the reporting date.

Capitalisation of borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to profit or loss. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income from temporary investment of the borrowing.

All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

3.13 Equity

Equity instruments are contracts that give a residual interest in the net assets of the Company. Ordinary shares are classified as equity. Equity instruments are recognised at the amount of proceeds received net of costs directly attributable to the transaction.

Dividends to shareholders are recognised in equity in the period in which they are declared.

If the Company reacquires its own equity instruments, the consideration paid, including any attributable transaction costs is deducted from equity as treasury shares until they are cancelled. No gain or loss is recognised in the statement of profit or loss and other comprehensive income on the purchase, sale, issue or cancellation of the Company's own equity instruments. Where such shares are issued by resale, the difference between the sales consideration and the carrying amount is shown as a movement in equity.

3.14 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Changes in estimates are reflected in profit or loss in the period they arise.

Where the effect of the time value of money is material, the amount of a provision will be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision will be reversed.

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

3.15 Revenue recognition

(a) Revenue from property development

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement net of expected liquidated ascertained damages ("LAD") payment, based on the expected value method.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.15 Revenue recognition (cont'd)

(a) Revenue from property development (cont'd)

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential property for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and
- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

If control of the asset transfers over time, revenue is recognised over the period of contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

When the outcome of property development contract cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

The Group recognises revenue over time using the input method, which is based on the actual cost incurred to date on the property development projects as compared to the total budgeted cost for the respective development projects.

The Group recognises revenue at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the assets sold.

(b) Sale of goods, building materials and playground materials

Revenue from sale of goods, building materials and playground materials are recognised at a point in time when control of the goods is passed to the customer, which is the point in time when the significant risks and rewards are transferred to the customer and the transaction has met the probability of inflows and measurement reliability requirements of MFRS 15.

Revenue is measured at the fair value of the consideration received or receivables, which is usually the invoice price, net of a trade discounts and volume rebates given to the customer.

(c) Revenue from rendering of services

Revenue from the provision of sports and recreation services is recognised at a point in time upon rendering of these services unless collectability is in doubt.

(d) Construction contracts

Under such contracts, the Group is engaged to construct buildings and related infrastructure. These contracts may include multiple promises to the customers and therefore accounted for as separate performance obligations.

The fair value of the revenue, which is based on fixed price under the agreement will be allocated based on relative stand-alone selling price of the considerations of each of the separate performance obligations.

The Group recognises construction revenue over time as the project being constructed has no alternative use to the Group and it has an enforceable right to the payment for performance completed to date. The stage of completion is measured using the input method, which is based on the total actual construction costs incurred to date as compared to the total budgeted costs for the respective construction projects.

When the outcome of construction contract cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

(e) Revenue from water theme park

Entrance fees collected for right of enjoyment of facilities are recognised at a point in time when tickets are sold.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.15 Revenue recognition (cont'd)

(f) Club subscription fees

Club subscription fees are recognised on the accrual basis.

(g) Dividend income

Dividend income is recognised when the rights to receive payment is established.

3.16 Employee benefits

(a) Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the year when employees have rendered their services to the Group and the Company.

Short-term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave is recognised when the absences occur.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

(b) Defined contribution plan

As required by law, companies in Malaysia make contributions to the Employees' Provident Fund ("EPF"). The contributions are recognised as a liability after deducting any contribution already paid and as an expense in profit or loss in the period in which the employee render their services. Once the contributions have been paid, the Group and the Company have no further payment obligations.

3.17 Income taxes

Tax currently payable is calculated using the tax rates in force or substantively enacted at the reporting date. Taxable profit differs from accounting profit either because some income and expenses are never taxable or deductible, or because the time pattern that they are taxable or deductible differs between tax law and their accounting treatment.

Using the statement of financial position liability method, deferred tax is recognised in respect of all temporary differences between the carrying value of assets and liabilities in the statement of financial position and the corresponding tax base, with the exception of goodwill not deductible for tax purposes and temporary differences arising on initial recognition of assets and liabilities that do not affect taxable or accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised only to the extent that the Group and the Company consider that it is probable (i.e. more likely than not) that there will be sufficient taxable profits available for the asset to be utilised within the same tax jurisdiction.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities, they relate to the same tax authority and the Group's and the Company's intention is to settle the amounts on a net basis.

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except if it arises from transactions or events that are recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

Since the Group is able to control the timing of the reversal of the temporary difference associated with interests in subsidiaries, a deferred tax liability is recognised only when it is probable that the temporary difference will reverse in the foreseeable future mainly because of a dividend distribution.

At present, no provision is made for the additional tax that would be payable if the subsidiaries in certain countries remitted their profits because such remittances are not probable, as the Group intends to retain the funds to finance organic growth locally.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 3.6, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

3.18 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options.

3.19 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group and the Company do not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and the Company. The Group and the Company do not recognise contingent assets but disclose its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any non-controlling interest.

3.20 Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transaction with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Chief Operating Decision Maker, which in this case is the Managing Director of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

3.21 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the Group and the Company use market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Group and the Company (working closely with external qualified valuers) using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognised by the Group and the Company at the end of the reporting period during which the change occurred.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

4. ADOPTION OF MFRSs, AMENDMENTS TO MFRSs AND INTERPRETATIONS

4.1 New MFRS and amendments to MFRSs adopted

For the preparation of the financial statements, the following new MFRS and amendments to the MFRSs issued by the MASB are mandatory for the first time for the financial year beginning on or after 1 January 2023:

- Amendments to MFRS 101 *Presentation of Financial Statements – Disclosure of Accounting Policies*
- Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112 *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction and International Tax Reform – Pillar Two Model Rules*

The amendments to MFRS 101 - *Presentation of Financial Statements* and MFRS Practice Statement 2 – *Disclosure of Accounting Policies* require the disclosure of 'material', rather than 'significant', accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The amendments also clarified that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The amendments did not result in any changes to the Group's and the Company's accounting policies. The previous term, "significant accounting policies" used throughout the financial statements has been replaced with "material accounting policies".

The adoption of the above-mentioned new MFRS and other amendments to MFRSs has no significant impact on the financial statements of the Group and the Company.

4.2 Amendments to MFRSs not yet effective

The following are amendments to the MFRSs that have been issued by the MASB up to the date of the issuance of the Group's and the Company's financial statements but have not been adopted by the Group and the Company:

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16 *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*
- Amendments to MFRS 107 *Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements*

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

Amendments to MFRSs effective for annual periods beginning on or after a date yet to be confirmed

- Amendment to MFRS 10 *Consolidated Financial Statements and MFRS 128 Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The directors anticipate that the above-mentioned amendments will be adopted by the Group and the Company when they become effective from the annual period beginning on 1 March 2024 for those accounting standards, amendments and interpretations that are effective for annual periods beginning on or after 1 January 2024.

The initial application of amendments to MFRSs is not expected to have any significant impact on the financial statements of the Group and of the Company.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

5. SIGNIFICANT JUDGEMENTS AND ACCOUNTING ESTIMATES

In preparing its financial statements, the Group and the Company have made significant judgements, estimates and assumptions that impact on the carrying value of certain assets and liabilities, income and expenses as well as other information reported in the notes. The Group and the Company periodically monitor such estimates and assumptions and makes sure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

The judgements made in the process of applying the Group's and the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements, and estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Revenue and cost recognition from property development activities

The Group recognises property development revenue and costs in the profit or loss by using the percentage of completion method. The percentage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the extent of property development costs incurred and the total estimated costs of property development, which in turn is used to determine the percentage of completion and gross profit margin of property development activities undertaken by the Group, the potential liquidated ascertained damages ("LAD") payment, as well as the recoverability of the contracts. In making these judgements, management relies on past experience and the work of specialists.

Revenue and cost of sales from property development activities are as disclosed in Notes 27 and 28 respectively.

(b) Fair value of investment properties

The fair value of each investment property is individually determined by independent registered valuer based on Cost and Investment Methods and Comparison Method of valuation on regular intervals.

The valuer has relied on the discounted cash flow analysis and the comparison method. These methodologies are based upon estimates of future results and a set of assumptions specific to each property to reflect its income and cash flow profile.

In the years that no valuation performed by the independent registered valuer, the Group will perform the valuation based on the comparison of recent transacted price of similar properties. Comparison and reference will be made to the valuation previously performed by the independent registered valuer on that particular property.

Investment properties are as disclosed in Note 10.

(c) Deferred tax assets

Deferred tax assets are recognised for temporary differences arising from provision for infrastructure costs to the extent that it is probable that taxable profit will be available against which the temporary differences arising from provision for infrastructure cost can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits.

(d) Provision for infrastructure cost

Provision for infrastructure costs is recognised for further costs on infrastructures of township development projects which the Group has partially develop and is obligated to incur for completion of the entire township development project. Significant judgement is required in determining the amount of provision to be made. The Group evaluates the amount of provision required based on past experience and industry norm.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

6. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

GROUP 2024	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Renovation, electrical and amusement equipment RM'000	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Sports equipment, machinery and others RM'000	Total RM'000
Cost								
At 1 March 2023	24,146	40,278	21,643	12,617	2,928	9,557	21,872	133,041
Additions	–	–	–	28	287	88	643	1,046
Written off	–	–	–	–	–	(16)	(5)	(21)
Disposals	–	–	–	–	(729)	(16)	(53)	(798)
Reclassification	4,128	–	–	–	–	–	–	4,128
At 29 February 2024	28,274	40,278	21,643	12,645	2,486	9,613	22,457	137,396
Accumulated depreciation								
At 1 March 2023	–	19,956	12,361	9,961	2,740	8,930	20,585	74,533
Charge for the financial year	–	740	381	487	96	255	463	2,422
Written off	–	–	–	–	–	(16)	(5)	(21)
Disposals	–	–	–	–	(727)	(16)	(53)	(796)
At 29 February 2024	–	20,696	12,742	10,448	2,109	9,153	20,990	76,138
Accumulated impairment loss								
At 1 March 2023/ 29 February 2024	–	–	1,998	2	–	70	30	2,100
Net carrying amount								
At 29 February 2024	28,274	19,582	6,903	2,195	377	390	1,437	59,158

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

6. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The details of property, plant and equipment are as follows (cont'd):

GROUP 2023	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Renovation, electrical and amusement equipment RM'000	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Sports equipment, machinery and others RM'000	Total RM'000
Cost								
At 1 March 2022	24,146	40,278	21,643	12,320	4,360	9,404	22,006	134,157
Additions	–	–	–	313	112	163	281	869
Written off	–	–	–	–	(190)	(5)	(262)	(457)
Disposals	–	–	–	(16)	(89)	(5)	(153)	(263)
Reclassification	–	–	–	–	(1,265)	–	–	(1,265)
At 28 February 2023	24,146	40,278	21,643	12,617	2,928	9,557	21,872	133,041
Accumulated depreciation								
At 1 March 2022	–	19,216	11,944	9,497	3,520	8,589	20,521	73,287
Charge for the financial year	–	740	417	480	122	350	402	2,511
Written off	–	–	–	–	(190)	(4)	(261)	(455)
Disposals	–	–	–	(16)	(89)	(5)	(77)	(187)
Reclassification	–	–	–	–	(623)	–	–	(623)
At 28 February 2023	–	19,956	12,361	9,961	2,740	8,930	20,585	74,533
Accumulated impairment loss								
At 1 March 2022/ 28 February 2023	–	–	1,998	2	–	70	30	2,100
Net carrying amount								
At 28 February 2023	24,146	20,322	7,284	2,654	188	557	1,257	56,408

Certain freehold land and buildings of the Group with net carrying value of RM13,705,000 (2023: RM13,927,000) have been pledged to licensed banks for credit facilities granted to a subsidiary as disclosed in Notes 21 and 23.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

7. RIGHT-OF-USE ASSETS

GROUP	Buildings RM'000	Motor Vehicles RM'000	Total RM'000
2024			
Cost			
At 1 March 2023	1,721	1,425	3,146
Additions	887	811	1,698
Disposal	(93)	(333)	(426)
At 29 February 2024	2,515	1,903	4,418
Accumulated depreciation			
At 1 March 2023	886	817	1,703
Charge for the financial year	711	299	1,010
Disposal	(37)	(234)	(271)
At 29 February 2024	1,560	882	2,442
Net carrying amount			
At 29 February 2024	955	1,021	1,976
2023			
Cost			
At 1 March 2022	1,721	–	1,721
Additions	–	160	160
Reclassification	–	1,265	1,265
28 February 2023	1,721	1,425	3,146
Accumulated depreciation			
At 1 March 2022	313	–	313
Charge for the financial year	573	194	767
Reclassification	–	623	623
At 28 February 2023	886	817	1,703
Net carrying amount			
At 28 February 2023	835	608	1,443

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

8. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost		
At 1 March	117,418	117,420
Disposals	–	(2)
At 29 February/28 February	117,418	117,418

The details of the subsidiaries are as follows:

Name of company	Group's effective interest 2024 %	Group's effective interest 2023 %	Principal activities
Eupe Kemajuan Sdn. Bhd.	100	100	Property development
Esteem Glory Sdn. Bhd.	100	100	Property development
Eupe PJ South Development Sdn. Bhd.	100	100	Property development
Mera-Land (Malaysia) Sdn. Bhd.	100	100	Property development
Bukit Makmur Sdn. Bhd.	100	100	Property development
Riacon Sdn. Bhd.	100	100	Building construction and sale of building materials
Eupe Golf Recreation & Tour Sdn. Bhd. #	100	100	Chalet and restaurant operation, recreation and tour services
Eupe Golf Management Bhd. #	100	100	Management of club providing golf and recreation facilities
Eupe Realty Sdn. Bhd.	100	100	Property investment and management
Eupe Hotel Sdn. Bhd. #	100	100	Property rental
Pasar Taman Ria Sdn. Bhd. #	100	100	Operating a complex for rental of stalls
Ria Food Centre Sdn. Bhd. #	100	100	Operating a complex for rental of stalls
Ria Plaza Sdn. Bhd. #	100	100	Operating a complex for rental of stalls
Eupe Homes (MM2H) Sdn. Bhd. #	100	100	Provision of services allowed under MM2H to non-residents

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

8. INVESTMENT IN SUBSIDIARIES (cont'd)

The details of the subsidiaries are as follows (cont'd):

Name of company	Group's effective interest		Principal activities
	2024 %	2023 %	
Subsidiaries of Eupe Kemajuan Sdn. Bhd.			
Eupe Belfield Sdn. Bhd.	100	100	Property development
Eupe Land Development Sdn. Bhd.	100	100	Property development
Eupe Nexus Sdn. Bhd.	100	100	Property development
Oriental Plus Sdn. Bhd.	100	100	Dormant
Titian Sama Sdn. Bhd.	70	70	Property development
Titian Development Sdn. Bhd.	70	70	Dormant
Titian Kayangan Sdn. Bhd.	70	70	Dormant
Eupe Development Sdn. Bhd.	60	60	Property development
Eupe Bangsar South Development (JV) Sdn. Bhd.	50	50	Property development
Unik Prestasi Sdn. Bhd.	100	-	Property management
Subsidiary of Eupe Golf Recreation & Tour Sdn. Bhd.			
Cinta Sayang Management Sdn. Bhd. #	100	100	Restaurant operation & food catering
Subsidiary of Eupe Hotel Sdn. Bhd.			
Millennium Pace Sdn. Bhd. #	100	100	Fruit cultivation
Subsidiary of Bukit Makmur Sdn. Bhd.			
Makmur Longan Farming Sdn. Bhd.	70	70	Fruit cultivation

Companies not audited by RSM Malaysia PLT.

All subsidiaries are incorporated in Malaysia.

On 12 September 2023, Eupe Kemajuan Sdn. Bhd. had acquired a wholly-owned subsidiary, namely Unik Prestasi Sdn. Bhd..

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

8. INVESTMENT IN SUBSIDIARIES (cont'd)

Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

2024	Titian Sama Sdn. Bhd.	Eupe Development Sdn. Bhd.	Eupe Bangsar South Development (JV) Sdn. Bhd.	Other individually immaterial subsidiaries	
NCI percentage of ownership interest and voting interest	30% RM'000	40% RM'000	50% RM'000	30% RM'000	Total RM'000
Carrying amount of NCI	9,206	4,533	3,170	(21)	16,888
Profit/(Loss) allocated to NCI	5,139	862	(63)	(5)	5,933

Summarised financial information before intra-group elimination:

2024			
Non-current assets	938	8,557	21
Current assets	180,571	3,247	7,176
Non-current liabilities	(32,315)	(1)	-
Current liabilities	(118,508)	(473)	(857)
Net assets	30,686	11,330	6,340
Revenue	119,435	8,627	-
Profit/(Loss) for the year	17,131	2,154	(126)
Total comprehensive income/(expense)	17,131	2,154	(126)
Net cash (used in)/generated from			
- operating activities	(2,045)	7,698	(6,107)
- investing activities	(308)	112	691
- financing activities	10,310	(7,604)	-
Net increase/(decrease) in cash and cash equivalents	7,957	206	(5,416)

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

8. INVESTMENT IN SUBSIDIARIES (cont'd)

Non-controlling interests in subsidiaries (cont'd)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows (cont'd):

2023 NCI percentage of ownership interest and voting interest	Titian Sama Sdn. Bhd. 30% RM'000	Eupe Development Sdn. Bhd. 40% RM'000	Eupe Bangsar South Development (JV) Sdn. Bhd. 50% RM'000	Other individually immaterial subsidiaries 30% RM'000	Total RM'000
Carrying amount of NCI	10,191	5,471	3,233	(15)	18,880
Profit/(Loss) allocated to NCI	2,913	188	(929)	(4)	2,168

Summarised financial information before intra-group elimination:

2023			
Non-current assets	769	14,317	26
Current assets	160,936	2,751	13,137
Non-current liabilities	(22,908)	(1)	–
Current liabilities	(104,828)	(3,390)	(6,697)
Net assets	33,969	13,677	6,466
Revenue	84,854	901	192
Profit/(Loss) for the year	9,711	469	(1,857)
Total comprehensive income/(expense)	9,711	469	(1,857)
Net cash generated from/(used in) :			
– operating activities	31,578	500	10,236
– investing activities	(16,203)	(454)	2,125
– financing activities	(18,439)	–	(16,000)
Net (decrease)/increase in cash and cash equivalents	(3,064)	46	(3,639)

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

9. INVENTORIES

	GROUP	
	2024 RM'000	2023 RM'000
At cost:		
Non-current		
Land held for property development (a)	293,387	272,890
Current		
Property development costs (b)	107,782	136,196
Completed properties	18,271	25,931
Building materials	777	788
Nursery plants	62	83
Playground materials	15	15
Spare parts and consumables	15	11
Food and beverages	–	7
	126,922	163,031

(a) Land held for property development

	GROUP	
	2024 RM'000	2023 RM'000
Cost:		
Balance as at 1 March	272,890	141,782
Additions during the financial year	39,319	194,450
Disposal during the financial year	(1,590)	(195)
Reclassification	(4,226)	–
Transferred to property development costs (b)	(13,006)	(63,147)
Balance as at 29 February/28 February	293,387	272,890
Freehold lands, at cost	104,090	94,370
Leasehold lands, at cost	125,000	125,000
Development costs	64,297	53,520
	293,387	272,890

Certain land held for future development with a carrying value of RM206,956,000 (2023: RM190,429,000) have been pledged to licensed banks for credit facilities granted to subsidiaries as disclosed in Note 21 and 22.

Included in development cost is interest expense capitalised during the financial year amounting to RM7,047,000 (2023: RM3,997,000).

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

9. INVENTORIES (cont'd)

(b) Property development costs

	GROUP	
	2024 RM'000	2023 RM'000
Freehold lands, at cost		
Balance as at 1 March	8,393	7,818
Transferred from land held for property development during the financial year (a)	2,262	1,226
Incurred during the financial year	–	381
Transferred to completed properties	(446)	(68)
Completed development projects	(3,589)	(964)
Balance as at 29 February/28 February	6,620	8,393
Leasehold lands, at cost		
Balance as at 1 March	77,739	45,413
Transferred from land held for property development during the financial year (a)	–	32,326
Balance as at 29 February/28 February	77,739	77,739
Development expenditure		
Balance as at 1 March	177,756	62,137
Incurred during the financial year	165,286	89,532
Transferred from land held for property development during the financial year (a)	10,744	29,595
Transferred to completed properties	(3,583)	(496)
Completed development project	(98,886)	(3,012)
Balance as at 29 February/28 February	251,317	177,756
Total property development costs	335,676	263,888
Accumulated costs charged to statement of profit or loss and other comprehensive income		
Balance as at 1 March	(127,692)	(24,333)
Cost charged to profit or loss for the financial year (Note 28)	(202,678)	(107,335)
Reversal of cost of completed development project	102,476	3,976
Balance as at 29 February/28 February	(227,894)	(127,692)
	107,782	136,196

The leasehold lands with carrying value of RM77,739,000 (2023: RM77,739,000) have been pledged to licensed banks for credit facilities granted to subsidiaries as disclosed in Note 21.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

10. INVESTMENT PROPERTIES

	GROUP	
	2024 RM'000	2023 RM'000
Balance as at 1 March	40,143	44,020
Additions	10	–
Disposals	–	(3,877)
Reclassification	98	–
Balance as at 29 February/28 February	40,251	40,143

The Group does not have investment properties which are held under lease terms.

The fair value of the investment properties was determined by the management at RM40,251,000 (2023: RM40,143,000) based on comparison of recent transacted price of similar properties adopting market value comparison method.

The investment properties with total carrying value of RM25,182,000 (2023: RM25,182,000) have been pledged to licensed banks for credit facilities granted to subsidiaries as disclosed in Notes 21 and 22.

Fair value information

Details of the Group's investment properties as at the end of the financial year are as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Commercial properties	24,765	24,667
Food court and plaza	6,852	6,852
Condominiums	4,523	4,523
Bungalows	4,111	4,101
	40,251	40,143

The fair value hierarchy of all the investment properties of the Group are within the definition of Level 2 fair value.

Level 2 fair values of land and buildings have been generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for the differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

Transfer between Level 1 and 2 fair values

There is no transfer between Level 1 and 2 fair values during the financial year.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

11. DEFERRED TAX ASSETS/(LIABILITIES)

The following amounts, determined after appropriate offsetting, are shown in the statements of financial position.

	GROUP	
	2024 RM'000	2023 RM'000
Deferred tax assets, net (b)	3,592	4,674
Deferred tax liabilities, net (b)	(13,765)	(13,279)
	(10,173)	(8,605)

(a) Movement in deferred tax during the year are as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Balance as at 1 March	(8,605)	(8,603)
Recognised in profit or loss (Note 30):	(908)	(14)
– Current year	(660)	12
– (Under)/Over provision in prior financial years	(1,568)	(2)
Balance as at 29 February/28 February	(10,173)	(8,605)

(b) The components of the deferred tax assets and liabilities at the end of the financial year comprise tax effects of:

	GROUP	
	2024 RM'000	2023 RM'000
Deferred tax assets		
Unabsorbed capital allowances	1,156	342
Unabsorbed tax losses	322	1,498
Provisions	3,768	5,494
Other deductible temporary differences	1,706	1,097
Deferred tax assets (before offsetting)	6,952	8,431
Offsetting	(3,360)	(3,757)
Deferred tax assets (after offsetting)	3,592	4,674
Deferred tax liabilities		
Temporary differences in respect of inventories	7,141	7,491
Temporary differences in respect of contract costs and consideration payable to customers	4,762	4,167
Temporary differences in respect of investment properties	934	934
Excess of net carrying amount over tax written down value of property, plant and equipment	4,288	4,444
Deferred tax liabilities (before offsetting)	17,125	17,036
Offsetting	(3,360)	(3,757)
Deferred tax liabilities (after offsetting)	13,765	13,279

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

11. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

(c) Unrecognised deferred tax assets

	GROUP	
	2024 RM'000	2023 RM'000
Unabsorbed capital allowances	1,424	1,299
Unabsorbed tax losses	3,419	3,255
Excess of net carrying amount over tax written down value of property, plant and equipment	(363)	(338)
Other deductible temporary differences	26	15
	4,506	4,231

Deferred tax assets have not been recognised in respect of these items as it is not probable that taxable profit of certain subsidiaries will be available against which the deductible temporary differences can be utilised.

With effect from year of assessment ("YA") 2019, unabsorbed tax losses can only be carried forward for a maximum period of ten (10) consecutive YAs to be utilised against income from any business source. Any amount which is not utilised after the end of the period of 10 YAs shall be disregarded.

Year of expiry of unabsorbed tax losses is analysed as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Expired by 2028	6,346	6,352
Expired by 2029	2,377	2,377
Expired by 2030	1,170	1,170
Expired by 2031	1,212	1,212
Expired by 2032	603	599
Expired by 2033	1,168	1,853
Expired by 2034	1,369	–
	14,245	13,563

The unabsorbed capital allowances and other deductible temporary differences of the Group are available indefinitely for offsetting against future taxable profits of the respective entities within the Group, subject to tax laws and guidelines issued by the tax authority enacted at the reporting date.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

12. CONTRACT COSTS

	GROUP	
	2024 RM'000	2023 RM'000
Costs to obtain sale of property contracts	17,723	16,590

Costs to obtain sale of property contracts represent sales commission paid to intermediaries which are amortised to cost of sales when the related revenues are recognised.

During the financial year, RM6,778,000 (2023: RM3,262,000) was amortised to cost of sales as disclosed in Note 28.

13. CONTRACT ASSETS/(LIABILITIES)

	GROUP	
	2024 RM'000	2023 RM'000
Property development		
Contract assets	128,511	66,634
Contract liabilities	(1,159)	(1,195)
	127,352	65,439

The net movement of contract assets and contract liabilities is as follow:

	2024 RM'000	2023 RM'000
Balance as at 1 March	65,439	20,222
Consideration payable to customers	8,301	7,248
Revenue recognised during the financial year (Note 27)	290,605	161,446
Progress billings issued during the financial year	(236,993)	(123,477)
Balance as at 29 February/28 February	127,352	65,439

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the reporting date is as follows:

	2024 RM'000	2023 RM'000
Sale of development properties under construction	584,650	516,483

The remaining performance obligations are expected to be recognised within 1 – 3 years which are in accordance with the agreed time frames stated in the sale and purchase agreements signed with purchasers.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

14. TRADE AND OTHER RECEIVABLES

	GROUP	
	2024 RM'000	2023 RM'000
Trade receivables		
Trade receivables	39,314	41,891
Less: Impairment loss	(326)	(373)
	38,988	41,518
Other receivables, deposits and prepayments		
Other receivables	8,055	8,738
Deposits	6,829	4,550
Prepayments	488	333
	15,372	13,621
	54,360	55,139

	COMPANY	
	2024 RM'000	2023 RM'000
Deposits	5	5
Prepayments	22	22
	27	27

The credit terms of trade receivables granted by the Group range from 30 to 60 days (2023: 30 to 90 days) from date of progress billings or range from 30 to 60 days (2023: 30 to 60 days) from date of invoice.

15. AMOUNT OWING FROM/(TO) SUBSIDIARIES

The amount owing from/(to) subsidiaries are unsecured, interest free and repayable upon demand.

16. SINKING FUNDS

The sinking funds of the Group are created under a trust deed to meet the refund of deposits on refundable membership and cost of major periodic repairs of the golf club.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

17. DEPOSITS, CASH AND BANK BALANCES

	GROUP	
	2024 RM'000	2023 RM'000
Fixed deposits with licensed banks	24,863	49,871
Cash and bank balances	56,058	37,905
Deposits, cash and bank balances reported in statements of financial position	80,921	87,776
Less: Bank overdrafts (Note 23)	(2,444)	(2,492)
Less: Fixed deposits pledged with licensed banks	(14,566)	(14,414)
Cash and cash equivalents as reported in statements of cash flows	63,911	70,870

	COMPANY	
	2024 RM'000	2023 RM'000
Cash and bank balances	36	267

(a) Included in the Group's cash and bank balances is an amount of RM25,830,000 (2023: RM22,386,000) held under the Housing Development Account pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966. The utilisation of these balances is restricted, before completion of the housing development and fulfilling all relevant obligations to the purchasers, the cash could be withdrawn from such account for the purpose of completing the particular projects concerned.

(b) The fixed deposits of the Group have maturity periods ranging between 28 to 366 days (2023: 5 to 365 days).

(c) Included in fixed deposits with licensed banks of the Group is an amount of RM14,566,000 (2023: RM14,414,000) pledged to licensed banks for bank facilities granted to the Group.

(d) The weighted average interest rate per annum of fixed deposits that was effective as at reporting date is as follow:

	GROUP	
	2024 %	2023 %
Fixed deposits with licensed banks	2.77	2.64

18. SHARE CAPITAL

	GROUP/COMPANY			
	2024 Unit'000	2023 Unit'000	2024 RM'000	2023 RM'000
Issued and fully paid				
Ordinary shares with no par value				
Balance as at 1 March	128,000	128,000	133,982	133,982
Issued during the year	13,600	-	11,023*	-
Balance as at 29 February/28 February	**141,600**	**128,000**	**145,005**	**133,982**

During the financial year, the issued and paid up share capital of the Company was increased from RM132,982,000 to RM145,005,000 by way of an issue of 13,600,000 ordinary shares of RM0.83 per ordinary shares via Private Placement to eligible investors for a total cash consideration of RM11,288,000 to part finance the infrastructure works for the Group's land located in Daerah Kuala Muda, Kedah.

The new ordinary shares issued during the financial year rank pari-passu in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally regarding the Company's residual assets.

* The issued share capital is net of the share issuance expenses of RM265,000 incurred pursuant to the Private Placement.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

19. RESERVES

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Distributable:				
Retained earnings	338,571	305,091	18,730	20,339

20. BORROWINGS

	Note	GROUP	
		2024 RM'000	2023 RM'000
Current			
Secured			
Term loans	21	3,776	11,199
Revolving credits	22	7,508	6,000
Bank overdrafts	23	2,444	2,492
Total current portion		13,728	19,691
Non-current			
Secured			
Term loans	21	174,454	174,656
Revolving credits	22	7,692	-
Total non-current portion		182,146	174,656
Total borrowings		195,874	194,347
Secured			
Term loans	21	178,230	185,855
Revolving credits	22	15,200	6,000
Bank overdrafts	23	2,444	2,492
Total borrowings		195,874	194,347

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

21. TERM LOANS

	GROUP	
	2024 RM'000	2023 RM'000
Secured		
Term loan I repayable by 179 monthly instalments of RM38,888 each with final instalment of RM39,048 commencing July 2017	4,267	4,734
Term loan II repayable by way of redemption using proceeds from progress billings [a)]	–	2,131
Term loan III repayable by way of redemption using proceeds from progress billings [c)]	–	21,881
Term loan IV repayable by 143 monthly instalments of RM201,389 each and last instalments of RM201,373 commencing May 2023	27,104	29,000
Term loan V repayable by 143 monthly instalments of RM72,917 each and last instalments of RM72,869 commencing May 2024	10,546	–
Term loan VI repayable by way of redemption using proceeds from progress billings [b)]	–	24,245
Term loan VII repayable by way of redemption using proceeds from progress billings [c)]	–	10,114
Term loan VIII repayable by 54 monthly instalments of RM1,736,112 each commencing April 2025	93,750	93,750
Term loan IX repayable by way of redemption using proceeds from progress billings	30,270	–
Term loan X repayable by way of redemption using proceeds from progress billings	12,293	–
	178,230	185,855

a) Term loan II was fully repaid in May 2023.

b) Term loan VI was fully repaid in November 2023.

c) Term loan III and VII were fully repaid in February 2024.

The term loans of the Group are secured by way of:

(i) fixed charge over certain freehold land and building as disclosed in Note 6;

(ii) fixed charge over certain freehold land and leasehold land as disclosed in Notes 9(a) and 9(b);

(iii) fixed charge over certain investment properties as disclosed in Note 10;

(iv) fixed deposits as disclosed in Note 17; and

(v) corporate guarantee by the Company.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

21. TERM LOANS (cont'd)

Repayment terms

The term loans are repayable by instalments of varying amounts over the following periods:

	GROUP	
	2024 RM'000	2023 RM'000
Current		
Not later than one year	3,776	11,199
Non-current		
Later than one year and not later than five years	140,930	123,685
More than five years	33,524	50,971
	174,454	174,656
	178,230	185,855

The term loans bear interest ranging from 4.97% to 6.18% (2023: 4.57% to 5.65%) per annum.

The weighted average interest rate per annum of term loans that was effective as at reporting date is as follow:

	GROUP	
	2024 %	2023 %
Term loans	5.37	4.88

22. REVOLVING CREDITS – SECURED

The revolving credits of the Group are secured by way of legal charges over certain freehold land and certain investment properties as disclosed in Note 9(a) and 10, and corporate guarantee issued by the Company.

The weighted average interest rate per annum of revolving credits that was effective as at reporting date is as follow:

	GROUP	
	2024 %	2023 %
Revolving credits	5.32	4.61

23. BANK OVERDRAFTS – SECURED

The bank overdrafts of the Group are secured by first legal charges over certain freehold land of the Group as disclosed in Note 6 and corporate guarantee issued by the Company.

The weighted average interest rate per annum of bank overdrafts that was effective as at reporting date is as follow:

	GROUP	
	2024 %	2023 %
Bank overdrafts	8.07	7.31

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

24. LEASE LIABILITIES

	GROUP	
	2024 RM'000	2023 RM'000
Minimum lease liabilities instalments:		
– not later than one year	943	917
– later than one year and not later than five years	1,310	714
	2,253	1,631
Less: Future interest charges	(173)	(102)
Present value of lease liabilities	2,080	1,529
Repayable as follows:		
Current liabilities		
– not later than one year	851	889
Non-current liabilities		
– later than one year and not later than five years	1,229	640
	2,080	1,529

The effective interest rate per annum of lease liabilities as at reporting date is as follow:

	GROUP	
	2024 %	2023 %
Lease liabilities	4.58 – 5.67	3.94 – 4.87

25. TRADE AND OTHER PAYABLES

	GROUP	
	2024 RM'000	2023 RM'000
Trade payables		
Third parties	19,245	10,141
Retention payables	19,359	18,255
	38,604	28,396
Other payables		
Other payables, deposits and accruals	41,211	54,159
Member deposits	1,065	1,093
	42,276	55,252
	80,880	83,648

	COMPANY	
	2024 RM'000	2023 RM'000
Other payables and accruals	143	73

The member deposits of the Group are referring to golf memberships which are transferable.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

26. PROVISIONS

GROUP	Infrastructure cost RM'000	Renovation cost RM'000	Liquidated ascertained damages RM'000	Total RM'000
Balance as at 1 March 2022	9,777	1,133	7	10,917
Additions during the financial year	2,785	–	–	2,785
Utilisation during the financial year	(367)	–	–	(367)
Balance as at 28 February 2023/ 1 March 2023	12,195	1,133	7	13,335
Additions during the financial year	409	–	–	409
Utilisation during the financial year	(1,324)	–	–	(1,324)
Balance as at 29 February 2024	11,280	1,133	7	12,420

Provision for infrastructure cost refers to further costs on infrastructures of township development projects which the Group has partially developed and is obligated to incur for the completion of the entire development projects.

Provision for renovation cost relates to obligation of the Group in renovating the remaining units held in Sky Residence Condominium as and when the units are sold.

Provision of liquidated ascertained damages ("LAD") is the expected LAD claims calculated at a rate indicated in the sale and purchase agreement from the expiry of the vacant possession date stipulated in the said sale and purchase agreement until to date the purchaser takes vacant possession of the property.

27. REVENUE

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers:				
– revenue from property development (Note 13)	290,605	161,446	–	–
– sale of completed properties	18,655	15,855	–	–
– sale of building materials	21,467	15,236	–	–
– revenue from water theme park, resort operations and sport and recreation	6,780	6,870	–	–
– sale of fruits and other supplies	108	103	–	–
	337,615	199,510	–	–
Revenue from other source:				
– gross dividend income from subsidiaries	–	–	1,600	1,550
– rental income	2,560	2,485	–	–
	2,560	2,485	1,600	1,550
	340,175	201,995	1,600	1,550
Timing of revenue:				
– at a point in time	47,010	38,064	–	–
– over time (Note 13)	290,605	161,446	–	–
	337,615	199,510	–	–

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

28. COST OF SALES

	GROUP	
	2024 RM'000	2023 RM'000
Property development cost (Note 9(b))	202,678	107,335
Amortisation of contract costs (Note 12)	6,778	3,262
	209,456	110,597
Completed properties	8,714	10,011
Building materials sold	20,225	14,564
Service rendered	2,919	2,495
Others	7,265	6,550
	248,579	144,217

29. PROFIT BEFORE TAX

Profit before tax is stated after charging:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Auditors' remuneration	189	177	38	37
Depreciation of property, plant and equipment	2,422	2,511	–	–
Depreciation of right-of-use assets	1,010	767	–	–
Expenses relating to:				
– leases of low-value assets	46	20	–	–
– short-term leases	–	195	–	–
Impairment loss on trade receivables	–	45	–	–
Interest expense on:				
– bankers' acceptances	–	2	–	–
– bank overdrafts	197	186	–	–
– leases	71	78	–	–
– revolving credits	382	28	–	–
– term loans	2,777	2,256	–	–
Loss on disposal of investment properties	–	223	–	–
Loss on disposal of property, plant and equipment	100	38	–	–
Property, plant and equipment written off	–	2	–	–
Realised foreign exchange loss	–	3	–	3

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

29. PROFIT BEFORE TAX (cont'd)

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
And crediting:				
Dividend income from subsidiary companies	–	–	1,600	1,550
Gain on disposal of subsidiaries (Note 33)	–	9,221	–	9,469
Bad debt recovered	3	5	–	–
Gain on disposal of property, plant and equipment	61	50	–	–
Gain on disposal of investment property	–	49	–	–
Impairment loss on trade receivables no longer required	47	38	–	–
Insurance compensation received	–	97	–	–
Interest income	1,747	2,095	–	–
Rental income from:				
– investment properties	3,540	2,109	–	–
– others	1,101	1,206	–	–

Direct operating expenses from investment properties that generated rental income of the Group during the financial year amounted to RM1,967,000 (2023: RM1,691,000).

30. TAX EXPENSE

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysian income tax:				
Current year	14,963	7,763	–	–
(Over)/Under provision in prior financial years	(56)	1,009	–	–
	14,907	8,772	–	–
Deferred tax: (Note 11(a))				
Current year	908	14	–	–
Under/(Over)provision in prior financial years	660	(12)	–	–
	1,568	2	–	–
Total tax expense	16,475	8,774	–	–

The Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated taxable profit for the financial year.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

30. TAX EXPENSE (cont'd)

The reconciliation of income tax expense and accounting profit multiply by the statutory tax rate is as follows:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax	57,808	37,066	311	9,676
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	13,874	8,896	75	2,322
Tax effects in respect of:				
Crystalisation of deferred tax liabilities on revaluation surplus	(163)	(163)	–	–
Deferred tax assets not recognised	28	511	–	–
Income not subject to tax	(5,759)	(2,603)	(384)	(2,645)
Non-allowable expenses	7,893	1,037	309	323
Other temporary differences not recognised	–	15	–	–
Temporary difference on property, plant and equipment not recognised	–	84	–	–
Utilisation of deferred tax assets previously not recognised	(2)	–	–	–
	15,871	7,777	–	–
(Over)/Under provision in prior financial years				
– income tax	(56)	1,009	–	–
– deferred tax	660	(12)	–	–
Tax expense	16,475	8,774	–	–

31. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share of the Group is calculated by dividing the profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue.

	GROUP	
	2024 RM'000	2023 RM'000
Profit attributable to ordinary equity holders of the Company (RM'000)	35,400	26,124
Weighted number of ordinary shares in issue (unit'000):		
Issued ordinary shares at beginning of the year	128,000	128,000
Effect of private placement during the year	409	–
Weighted average number of ordinary shares at end of the year	128,409	128,000
Basic earnings per ordinary share (sen)	27.57	20.41

The diluted earnings per share of the Group is equal to the basic earnings per share as the Group does not have any dilutive ordinary shares in issue.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

32. EMPLOYEE BENEFITS

The employee benefits during the financial year are as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Salaries and wages	19,425	17,296
Contributions to defined contribution plan	2,373	2,118
Other benefits	2,120	1,486
	23,918	20,900

33. DISPOSALS OF SUBSIDIARIES

During the financial year ended 28 February 2023, on 1 April 2022, the Company disposed of its entire 70% equity stake in Australasia Development (M) Pty. Ltd. and Australasia Development Pty. Ltd. for a total sale consideration of AUD3,100,000 (equivalent to RM9,471,000).

The financial effects of the disposals at the date of disposal are summarised below:

	GROUP	COMPANY
	2023 RM'000	2023 RM'000
Investment in subsidiaries	–	2
Trade and other receivables	366	–
Cash and cash equivalents	318	–
Trade and other payables	(589)	–
Current tax payable	(32)	–
Non-controlling interests	(19)	–
Carrying amount of net assets disposed of	44	2
Foreign currency translation reserve	206	–
Gain on disposal of subsidiaries (Note 29)	9,221	9,469
Consideration received, satisfied in cash	9,471	9,471
Less: Cash and cash equivalents of subsidiaries disposed of	(318)	–
Net cash inflows from the disposal of subsidiaries	9,153	9,471

34. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Company has controlling related party relationship with its direct and indirect subsidiaries.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

34. RELATED PARTY DISCLOSURES (cont'd)

(b) Significant related party transactions

Related parties of the Group and the Company include:

(i) Direct and indirect subsidiaries as disclosed in Note 8.

(ii) Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel includes all the directors of the Company and certain members of senior management of the Group and the Company.

The Group and the Company have related party's relationship with the following parties:

Close members of the family of certain directors:

- Datin Paduka Teoh Choon Boay
- Beh Yan Hui

Entities in which a director of the Company has interest:

- Wong Beh & Toh
- Just Bread Sdn. Bhd.

Entities controlled by a close member of the family of certain directors:

- Advation Sdn. Bhd.
- Teccalibre Sdn. Bhd.
- Natural Care Bird Nest Sdn. Bhd.
- Padang Serai Birdnest Sdn. Bhd.
- Elite Evergreen Sdn. Bhd.
- Success Magnate Sdn. Bhd.
- Xin Seng Vege Sdn. Bhd.

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subsidiaries				
Gross dividend income	–	–	1,600	1,550
Close members of the family of certain directors				
Rental income	38	38	–	–
Entities in which a director of the Company has interest				
Legal fees paid**	(913)	(507)	–	–
Rental income	18	18	–	–
Entities controlled by a close member of the family of certain directors				
Provision of printing services	(137)	(125)	(19)	(21)
Provision of information technology ("IT") services	(23)	(19)	–	–
Purchase of vegetables and fruits	271	–	–	–
Sales of bird nest	135	103	–	–
Rental income	57	74	–	–
Provision of labour	21	26	–	–

** At the Annual General Meeting of the Company held on 24 August 2023, the Company obtained its shareholders' mandate for the Group to enter into these recurrent related party transactions.

The related party transactions described above were carried out on negotiated and mutually agreed terms and conditions.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

34. RELATED PARTY DISCLOSURES (cont'd)

(c) Compensation of key management personnel

The remuneration of key management personnel of the Company and subsidiaries during the financial year are as follows:

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors' fee and allowances	432	445	432	445
Short term employee benefits	4,309	3,945	–	–
Contributions to defined contribution plans	560	520	–	–
Other benefits	38	32	–	–
	5,339	4,942	432	445

Included in the above is remuneration of the Group Managing Director and Executive Director received from the Group and from the Company amounting to RM1,369,000 (2023: RM1,319,000) and RM16,000 (2023: RM15,000) respectively.

35. CONTINGENT LIABILITIES

The Group has claims and the impact to the Group arising from the claims should the claims be successful, are as below:-

	GROUP	
	2024 RM'000	2023 RM'000
LAD for one of its high rise residential projects	7,315	7,405
Professional fees by an architect for one of its landed residential projects	3,578	–
Other benefits	10,893	7,405

The proceedings in respect of these claims are, as at the date of this report, still on-going and accordingly, no provision for any liability has been made in the financial statements.

36. OPERATING SEGMENTS

The Group comprises the following main business segments which are based on the Group's management and internal reporting structure:

Property development	:	Development of residential and commercial properties.
Property construction	:	Construction of residential and commercial properties, and sales of building material.
Chalet and golf operation and management	:	Operations and management of chalet, restaurant, golf club operations and recreation facilities.
Others	:	Rental of properties, management of complex and fruits cultivation.

Performance is measured based on the segment revenue and profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the Group Managing Director (the Chief Operating Decision Maker). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group Managing Director. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

The total of segment liability is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the Group Managing Director.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

36. OPERATING SEGMENTS (cont'd)

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment, investment properties and intangible assets other than goodwill.

Allocation basis and inter-segment pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfer between business segments. These segments are eliminated on consolidation.

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment:

Financial year ended 29 February 2024	Property development RM'000	Property construction RM'000	Chalet and golf operation and management RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue						
Revenue from external customer	309,260	21,468	6,780	2,667	–	340,175
Inter-segment revenue	3,296	51,233	90	2,234	(56,853)	–
Total revenue	312,556	72,701	6,870	4,901	(56,853)	340,175
Results						
Segment result	71,950	6,593	(2,809)	1,221	(17,467)	59,488
Interest income	6,674	1,845	31	5	(6,808)	1,747
Interest expense	(6,667)	(30)	(897)	(143)	4,310	(3,427)
Profit/(Loss) before tax	71,957	8,408	(3,675)	1,083	(19,965)	57,808
Tax expense	(14,603)	(2,193)	163	(194)	352	(16,475)
Profit/(Loss) for the financial year	57,354	6,215	(3,512)	889	(19,613)	41,333

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

36. OPERATING SEGMENTS (cont'd)

At 29 February 2024	Property development RM'000	Property construction RM'000	Chalet and golf operation and management RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Assets						
Segment assets	864,896	103,761	52,514	220,407	(437,505)	804,073
Tax recoverable	354	19	–	38	–	411
Deferred tax assets	2,633	959	–	–	–	3,592
Total assets	867,883	104,739	52,514	220,445	(437,505)	808,076
Liabilities						
Segment liabilities	348,210	36,732	21,781	31,332	(341,516)	96,539
Borrowings	189,163	–	6,711	–	–	195,874
Current tax payables	1,010	189	199	36	–	1,434
Deferred tax liabilities	2,765	–	2,895	965	7,140	13,765
Total liabilities	541,148	36,921	31,586	32,333	(334,376)	307,612
Other information						
Capital expenditure	4,159	152	121	4	1,549	5,985
Depreciation of property, plant and equipment	415	102	1,772	171	(38)	2,422
Depreciation of right-of-use assets	1,284	242	–	85	(601)	1,010
Impairment loss on receivables	2	–	–	–	(2)	–

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

36. OPERATING SEGMENTS (cont'd)

Financial year ended 28 February 2023	Property development RM'000	Property construction RM'000	Chalet and golf operation and management RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue						
Revenue from external customer	177,301	15,236	6,780	2,588	–	201,995
Inter-segment revenue	–	54,497	129	2,139	(56,765)	–
Total revenue	177,301	69,733	6,999	4,727	(56,765)	201,995
Results						
Segment result	64,913	2,984	(2,156)	10,915	(39,135)	37,521
Interest income	4,445	1,216	24	3	(3,593)	2,095
Interest expense	(3,928)	(36)	(605)	(130)	2,149	(2,550)
Profit/(Loss) before tax	65,430	4,164	(2,737)	10,788	(40,579)	37,066
Tax expense	(7,932)	(1,253)	261	(189)	339	(8,774)
Profit/(Loss) for the financial year	57,498	2,911	(2,476)	10,599	(40,240)	28,292

At 28 February 2023	Property development RM'000	Property construction RM'000	Chalet and golf operation and management RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Assets						
Segment assets	767,238	101,907	52,650	212,913	(373,967)	760,741
Tax recoverable	1,489	19	–	32	–	1,540
Deferred tax assets	3,797	877	–	–	–	4,674
Total assets	772,524	102,803	52,650	212,945	(373,967)	766,955
Liabilities						
Segment liabilities	286,952	40,543	17,726	33,744	(279,258)	99,707
Borrowings	187,121	–	7,226	–	–	194,347
Current tax payables	798	658	199	46	(32)	1,669
Deferred tax liabilities	1,757	–	3,058	972	7,492	13,279
Total liabilities	476,628	41,201	28,209	34,762	(271,798)	309,002
Other information						
Capital expenditure	760	131	147	24	(33)	1,029
Depreciation of property, plant and equipment	282	162	1,913	176	(22)	2,511
Depreciation of right-of-use assets	1,158	163	–	74	(628)	767
Property, plant and equipment written off	1	1	–	–	–	2
Gain on disposal of subsidiaries	–	–	–	9,469	(248)	9,221

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

37. FINANCIAL INSTRUMENTS

Categories of financial instruments are as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Financial assets at amortised cost		
– trade and other receivables (exclude prepayments)	53,872	54,806
– deposits, cash and bank balances (Note 17)	80,921	87,776
	134,793	142,582
Financial liabilities at amortised cost		
– trade and other payables (Note 25)	80,880	83,648
– borrowings (Note 20)	195,874	194,347
– lease liabilities (Note 24)	2,080	1,529
	278,834	279,524

	COMPANY	
	2024 RM'000	2023 RM'000
Financial assets at amortised cost		
– other receivables (exclude prepayments)	5	5
– amount owing by subsidiaries	46,522	38,279
– deposits, cash and bank balances (Note 17)	36	267
	46,563	38,551
Financial liabilities at amortised cost		
– other payables and accruals (Note 25)	143	73
– amount owing to subsidiaries	125	1,597
	268	1,670

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

38. FINANCIAL RISK MANAGEMENT

The Board of Directors recognises the importance of financial risk management in the overall management of the Group's businesses. A sound risk management system will not only mitigate financial risk but will be able to create opportunities if risk elements are properly managed.

The Group's overall financial risk management objective is to ensure that the Group maximises value for its shareholders whilst minimising the potential adverse effects on the performance of the Group. Financial risk management is carried out through risk reviews, internal control systems and adherence to the Group's financial risk management policies, set out as follows:

(a) Liquidity and cash flow risk

The Group is actively managing its operating cash flow to suit the debt maturity so to ensure all commitments and funding needs are met. As part of the overall liquidity management, it is the Group's policy to ensure continuity in servicing its cash obligations in the future by forecasting its cash commitments and maintaining sufficient levels of cash or cash equivalents to meet its working capital requirements. In addition, the Group also maintains available banking facilities sufficient to meet its operational needs.

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contracted undiscounted repayment obligations:

GROUP	On demand or within one year RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
2024				
Financial liabilities				
Trade and other payables	64,492	16,388	–	80,880
Borrowings	17,780	172,286	37,215	227,281
Lease liabilities	943	1,310	–	2,253
Total undiscounted financial liabilities	83,215	189,984	37,215	310,414
Financial guarantees* (Note 38 (c)(ii))	30,876	–	–	30,876
2023				
Financial liabilities				
Trade and other payables	71,051	12,597	–	83,648
Borrowings	25,212	142,580	55,677	223,469
Lease liabilities	917	714	–	1,631
Total undiscounted financial liabilities	97,180	155,891	55,677	308,748
Financial guarantees* (Note 38 (c)(ii))	27,722	–	–	27,722

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

38. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Liquidity and cash flow risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contracted undiscounted repayment obligations (cont'd):

COMPANY	On demand or within one year RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
2024				
Financial liabilities				
Other payables and accruals	143	–	–	143
Amount owing to subsidiaries	125	–	–	125
Total undiscounted financial liabilities	268	–	–	268
Financial guarantees* (Note 38 (c)(ii))	219,823	–	–	219,823
2023				
Financial liabilities				
Other payables and accruals	73	–	–	73
Amount owing to subsidiaries	1,597	–	–	1,597
Total undiscounted financial liabilities	1,670	–	–	1,670
Financial guarantees* (Note 38 (c)(ii))	220,907	–	–	220,907

* As at end of the reporting period, there was no indication that the subsidiaries would default on repayment. Hence, the financial guarantees representing the outstanding loan amounts of the subsidiaries have not been recognised. The disclosure represents the maximum amount that is required to be settled in the event of the triggering event.

(b) Market risk

Market risk is the risk that changes in market prices, such as interest rates and other prices that will affect the Group's and the Company's financial position or cash flows.

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's borrowings and is managed through the use of fixed and floating rate debts. The fixed rate borrowings expose the Group to fair value interest rate risk which is partially offset by borrowings obtained at floating rate. The Group's floating rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in equity securities and short-term receivables and payables are not significantly exposed to interest rate risk. The Group does not use derivative financial instruments to hedge its risk.

The Group also earns interest income derived from the placement of short-term deposits with licensed banks and financial institutions.

The Group regularly reviews these risks and takes proactive measures to mitigate the potential impact of such risk.

<u>Fair value sensitivity analysis for fixed rate instruments</u>

The Group does not account for any fixed rate instruments at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the profit or loss.

<u>Sensitivity analysis for floating rate instruments</u>

A change of 25 basis points in interest rates at the reporting date would result in the profit net of tax to be higher/(lower) by the amounts shown below. This analysis assumes that all other variables remain constant.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

38. FINANCIAL RISK MANAGEMENT (cont'd)

	GROUP	
	2024 RM'000	2023 RM'000
Profit net of tax		
Floating rate instruments		
25 basis point (0.25%) increase	(372)	(369)
25 basis point (0.25%) decrease	372	369

The assumed movement in basis point for interest rate sensitivity analysis is based on current observable market environment.

Weighted average effective interest rates ('WAEIR') and maturity analysis

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following table indicates their weighted average effective interest rates at the statement of financial position date and the period in which they mature, whichever is earlier:

GROUP

2024	**NOTE**	WAEIR %	Within 1 year RM'000	Between 1-2 years RM'000	Between 2-3 years RM'000	Between 3-4 years RM'000	Between 4-5 years RM'000	More than 5 years RM'000	Total RM'000
Fixed rates									
Fixed deposits with licensed banks	17	2.77	24,863	–	–	–	–	–	24,863
Lease liabilities	24	4.58 -5.67	851	722	228	179	100	–	2,080
Floating rates									
Bank overdrafts	23	8.07	2,444	–	–	–	–	–	2,444
Revolving credits	22	5.32	7,508	7,692	–	–	–	–	15,200
Term loans	21	5.37	3,776	39,901	44,230	34,608	24,125	31,590	178,230
2023									
Fixed rates									
Fixed deposits with licensed banks	17	2.64	49,871	–	–	–	–	–	49,871
Lease liabilities	24	3.94 - 4.87	889	494	89	34	23	–	1,529
Floating rates									
Bank overdrafts	23	7.31	2,492	–	–	–	–	–	2,492
Revolving credits	22	4.61	6,000	–	–	–	–	–	6,000
Term loans	21	4.88	11,199	23,513	42,216	34,240	23,716	50,971	185,855

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

38. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Credit risk

Credit risk arises when sales are made on deferred credit terms. The Group controls these risks by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored by strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures. The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instrument.

The credit quality of trade receivables that are neither past due nor impaired are substantially amounts due from customers with good collection track record with the Group. Management will continuously monitor closely the trade receivables which are past due.

Credit risk arising from property development

The Group does not have any significant credit risk from its property development activities as its services and products are predominantly rendered and sold to a large number of property purchasers using financing from reputable end-financiers.

Trade receivables are monitored on an on-going basis via Group management reporting procedures. The Group does not have any significant exposure to any individual customer or counterparty nor does the Group have any major concentration of credit risk related to any financial instruments. Credit risk with respect to trade receivables are limited as the ownership and rights to the properties revert to the Group in the event of default.

Credit risk arising from investment properties

Credit risks arising from outstanding receivables from the tenants are minimised and monitored by strictly limiting the Group's association to business partners with high creditworthiness. Furthermore, the tenants have placed security deposits with the Group which acts as collateral. Due to these factors, no additional credit risk beyond amounts allowed for collection losses is inherent in the Group's trade receivables.

Credit risk arising from other activities of the Group

Concentration of credit risk with respect to trade receivables is limited due to the Group's large number of customers. The Group's historical experience in collection of trade receivables fall within the recorded allowances. Due to these factors, no additional credit risk beyond amounts allowed for collections losses is inherent in the Group's trade receivables.

Credit risk arising from deposits with licensed banks

Concentration of credit risk arising from deposits with licensed banks is limited as bank deposits are held with banks with strong financial strength.

(i) the ageing analysis of trade receivables as at the end of the reporting date was:

	GROUP	
	2024 RM'000	2023 RM'000
Neither past due nor impaired	24,986	24,608
Past due but not impaired:		
1 to 30 days past due	5,843	4,224
31 to 60 days past due	1,241	3,427
61 to 90 days past due	2,217	3,870
91 to 120 days past due	1,679	1,374
More than 120 days past due	3,022	4,015
	14,002	16,910
Impaired	326	373
	39,314	41,891

The impaired trade receivables are more than 120 days past due and comprised of collective impairment.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

38. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Credit risk (cont'd)

The movement of the allowance of impairment loss is as follows:

	GROUP	
	2024 RM'000	2023 RM'000
At beginning of financial year	373	366
Charge during the financial year	–	45
Reversal during the financial year	(47)	(38)
At end of financial year	326	373

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as reported in statements of financial position.

(ii) Financial guarantees

The Group and the Company provide unsecured financial guarantees to banks and third parties in respect of banking facilities granted to subsidiaries.

The table below summarises the maximum exposure to credit risk of the Group and the Company as at the end of the reporting period:

	GROUP	
	2024 RM'000	2023 RM'000
Corporate guarantees for bank facilities granted to subsidiaries		
– representing bank guarantees in favour of third parties	30,134	26,381
Corporate guarantees issued by a subsidiary company for bank facilities		
– representing bank guarantees in favour of third parties	742	1,341
	30,876	27,722

	GROUP	
	2024 RM'000	2023 RM'000
Corporate guarantees for bank facilities granted to subsidiaries		
– representing outstanding loan amounts of the subsidiaries	189,254	194,433
– representing bank guarantees in favour of third parties	30,134	26,381
	219,388	220,814
Corporate guarantees to supplier of a subsidiary company	435	93
	219,823	220,907

The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

As at end of the reporting date, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

38. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Credit risk (cont'd)

(iii) Inter-company balances

The Company provides advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

As at end of the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at end of the reporting date, there was no indication that the advances to the subsidiaries are not recoverable.

39. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate fair values due to the relatively short term nature of these financial instruments. As borrowings are obtained from licensed financial institutions at the prevailing market rate, the carrying amount of these financial liabilities approximate the fair value.

It was not practicable to estimate the fair value of the Company's investment in unquoted shares due to the lack of comparable quoted market prices and the inability to estimate fair value without incurring excessive costs.

Fair value hierarchy

Fair value hierarchy has not been presented as there are no financial instruments carried at fair values as at the end of the reporting period.

40. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

	GROUP	
	2024 RM'000	2023 RM'000
Borrowings (Note 20)	195,874	194,347
Less: Cash and cash equivalents (Note 17)	(80,921)	(87,776)
Net debt	114,953	106,571
Total equity	500,464	457,953
Debt-to-equity ratio	0.23	0.23

There was no change in the Group's and the Company's approach to capital management during the financial year.

41. CARRYING AMOUNT OF MONIES HELD IN TRUST

The total carrying amount of monies held in trust is as follows:

	GROUP	
	2024 RM'000	2023 RM'000
Monies held in trust	895	882

The above monies are held by the trustee, Pacific Trustee Berhad.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

42. CAPITAL COMMITMENTS

Capital commitment not provided for in the financial year ended 29 February 2024 is as follow:-

	GROUP	
	2024 RM'000	2023 RM'000
Approved and contracted for:		
- Development land acquired under a Sale and Purchase Agreement	36,616	13,315

43. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

On 24 November 2022, Eupe Land Development Sdn. Bhd. entered into a second Sale and Purchase Agreement with Sing Ta Nian Development Sdn. Bhd. for the acquisition of a parcel of freehold land measuring approximately 20.58 acres (or 83,284 square meters), being part of Lot 60030 Seksyen 64, Bandar Sungai Petani, Daerah Kuala Muda, Negeri Kedah (previously known as Lot PT 2268, Bandar Amanjaya, Daerah Kuala Muda, Negeri Kedah) with an aggregate area of about 128.99 acres (or 522,000 square meters) for a cash consideration of RM15,315,000. The acquisition of land had completed following the payment of the balance purchase price of RM13,315,000 on 19 April 2023.

44. SUBSEQUENT EVENTS

a) On 19 January 2024, Eupe Land Development Sdn. Bhd. entered into a third Sale and Purchase Agreement with Sing Ta Nian Development Sdn. Bhd. for the acquisition of a parcel of freehold land measuring approximately 54.67 acres (or 221,238 square meters), being part of Lot 60030 Seksyen 64, Bandar Sungai Petani, Daerah Kuala Muda, Negeri Kedah (previously known as Lot PT 2268, Bandar Amanjaya, Daerah Kuala Muda, Negeri Kedah) with an aggregate area of about 128.99 acres (or 522,000 square meters) for a cash consideration of RM40,684,000. The acquisition of land had completed following the payment of the balance purchase price of RM36,616,000 on 10 May 2024.

b) On 7 May 2024, the Company was issued a total of 5,600,000 ordinary shares of RM1.23 per ordinary shares via Private Placement to eligible investors for a total cash consideration of RM6,888,000.

c) On 15 May 2024, Eupe Bangsar Sdn. Bhd. entered into a Sale and Purchase Agreement with MCL Land (Pantai View) Sdn. Bhd. for the acquisition of a parcel of freehold land measuring approximately 2.46 acres (or 9,957 square meters), held under Geran 30241, Lot 51863, Mukim Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur for a total cash consideration of RM69,180,000, which will be satisfied entirely in cash ("Proposed Acquisition").

   The Proposed Acquisition is not subject to the approval of shareholders of the Company, except the approvals of any other relevant authorities if required.

   Baring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Acquisition is expected to be completed by second half of 2024.

Notes to The Financial Statements – 29 FEBRUARY 2024 (cont'd)

45. COMPARATIVE FIGURES

Certain comparative amounts for previous financial years have been reclassified to conform with the current financial year's presentation is follows:

	As previously reported RM'000	Reclassification RM'000	As restated RM'000
Statements of Cash Flows			
Hire purchase interest paid	(31)	31	–
Lease interest paid	(47)	(31)	(78)
Repayment of hire purchase liabilities	(264)	264	–
Repayment of lease liabilities	(558)	(264)	(822)
Interest paid in relation to hire purchase liabilities	31	(31)	–
Interest paid in relation to lease liabilities	47	31	78
Property, Plant and Equipment (Note 6)			
Cost at 1 March 2023	134,466	133,041	1,425
Accumulated depreciation at 1 March 2023	75,350	74,533	817
Right-of-use assets (Note 7)			
Cost at 1 March 2023	1,721	3,146	(1,425)
Accumulated depreciation at 1 March 2023	886	1,703	(817)

46. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at 5th Floor, Wisma Ria, Taman Ria, 08000 Sungai Petani, Kedah Darul Aman.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency. All financial information presented in RM has been rounded to the nearest thousand ("RM'000"), unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 13 June 2024.

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the directors of **EUPE CORPORATION BERHAD (Registration No. 199601005416 (377762-V))** do hereby state that, in the opinion of the directors, the financial statements set out on pages 138 to 195 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 29 February 2024 and of the financial performance and the cash flows of the Group and of the Company for the financial year ended on that date.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:

MUHAMAD FAISAL BIN TAJUDIN

DATO' BEH HUCK LEE

13 June 2024

Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, **WONG TZE MENG**, being the Chief Financial Officer primarily responsible for the financial management of **EUPE CORPORATION BERHAD (Registration No. 199601005416 (377762-V))** do solemnly and sincerely declare that the financial statements set out on pages 138 to 195 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

WONG TZE MENG

(MIA No.: CA12205)
Subscribed and solemnly declared
by the abovenamed at Petaling Jaya
in the state of Selangor Darul Ehsan on 13 June 2024

Before me

Independent Auditors' Report To The Members Of Eupe Corporation Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Eupe Corporation Berhad, which comprise the statements of financial position as at 29 February 2024 of the Group and of the Company, and statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 138 to 195.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 29 February 2024 and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addresses in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report To The Members Of Eupe Corporation Berhad (cont'd)

Key Audit Matters (cont'd)

Key audit matter	How our audit addressed the key audit matter
Recognition of revenue and cost of sales from property development activities Refer to Note 3.15(a) – Material Accounting Policies, Note 5(a) – Significant Judgements and Accounting Estimates, Note 27 – Revenue and Note 28 – Cost of Sales. For the financial year ended 29 February 2024, revenue of RM290,605,000 and cost of sales of RM209,456,000 from property development activities accounted for approximately 86% and 84% of the Group's total revenue and cost of sales respectively. The Group uses percentage of completion method to account for the recognition of revenue and cost of sales from property development activities. We identified this area as area requires audit focus due to the amount of revenue and cost of sales recognised during the financial year are affected by a variety of estimates which includes judgement exercised by the management, in particular with regards to determining the estimated gross development value ("GDV") and gross development cost ("GDC").	The details of our work performed are as follows: - We verified the actual sales of property development units by agreeing to the signed sales and purchase agreement on sampling basis; - We evaluated the reasonableness of the basis used by the management in the preparation of budgeted property development costs by examining documentary evidence such as letters of award and contracts issued to contractors and consultants; - We verified the actual property development costs incurred to documentary evidence such as contractors' progress claims and suppliers' invoices on sampling basis; - We recomputed the results of the input method used by the management for revenue and cost of sales recognitions based on:- i) sales achieved over total budgeted sales ii) property development costs incurred to date over the total budgeted property development costs; and - We reviewed the management's assessments on the exposures towards liquidated ascertained damages ("LAD") provisions required (if any) to supporting documentations such as contractors' progress status reports and extension of time approvals.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report and Statement on Risk Management and Internal Control included in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon, which we obtained prior to the date of this auditor's report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report To The Members Of Eupe Corporation Berhad (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

RSM Malaysia PLT
202206000002 (LLP0030276-LCA) & AF 0768
Chartered Accountants

Wong Choong Ming
03289/10/2024 J
Chartered Accountant

Kuala Lumpur
13 June 2024

Analysis of Shareholdings as at 31 May 2024

Total Number of Issued Shares : 147,200,000 ordinary shares
Class of shares : Ordinary shares
Voting rights : One (1) vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders		No. of Shares Held		(%)	
	Malaysian	Foreigner	Malaysian	Foreigner	Malaysian	Foreigner
Less than 100 shares	52	1	520	51	0.00	0.00
100 to 1,000 shares	1,649	5	1,553,500	3,700	1.05	0.00
1,001 to 10,000 shares	1,437	15	6,645,373	81,000	4.51	0.06
10,001 to 100,000 shares	516	3	17,025,133	157,000	11.57	0.11
100,001 to less than 5% of issued shares	108	11	64,249,534	7,774,200	43.65	5.28
5% and above of issued shares	3	–	49,709,989	–	33.77	0.00
SUBTOTAL	**3,765**	**35**	**139,184,049**	**8,015,951**	**94.55**	**5.45**
GRAND TOTAL (Malaysian + Foreigner)	**3,800**		**147,200,000**		**100.00**	

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	%
1.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Beh Heng Seong Sdn Bhd (PB)	23,261,208	15.80
2.	Betaj Holdings Sdn. Bhd.	14,349,781	9.75
3.	Betaj Holdings Sdn. Bhd.	12,099,000	8.22
4.	Success Leads Sdn. Bhd.	4,980,694	3.38
5.	Ng Thong Pin	4,029,800	2.74
6.	Betaj Holdings Sdn. Bhd.	3,605,000	2.45
7.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Beh Huck Lee (M01)	3,500,000	2.38
8.	Success Leads Sdn. Bhd.	3,095,900	2.10
9.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd for AHAM Aiiman Growth Fund	2,699,400	1.83
10.	Firm Alliance Sdn. Bhd.	2,622,538	1.78
11.	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for Areca Dividend Income Fund (412723)	2,130,000	1.45
12.	HSBC Nominees (Tempatan) Sdn. Bhd. HSBC (M) Trustee Bhd for Allianz Life Insurance Malaysia Berhad (DGF)	2,125,700	1.44
13.	Tham Sau Kien	1,987,300	1.35
14.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Exempt an for Aham Asset Management Berhad (TSTAC/CLNTT)	1,723,200	1.17
15.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Yat Kiang (MY1469)	1,640,500	1.11
16.	Maybank Nominees (Tempatan) Sdn. Bhd. Viki Lim	1,598,800	1.09
17.	Maybank Nominees (Tempatan) Sdn. Bhd. Exempt an for Areca Capital Sdn. Bhd. (Clients' Account)	1,416,000	0.96
18.	Ng Thong Pin	1,359,600	0.92
19.	Kek Jenny	1,168,386	0.79

Analysis of Shareholdings as at 31 May 2024 (cont'd)

THIRTY (30) LARGEST SHAREHOLDERS (cont'd)

No.	Name of Shareholders	No. of Shares Held	%
20.	CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Yoong Kah Yin (PB)	1,118,000	0.76
21.	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for Areca Equity Growth Fund (427458)	970,000	0.66
22.	Janet Lai Wei Ying	920,000	0.63
23.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Lee Ee Jen (MY3171)	900,000	0.61
24.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Asian Islamic Investment Management Sdn. Bhd. for Institut Kefahaman Islam Malaysia (TST/AC)	819,000	0.56
25.	Yeo Khee Nam	796,500	0.54
26.	Sim Lian Hing	780,000	0.53
27.	Chen Gaolan	710,000	0.48
28.	Goh Chia Phern	700,000	0.48
29.	HLB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Cher Sew Seng	692,000	0.47
30.	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd for Allianz Life Insurance Malaysia Berhad (MDE)	677,400	0.46
	TOTAL:	**98,475,707**	**66.89**

SUBSTANTIAL SHAREHOLDERS

According to the Register of Substantial Shareholders as at 31 May 2024

Name of Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Shares Held	%	No. of Shares Held	%
Betaj Holdings Sdn. Bhd.	30,053,781	20.42	–	–
Beh Heng Seong Sdn. Bhd.	23,261,208	15.80	30,053,781[(a)]	20.42
Dato' Beh Huck Lee	3,500,000	2.38	53,314,989[(b)]	36.22
Datin Paduka Teoh Choon Boay	234,416	0.16	53,314,989[(b)]	36.22
Success Leads Sdn. Bhd.	8,076,594	5.49	-	–

DIRECTORS' SHAREHOLDINGS

According to the Register of Directors' Shareholdings as at 31 May 2024

Name of Directors	Direct Interest		Indirect Interest	
	No. of Shares Held	%	No. of Shares Held	%
Alfian Bin Tan Sri Mohamed Basir	–	–	–	–
Dato' Beh Huck Lee	3,500,000	2.38	53,314,989[(b)]	36.22
Muhamad Faisal Bin Tajudin	–	–	–	–
Iskandar Abdullah @ Sim Kia Miang	–	–	33,000[(c)]	0.02
Beh Yeow Seang	–	–	-	–
Leow Peen Fong	–	–	–	–
Tham Sau Kien	2,002,300	1.36	–	–

Notes:

(a) Deemed interested by virtue of Section 8(4) of the Companies Act 2016 through shareholdings in Betaj Holdings Sdn Bhd.

(b) Deemed interested by virtue of Section 8(4) of the Companies Act 2016 through shareholdings in Beh Heng Seong Sdn Bhd which in turn hold shares in Betaj Holdings Sdn Bhd.

(c) Deemed interested by virtue of Section 59(11)(c) of the Companies Act 2016 through his spouse's shareholdings in the Company.

List of Properties For The Financial Year Ended 29 February 2024

No.	Location & Description	Tenure & Age	Land Area	Date of acquisition or last revaluation	Existing use	Net Book Value as of Feb'24
1	Lot 20034, Seksyen 69, Bandar Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur [Circadia @ Belfield]	Leasehold 99 years expiring 3/12/2118	4.81 acres 209,616 sq.ft. 19,474 sq.m.	Sep-2022	Land held for development	142,348
2	Part of Lot 60030, Seksyen 64, Bandar Sungai Petani, Daerah Kuala Muda, Negeri Kedah under Geran No. Hakmilik 219000 (Previously known as Lot PT2268 held under Title No. H.S.(D) 120607, Bandar Amanjaya, Daerah Kuala Muda, Negeri Kedah.) [Edgewater Estate]	Freehold	74.32 acres 3,237,379 sq.ft. 300,762 sq.m.	Jan-2022 Nov-2022	Land held for development	62,201
3	Lot 20009, Seksyen 94, Bandar Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur [Est8 @ Seputeh]	Leasehold 99 years expiring 26/2/2118	2.90 acres 126,325 sq.ft. 11,736 sq.m.	Jun-2016	Development in progress	56,726
4	P.T. 1880 and P.T. 1983, H.S.(D) 262397 and H.S.(D) 293643, Bandar Petaling Jaya Selatan, Daerah Petaling, Selangor. [Helix2 @ PJ South]	Leasehold 99 years expiring 15/2/2121	2.85 acres 124,334 sq.ft. 11,551 sq.m.	Apr-2021	Development in progress	34,404
5	36 plots of land and buildings Mukim of Sungai Petani, District of Kuala Muda, Persiaran Cinta Sayang, Sungai Petani, Kedah. [Cinta Sayang Resort]	Freehold 27 to 34 years	8.61 acres 375,087 sq.ft. 34,847 sq.m.	Jun-2016	Property, Plant and Equipment	20,400
6	P.T. 17698 and P.T. 17699, H.S.(D) 73395 and H.S.(D) 73398 Mukim of Sungai Petani, District of Kuala Muda, Located within Cinta Sayang Golf and Country Resort, Persiaran Cinta Sayang, Sungai Petani, Kedah [Cinta Sayang Golf Club]	Leasehold 60 years expiring 31/7/2051 34 years	190.88 acres 8,314,645 sq.ft. 772,456 sq.m.	Mar-2015	Property, Plant and Equipment	19,304
7	P.T. 21648, H.S.(M) 3/94, Mukim of Sungai Petani, District of Kuala Muda Located along the eastern side of Jln Badlishah, within Taman Ria, Sungai Petani, Kedah [Wisma Ria]	Freehold 26 years	1.67 acres 72,640 sq.ft. 6,748 sq.m.	Feb-2018	Investment Property	15,740
8	185 plots of land Mukim of Gurun, District of Kuala Muda, Gurun, Kedah.	Freehold	104.92 acres 4,570,184 sq.ft. 424,584 sq.m.	Mar-1996	Land held for development	13,533
9	P.T. 15786, H.S.(M) 5307/1989 Mukim of Sungai Petani, District of Kuala Muda Located within Taman Ria Jaya, Sungai Petani, Kedah [The Somerset]	Freehold	0.41 acres 17,980 sq.ft. 1,670 sq.m.	Mar-1996	Development in progress	10,443
10	247 plots of land Mukim of Pinang Tunggal, District of Kuala Muda Located next to Bandar Puteri Jaya Sungai Petani, Kedah	Freehold	25.97 acres 1,131,404 sq.ft. 105,111 sq.m.	Mar-2008	Land held for development	9,841

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 28th Annual General Meeting ("AGM") of Eupe Corporation Berhad ("Eupe" or the "Company") will be held at Amber Junior Ballroom, AVANTÉ Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on **Thursday, 22 August 2024** at **11.00 a.m.** for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 29 February 2024 together with the Reports of the Directors and Auditors thereon. (Please refer to Note 1 of the Explanatory Notes)

2. To approve the payment of chairmanship allowance amounting to RM3,333 payable to the Chairperson of the Long-Term Incentive Plan Committee for the period from 24 January 2024 to 22 August 2024. **Ordinary Resolution 1**

3. To approve the Directors' fees and benefits payable to the Non-Executive Directors of the Company for the period from 23 August 2024 until the conclusion of the next AGM in 2025:

   (a) Director's fee of RM7,500 per month for Board Chairman. **Ordinary Resolution 2**

   (b) Director's fee of RM6,000 per month per Non-Executive Director. **Ordinary Resolution 3**

   (c) Additional Director's fee of RM5,000 per annum for Senior Independent Non-Executive Director. **Ordinary Resolution 4**

   (d) Chairmanship allowance of RM5,000 per annum payable to Board Chairman, and each Chairman/Chairperson of Board Committees namely, Risk Management and Audit Committee, Nomination and Remuneration Committee and Long-Term Incentive Plan Committee. **Ordinary Resolution 5**

   (e) Attendance allowance of RM800 per trip (for local Directors) or RM1,100 per trip (for outstation Directors). **Ordinary Resolution 6**

4. To re-elect the following Directors who are retiring by rotation pursuant to Clause 76(3) of the Constitution of the Company:

   (a) Beh Yeow Seang **Ordinary Resolution 7**

   (b) Tham Sau Kien **Ordinary Resolution 8**

5. To appoint Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 9**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions, with or without modification(s):

6. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** Ordinary Resolution 10

   "THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act") and subject to the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of the relevant regulatory authorities (if any), the Directors of the Company be and are hereby authorised to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions and for such purposes and to such persons whomsoever as the Directors may in their absolute discretion deem fit PROVIDED THAT the aggregate number of shares to be issued pursuant to this resolution, when aggregated with the total number of such shares issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be authorised to do all such things as they may deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company held after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is the earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting."

Notice of Annual General Meeting (cont'd)

7. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK** Ordinary Resolution 11

"THAT subject to the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given for the Company to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company ("Share Buy-Back Mandate") provided that:

(i) the aggregate number of ordinary shares in the Company purchased and/or held by the Company pursuant to the Share Buy-Back Mandate shall not exceed 10% of the total number of issued shares of the Company at any point in time;

(ii) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase; and

(iii) the Directors of the Company may decide either to retain the shares so purchased as treasury shares or cancel the shares so purchased or retain part of the shares so purchased and cancel the remainder or resell the treasury shares on Bursa Malaysia Securities Berhad or distribute the treasury shares as dividends or transfer the treasury shares under an employees' share scheme or as purchase consideration or otherwise use the treasury shares for such other purpose in the manner as prescribed by the applicable laws, guidelines, rules and regulations.

THAT the authority conferred by this resolution will be effective upon the passing of this resolution and will continue to be in force until:

(a) the conclusion of the next annual general meeting of the Company at which time it shall lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;

(b) the expiration of the period within which the next annual general meeting of the Company after that date is required by law to be held; or

(c) revoked or varied by an ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT authority be and is hereby given to the Directors of the Company to take all such steps to implement, finalise and give full effect to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments as may be required by the relevant authorities or as the Directors deem fit and expedient at their discretion in the best interest of the Company."

8. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs") OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RRPTs")** Ordinary Resolution 12

"THAT subject always to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries (the "Group") to enter into RRPTs of a revenue or trading nature with the related parties as specified in Section 2.3 of Part B of the Statement/Circular to Shareholders dated 28 June 2024 provided that such transactions are necessary for the Group's day-to-day operations and carry out in the ordinary course of business at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders of the Company.

Notice of Annual General Meeting (cont'd)

THAT the authority conferred by such mandate shall continue to be in force until:-

(i) the conclusion of the next annual general meeting of the Company at which time it will lapse, unless by a resolution passed at that meeting, the authority is renewed;

(ii) the expiration of the period within which the next annual general meeting of the Company is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(iii) the mandate is revoked or varied by a resolution passed by the shareholders in a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed Renewal of Shareholders' Mandate for RRPTs."

9. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board

FOO PEI KOON (MAICSA 7067238) (SSM PC NO. 202108000380)
TE HOCK WEE (MAICSA 7054787) (SSM PC NO. 202008002124)
Company Secretaries

Kuala Lumpur
28 June 2024

Notice of Annual General Meeting (cont'd)

Notes

1. For the purposes of determining a member who shall be entitled to attend, speak and vote at this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 15 August 2024. Only member whose names appear on this Record of Depositors shall be entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend, speak and vote on their behalf.
2. A member who is entitled to attend, speak and vote at a general meeting may appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member who is entitled to attend, speak and vote at a general meeting may appoint not more than two proxies to attend, speak and vote instead of the member at the general meeting.
4. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominees may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
6. Where a member, an authorised nominee or an exempt authorised nominee appoints more than one proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportions of his holdings to be represented by each proxy.
7. The appointment of a proxy may be made in a hard copy form, to be deposited at the office of the Company's Share Registrar, Mega Corporate Services Sdn. Bhd. at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan, or by electronic means via email at mega-sharereg@megacorp.com.my not less than 48 hours before the time appointed for holding the 28th AGM or adjourned general meeting at which the person named in the appointment proposes to vote.
8. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the office of the Company's Share Registrar, Mega Corporate Services Sdn. Bhd. at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time appointed for holding the 28th AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
9. Please ensure **ALL** the particulars as required in the proxy form are completed, signed and dated accordingly.
10. Last date and time for lodging the proxy form is **Tuesday, 20 August 2024** at **11.00 a.m.**
11. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:

    a. Identify card (NRIC) (Malaysian); or

    b. Police report (for loss of NRIC)/ Temporary NRIC (Malaysian); or

    c. Passport (Foreigner).
12. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 28th AGM will be put to vote by way of poll.

Notice of Annual General Meeting (cont'd)

EXPLANATORY NOTES TO THE AGENDA:

1. **Item 1 of the Agenda**

   Audited Financial Statements for the financial year ended 29 February 2024

   This item is meant for discussion only. The provision of Sections 248(2) and 340(1)(a) of the Companies Act 2016 require the Audited Financial Statements and the reports of the Directors and Auditors thereon be laid before the Company at its AGM. As such, this agenda item is not a business which requires a motion to be put forward to vote by shareholders.

2. **Ordinary Resolution 1**

   Payment of Chairmanship Allowance for the Chairperson of the Long-Term Incentive Plan Committee

   The Long-Term Incentive Plan Committee was newly formed on 24 January 2024 to implement and administer the Long-Term Incentive Plan of the Company. In this respect, the Board has recommended to the shareholders for approval on the payment of chairmanship allowance for the Chairperson of the Long-Term Incentive Plan Committee for the period from 24 January 2024 to 22 August 2024.

3. **Ordinary Resolutions 2, 3, 4, 5 and 6**

   Payment of Directors' Fees and Benefits to the Non-Executive Directors

   Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries, shall be approved at a general meeting. In this respect, the Board has recommended to the shareholders for approval on the payment of Directors' fees and benefits comprising chairmanship allowance and attendance allowance payable to Non-Executive Directors for the period from 23 August 2024 until the conclusion of the next AGM in 2025.

4. **Ordinary Resolutions 7 and 8**

   Re-election of Directors

   Beh Yeow Seang and Tham Sau Kien are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 28th AGM. Their profiles are set out in the Board of Directors Profile of the 2024 Annual Report.

   Saved as disclosed, the retiring Directors have no conflict of interest with the Company and have no family relationship with any Director and/or major shareholder of the Company. The Nomination and Remuneration Committee ("NRC") has considered the performance and contribution, calibre and personality, and fit and proper of the retiring Directors. They have met the fit and proper criteria pursuant to the Directors' Fit and Proper Policy and have no conflict of interest with the Company and family relationship with any Director and/or major shareholder of the Company. Based on the recommendation of the NRC, the Board is supportive of their re-election based on the following justifications:-

   (a) Ordinary Resolution 7 – Re-election of Beh Yeow Seang as Non-Independent Non-Executive Director

   Ms Beh Yeow Seang is the sister of Dato' Beh Huck Lee who is the Group Managing Director/ major shareholder and daughter of Datin Paduka Teoh Choon Boay, a major shareholder of the Company. She has vast experience in the conveyancing and real estate matters and has been contributing valuable insights to the Board having regard to her knowledge and experience.

   (b) Ordinary Resolution 8 – Re-election of Tham Sau Kien as Independent Non-Executive Director

   Ms Tham Sau Kien has exercised due care and carried out her duties professionally and proficiently during her tenure as an Independent Non-Executive Director of the Company. She demonstrated objectivity and independence through her participation at the meetings by giving objective feedback for Board's deliberation and decision-making process.

5. **Ordinary Resolution 9**

   Appointment of Grant Thornton Malaysia PLT as Auditors of the Company

   The Board had, through the Risk Management and Audit Committee, considered the profile, adequacy of the resources and experience of Grant Thornton Malaysia PLT and agreed to recommend the appointment of Grant Thornton Malaysia PLT as new Auditors of the Company to the shareholders for approval.

   Grant Thornton Malaysia PLT appointment as Auditors of the Company is contingent upon shareholders' approval at the 28th AGM.

Notice of Annual General Meeting (cont'd)

EXPLANATORY NOTES TO THE AGENDA:

6. **Ordinary Resolution 10**

   Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016

   The proposed Ordinary Resolution 10, if passed, will empower the Directors to issue and allot up to an aggregate amount of not exceeding 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company without having to convene separate general meetings. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM of the Company.

   This is a renewal of the mandate obtained from shareholders at the last AGM held on 24 August 2023. The mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

   The purpose of this general mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions or such other application as the Directors may deem fit in the best interest of the Company.

   As at the date of this notice, the Company did not issue any new shares pursuant to the mandate granted by the shareholders at the last AGM. Instead, the Company had at the Extraordinary General Meeting held on 22 December 2023 obtained shareholders' approval to allot and issue up to 15% of the total number of issued shares of the Company. As at the date of this notice, the Company had issued a total of 19,200,000 ordinary shares comprising 13,600,000 shares at an issue price of RM0.83 each and 5,600,000 shares at an issue price of RM1.23 each via private placement pursuant to the mandate received from shareholders on 22 December 2023. A total of RM18.176 million were raised from the private placement and it would be utilised mainly for the infrastructure works for the Group's land located in Daerah Kuala Muda, Kedah.

7. **Ordinary Resolution 11**

   Proposed Renewal of Shareholders' Mandate for Share Buy-Back

   The Ordinary Resolution 11, if passed, will enable the Directors of the Company to purchase its own shares up to 10% of the total number of the issued shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

   For further information on Ordinary Resolution 11, please refer to Part A of the Company's Statement/Circular to Shareholders dated 28 June 2024.

8. **Ordinary Resolution 12**

   Proposed Renewal of Shareholders' Mandate for RRPTs

   The Ordinary Resolution 12, if passed, will allow the Group to enter into RRPTs with its related parties in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad without the necessity to convene separate general meetings to seek shareholders' approval as and when such RRPTs occur. This would reduce substantial administrative time and expenses associated with the convening of such meetings without compromising the corporate objectives of the Group or affecting the business opportunities available to the Group. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company and is subject to renewal on an annual basis.

   Further details relating to this proposed resolution are set out in Part B of the Company's Statement/Circular to Shareholders dated 28 June 2024.

This page had been deliberately left blank

This page had been deliberately left blank

This page had been deliberately left blank

EUPE

Building Lifestyles, Building Trust

EUPE CORPORATION BERHAD
Registration No. 199601005416 (377762-V)
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.	No. of shares held

I/We .... Tel: ....

[Full name in block, NRIC/Passport/Company No.]

of ....

....

being member(s) of Eupe Corporation Berhad, hereby appoint:

Full Name (in Block):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address: Mobile Phone No.:			

and

Full Name (in Block):	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address: Mobile Phone No.:			

or failing *him / her, the Chairman of the Meeting, as *my / our *proxy / proxies to attend and to vote for *me / us on *my / our behalf at the 28th Annual General Meeting ("AGM") of the Company which will be held at Amber Junior Ballroom, AVANTÉ Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on **Thursday**, **22 August 2024** at **11.00 a.m.** or at any adjournment thereof, and to vote as indicated below:

Resolution	Description of Resolution	For	Against
Ordinary Resolution 1	Payment of chairmanship allowance amounting to RM3,333 for the Chairperson of the Long-Term Incentive Plan Committee		
Ordinary Resolution 2	Payment of Director's fee of RM7,500 per month for Board Chairman		
Ordinary Resolution 3	Payment of Director's fee of RM6,000 per month per Non-Executive Director		
Ordinary Resolution 4	Payment of additional Director's fee of RM5,000 per annum for Senior Independent Non-Executive Director		
Ordinary Resolution 5	Payment of chairmanship allowance of RM5,000 per annum to Board Chairman, and each Chairman/ Chairperson of the Board Committees		
Ordinary Resolution 6	Payment of attendance allowance of RM800 per trip (for local Directors) or RM1,100 per trip (for outstation Directors)		
Ordinary Resolution 7	Re-election of Beh Yeow Seang as Director		
Ordinary Resolution 8	Re-election of Tham Sau Kien as Director		
Ordinary Resolution 9	Appointment of Grant Thornton Malaysia PLT as Auditors		
Ordinary Resolution 10	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		
Ordinary Resolution 11	Proposed Renewal of Shareholders' Mandate for Share Buy-Back		
Ordinary Resolution 12	Proposed Renewal of Shareholders' Mandate for RRPTs		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this day of

....

Signature*
Member

** Manner of execution:*

(a) If you are an individual member, please sign where indicated.

(b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.

(c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:

(i) at least two (2) authorised officers, one of whom shall be a director; or

(ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:

1. For the purposes of determining a member who shall be entitled to attend, speak and vote at this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 15 August 2024. Only member whose names appear on this Record of Depositors shall be entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend, speak and vote on their behalf.
2. A member who is entitled to attend, speak and vote at a general meeting may appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member who is entitled to attend, speak and vote at a general meeting may appoint not more than two proxies to attend, speak and vote instead of the member at the general meeting.
4. Where a member is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominees may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
6. Where a member, an authorised nominee or an exempt authorised nominee appoints more than one proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportions of his holdings to be represented by each proxy.
7. The appointment of a proxy may be made in a hard copy form, to be deposited at the office of the Company's Share Registrar, Mega Corporate Services Sdn. Bhd. at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan, or by electronic means via email at mega-sharereg@megacorp.com.my not less than 48 hours before the time appointed for holding the 28th AGM or adjourned general meeting at which the person named in the appointment proposes to vote.
8. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the office of the Company's Share Registrar, Mega Corporate Services Sdn. Bhd. at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur, Wilayah Persekutuan not less than 48 hours before the time appointed for holding the 28th AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
9. Please ensure **ALL** the particulars as required in the proxy form are completed, signed and dated accordingly.
10. Last date and time for lodging the proxy form is **Tuesday**, **20 August 2024** at **11.00 a.m.**
11. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
    a. Identify card (NRIC) (Malaysian); or
    b. Police report (for loss of NRIC)/ Temporary NRIC (Malaysian); or
    c. Passport (Foreigner)
12. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad , all resolutions set out in the Notice of the 28th AGM will be put to vote by way of poll.

Affix
Stamp

The Share Registrar
EUPE CORPORATION BERHAD
Registration No.199601005416 (377762-V)

c/o **Mega Corporate Services Sdn Bhd**
(Registration No.198901010682 (187984-H))

Level 15-2, Bangunan Faber Imperial Court,
Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia

Building Lifestyles, Building Trust

EUPE CORPORATION BERHAD Registration No.199601005416 (377762-V)
5th Floor, Wisma Ria, Taman Ria, 08000 Sungai Petani,
Kedah Darul Aman, Malaysia.
T. +604-441 4888 • **F**. +604-441 4548

eupe.com.my