



**Building Lifestyles, Building Trust**

**EUPE CORPORATION BERHAD**

[Registration No.: 199601005416 (377762-V)]

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

**EUPE CORPORATION BERHAD**

[Registration No.: 199601005416 (377762-V)]

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

	QUARTER AND YEAR-TO-DATE ENDED	
	31.05.2024	31.05.2023
	RM'000	RM'000
Revenue	112,074	70,517
Cost of sales	(88,172)	(51,560)
Gross profit	23,902	18,957
Other operating income	919	974
Marketing and distribution expenses	(1,641)	(1,629)
Administrative expenses	(6,188)	(5,277)
Other operating expenses	(991)	(792)
Finance costs	(816)	(939)
<b>Profit before tax</b>	<b>15,185</b>	<b>11,294</b>
Tax expense	(4,406)	(2,746)
<b>Profit/Total comprehensive income for the financial period</b>	<b>10,779</b>	<b>8,548</b>
<b>Profit/Total comprehensive income attributable to:</b>		
Equity holders of the Company	9,437	6,811
Non-controlling interests	1,342	1,737
	10,779	8,548
Basic Earnings Per Share ("EPS") attributable to equity holders of the Company (sen)	6.59	5.32

*The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to these Condensed Reports.*

**EUPE CORPORATION BERHAD***[Registration No.: 199601005416 (377762-V)]***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MAY 2024**

	AS AT 31.05.2024 RM'000	AS AT 29.02.2024 RM'000	MOVEMENT RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	59,226	59,158	68
Right-of-use assets	1,715	1,976	(261)
Inventories - land held for property development	332,086	293,387	38,699
Investment properties	39,251	40,251	(1,000)
Deferred tax assets	3,475	3,592	(117)
	<u>435,753</u>	<u>398,364</u>	<u>37,389</u>
<b>Current assets</b>			
Inventories - property development costs	110,702	107,782	2,920
Inventories - completed properties and others	17,863	19,140	(1,277)
Contract costs	16,074	17,723	(1,649)
Contract assets	118,484	128,511	(10,027)
Trade and other receivables	64,706	54,360	10,346
Sinking funds	869	864	5
Tax recoverable	539	411	128
Deposits, cash and bank balances	95,582	80,921	14,661
	<u>424,819</u>	<u>409,712</u>	<u>15,107</u>
<b>TOTAL ASSETS</b>	<u>860,572</u>	<u>808,076</u>	<u>52,496</u>

**EUPE CORPORATION BERHAD**

[Registration No.: 199601005416 (377762-V)]

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MAY 2024 (CONT'D)**

	AS AT 31.05.2024 RM'000	AS AT 29.02.2024 RM'000	MOVEMENT RM'000
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	151,768	145,005	6,763
Reserves	348,008	338,571	9,437
	<u>499,776</u>	<u>483,576</u>	<u>16,200</u>
Non-controlling interests	10,280	16,888	(6,608)
<b>TOTAL EQUITY</b>	<u>510,056</u>	<u>500,464</u>	<u>9,592</u>
<b>Non-current liabilities</b>			
Long-term borrowings	184,365	182,146	2,219
Lease liabilities	1,130	1,229	(99)
Deferred tax liabilities	13,844	13,765	79
	<u>199,339</u>	<u>197,140</u>	<u>2,199</u>
<b>Current liabilities</b>			
Contract liabilities	3,278	1,159	2,119
Trade and other payables	89,815	80,880	8,935
Provisions	12,299	12,420	(121)
Short-term borrowings	42,063	13,728	28,335
Lease liabilities	688	851	(163)
Current tax payables	3,034	1,434	1,600
	<u>151,177</u>	<u>110,472</u>	<u>40,705</u>
<b>TOTAL LIABILITIES</b>	<u>350,516</u>	<u>307,612</u>	<u>42,904</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>860,572</u>	<u>808,076</u>	<u>52,496</u>
<i>Number of ordinary shares ('000)</i>	<u>147,200</u>	<u>141,600</u>	
Net assets per share attributable to equity holders of the Company (RM)	<u>3.40</u>	<u>3.42</u>	

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to these Condensed Reports.

**EUPE CORPORATION BERHAD**

[Registration No.: 199601005416 (377762-V)]

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

	← Attributable to equity holders of the Company →				
	Distributable			Non -	Total
	Share	Retained	Total	controlling	equity
	capital	earnings		interests	
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 March 2024</b>	145,005	338,571	483,576	16,888	500,464
Profit for the financial period	-	9,437	9,437	1,342	10,779
Issuance of ordinary shares	6,763	-	6,763	-	6,763
Dividend paid by subsidiaries to non-controlling interests	-	-	-	(7,950)	(7,950)
<b>At 31 May 2024</b>	<u>151,768</u>	<u>348,008</u>	<u>499,776</u>	<u>10,280</u>	<u>510,056</u>
<b>At 1 March 2023</b>	133,982	305,091	439,073	18,880	457,953
Profit for the financial period	-	6,811	6,811	1,737	8,548
<b>At 31 May 2023</b>	<u>133,982</u>	<u>311,902</u>	<u>445,884</u>	<u>20,617</u>	<u>466,501</u>

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to these Condensed Reports.

**EUPE CORPORATION BERHAD***[Registration No.: 199601005416 (377762-V)]***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

	<b>QUARTER AND YEAR-TO-DATE ENDED</b>	
	<b>31.05.2024</b>	<b>31.05.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	117,032	49,586
Cash payments to suppliers and creditors	(80,908)	(43,271)
Cash payments to employees and for expenses	(2,073)	(13,786)
Cash generated from/(used in) operations	34,051	(7,471)
Deposit (paid)/received	(259)	4
Rental income received	176	210
Tax paid	(2,739)	(1,577)
Net cash generated from/(used in) operating activities	31,229	(8,834)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Deposit paid for purchase of lands	(6,921)	-
Interest income received	383	493
Net changes in fixed deposits pledged	37	581
Proceed from sale of investment properties	900	-
Purchase of lands	(36,616)	(13,315)
Purchase of property, plant and equipment	(568)	(250)
Purchase of right-of-use assets	(46)	-
Purchase of investment property	(21)	-
Net cash used in investing activities	(42,852)	(12,491)

**EUPE CORPORATION BERHAD**

[Registration No.: 199601005416 (377762-V)]

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024 (CONT'D)**

	QUARTER AND YEAR-TO-DATE ENDED	
	31.05.2024	31.05.2023
	RM'000	RM'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of share capital	6,763	-
Dividend paid to non-controlling interests	(7,950)	-
Net repayment of lease liabilities	(264)	(219)
Net drawdown of term loans	7,928	12,277
Net drawdown of revolving credits	22,629	7,950
Bank overdraft interest paid	(42)	(49)
Lease liabilities interest paid	(24)	(15)
Revolving credits interest paid	(454)	(90)
Term loans interest paid	(2,209)	(2,409)
Net cash generated from financing activities	26,377	17,445
Net increase/(decrease) in cash and cash equivalents	14,754	(3,880)
Cash and cash equivalents at beginning of financial period	63,857	70,870
Cash and cash equivalents at end of financial period	78,611	66,990
Cash and cash equivalents at end of financial period comprise the following :		
Cash and bank balances	52,135	47,386
Fixed deposits with licensed banks	43,447	35,854
	95,582	83,240
Less: Bank overdraft	(2,441)	(2,417)
Deposits pledged as collateral	(14,530)	(13,833)
	78,611	66,990

*The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 29 February 2024 and the accompanying explanatory notes attached to these Condensed Reports.*



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

**Part A: Explanatory Notes Pursuant to MFRS 134**

**A1 Basis of Preparation**

The Condensed Consolidated Interim Financial Statements (“Condensed Report”) have been prepared in accordance with *Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting*, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and requirements of the Companies Act 2016, where applicable.

This Condensed Report should be read in conjunction with the audited financial statements for the financial year ended 29 February 2024. The explanatory notes attached to the Condensed Report provide explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 29 February 2024.

**A2 Accounting Policies**

The accounting policies adopted in preparing this Condensed Report are consistent with those used in the audited financial statements for the financial year ended 29 February 2024, except for the adoption of new standards and amendments to the MFRSs as disclosed below:

**A2.1 New MFRS and amendments to MFRSs adopted**

For the preparation of the Condensed Report, the following new MFRS and amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) are mandatory for the first time for the financial year 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*

The adoption of the above-mentioned new MFRS and other amendments to MFRSs has no material impact on the financial statements of the Group.





**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

**Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)**

**A2 Accounting Policies (cont'd)**

**A2.2 New MFRS and Amendments to MFRSs not yet effective**

The following are amendments to MFRSs that have been issued by the MASB but have not been adopted by the Group:

**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*

**New MFRS effective for annual periods beginning on or after 1 January 2027**

- MFRS 18 *Presentation and Disclosure in Financial Statements*

**Amendments to MFRSs effective for annual periods beginning on or after a date yet to be confirmed**

- Amendments 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 initial application of new MFRS or amendments to MFRSs is not expected to have any material impact on the financial statements of the Group.

**A3 Auditors' Report on Preceding Financial Year Financial Statements**

The auditors' report on the financial statements for the financial year ended 29 February 2024 was unmodified.

**A4 Seasonal or Cyclical Factors**

The results for the financial quarter and year-to-date ended 31 May 2024 were not materially affected by seasonal or cyclical factors, except for the Chalet & Golf Management Division which normally peaks during major festive seasons and holidays.

**A5 Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting the assets, liabilities, net income or cash flows of the Group during the financial quarter and year-to-date ended 31 May 2024.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024****Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)****A6 Material Changes in Estimates**

There were no changes in estimates that have had any material effect during the financial quarter and year-to-date ended 31 May 2024.

**A7 Debt and Equity Securities**

During the current financial quarter, 5,600,000 new ordinary shares of the Company were issued pursuant to the private placement exercise. The said shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 7 May 2024.

**A8 Dividend Paid**

There was no dividend paid during the quarter under review.

**A9 Segmental Reporting****Financial Quarter and Year-to-Date Ended 31 May 2024**

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	104,247	9,942	2,520	785	117,494
Elimination of inter- segment revenue	(3)	(5,235)	(17)	(165)	(5,420)
	104,244	4,707	2,503	620	112,074
Segment results	17,013	(243)	(748)	(404)	15,618
Interest income	292	82	9	-	383
Finance costs	(678)	(28)	(110)	-	(816)
Profit/(Loss) before tax	16,627	(189)	(849)	(404)	15,185
Tax (expense)/income	(4,332)	(144)	121	(51)	(4,406)
Profit/(Loss) for the period	12,295	(333)	(728)	(455)	10,779

**As of 31 May 2024****Assets**

Segment assets	739,854	24,411	51,065	45,242	860,572
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**Liabilities**

Segment liabilities	97,105	17,519	6,731	2,733	124,088
Borrowings	211,835	8,000	6,593	-	226,428
	308,940	25,519	13,324	2,733	350,516

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024****Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)****A9 Segmental Reporting (cont'd)****Financial Quarter and Year-to-Date Ended 31 May 2023**

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	65,404	17,952	1,564	818	85,738
Elimination of inter- segment revenue	(2,575)	(12,474)	(25)	(147)	(15,221)
	<u>62,829</u>	<u>5,478</u>	<u>1,539</u>	<u>671</u>	<u>70,517</u>
Segment results	12,389	147	(707)	(89)	11,740
Interest income	424	62	7	-	493
Finance costs	(813)	(5)	(121)	-	(939)
Profit/(Loss) before tax	12,000	204	(821)	(89)	11,294
Tax (expense)/income	(2,507)	(215)	30	(54)	(2,746)
Profit/(Loss) for the period	<u>9,493</u>	<u>(11)</u>	<u>(791)</u>	<u>(143)</u>	<u>8,548</u>

**As of 31 May 2023****Assets**

Segment assets	<u>666,467</u>	<u>27,780</u>	<u>52,032</u>	<u>45,203</u>	<u>791,482</u>
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**Liabilities**

Segment liabilities	82,912	16,896	7,138	2,835	109,781
Borrowings	<u>208,097</u>	<u>66</u>	<u>7,037</u>	<u>-</u>	<u>215,200</u>
	<u>291,009</u>	<u>16,962</u>	<u>14,175</u>	<u>2,835</u>	<u>324,981</u>

**A10 Related Party Disclosures**

All related party transactions within the Group had been entered into in the normal course of business and were carried out on normal commercial terms.

**A11 Valuation of Investment Properties**

The Group has adopted the fair value model for its investment properties, but there is no significant or indicative change in the fair value of the investment properties since the financial year ended 29 February 2024.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024****Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)****A12 Significant Event Subsequent to the Reporting Period**

On 15 May 2024, Eupe Bangsar Sdn. Bhd., a wholly owned subsidiary of Eupe Kemajuan Sdn. Bhd. which in turn is a wholly owned subsidiary of the Company has 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. The acquisition is expected to be completed by July 2024.

**A13 Changes in the Composition of the Group**

There were no material changes in the composition of the Group for the financial quarter and year-to-date ended 31 May 2024 except for the incorporation of a new 100% owned subsidiary, Eupe Bangsar Sdn. Bhd. ("EBSB") under the Company's wholly owned subsidiary, Eupe Kemajuan Sdn. Bhd., for total cash consideration of RM100 on 29 March 2024. The principal activity of EBSB is to carry on the business of property development.

**A14 Contingent Liabilities and Assets**

The contingent liabilities of the Group for the financial quarter and year-to-date ended 31 May 2024 amounted to RM10.9 million which are composed of the following:

- i. RM7.3 million representing claims for liquidated ascertained damages in respect of one of the residential projects undertaken by the Group, should the claims be successful; and
- ii. RM3.6 million claim for additional professional fees by an architect in respect of one of the landed residential projects undertaken by the Group.

As of the date of this report, the proceedings in respect of these claims are still on-going and accordingly, no provision for any liability has been made in the financial statements.

**A15 Capital Commitments**

	<b>31.05.2024</b>	<b>29.02.2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Approved and contracted for:</b>		
- Development lands acquired under Sale and Purchase Agreement	62,262	36,616

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024****Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad****B1 Review of Performance**

Segment	Revenue			Pre-tax Profit/(Loss)		
	31.05.2024	31.05.2023	Changes	31.05.2024	31.05.2023	Changes
	Q1FY2025	Q1FY2024		Q1FY2025	Q1FY2024	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property Development	104,244	62,829	41,415	16,627	12,000	4,627
Property Construction	4,707	5,478	(771)	(189)	204	(393)
Chalet & Golf Management	2,503	1,539	964	(849)	(821)	(28)
Others	620	671	(51)	(404)	(89)	(315)
<b>Total</b>	<b>112,074</b>	<b>70,517</b>	<b>41,557</b>	<b>15,185</b>	<b>11,294</b>	<b>3,891</b>

**Q1FY2025 vs Q1FY2024**

The Group's recorded a significant increase in total revenue for the financial quarter ended 31 May 2024 ("Q1FY2025") of RM41.6 million or 59.0% to RM112.1 million, compared to RM70.5 million in corresponding financial quarter ("Q1FY2024"). This translated into a higher total pre-tax profit of RM15.2 million in Q1FY2025, an increase of RM3.9 million or 34.5% from RM11.3 million in Q1FY2024.

The increase in the Group's revenue and pre-tax profit was mainly driven by the Property Development Division, attributed to the strong sales take-up rate and progressive site works from on-going projects and a new phase launched in Northern Region. The on-going projects in Central Region are **Est8@Seputeh ("Est8")** and **Helix2@PJ South ("Helix2")**, while in Northern Region is mainly **Villa Natura**, which the Phase 4 has launched in April 2024.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

**Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)**

**B1 Review of Performance (cont'd)**

The contribution from each of the Group's business division is as follows:

**Property Development Division ("PDD")**

PDD, as the largest contributor of the Group's revenue and profit, reported significant increase in revenue of RM41.4 million or 65.9% to RM104.2 million in Q1FY2025 from RM62.8 million in Q1FY2024.

For PDD's Central Region, revenue increased by RM30.5 million was mainly contributed by the Group's third and fourth Kuala Lumpur high-rise residential project, namely **Est8** and **Helix2** respectively, both of which have achieved strong sales take-up rate as well as good construction progress.

For PDD's Northern Region, revenue increased by RM10.9 million was mainly due to progressively launches of **Villa Natura** since last financial year where it received a warm market reception.

PDD's higher revenue outcome translated into higher pre-tax profit of RM16.6 million in Q1FY2025, an increase of RM4.6 million or 38.3%, compared to RM12.0 million in Q1FY2024.

**Property Construction Division ("PCD")**

PCD's revenue is solely derived from the supply of building materials to subcontractors.

PCD recorded a slightly lower revenue of RM4.7 million in Q1FY2025, a decrease of RM0.8 million or 14.5%, compared to the corresponding financial quarter.

The decrease was driven by lower demand for building materials for on-going project construction activities, namely **Villa Natura P1 and P2**, **Astana Jaya** and **The Somerset**.

Decrease in revenue resulted PCD recorded a pre-tax loss of RM0.2 million in Q1FY2025 compared to a pre-tax profit of RM0.2 million in Q1FY2024.



**NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

**Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)**

**B1 Review of Performance (cont'd)**

**Chalet & Golf Management Division (“CGMD”)**

CGMD saw a notable increase in revenue of RM1.0 million or 66.7% to RM2.5 million in Q1FY2025, compared to revenue of RM1.5 million recorded in Q1FY2024.

CGMD maintained its pre-tax loss of RM0.8 million in both financial quarters.

Pre-tax loss had remained despite increased revenue was mainly due to rising costs from staff costs, casual labour, buggy rental and maintenance and higher repairs and maintenances.

**Others**

The Others’ division revenue represents rental from the Group’s investment properties. Total revenue maintained at RM0.6 million in both financial quarters.

The division registered pre-tax loss of RM0.4 million for Q1FY2025 compared to pre-tax loss of RM0.1 million for Q1FY2024 was mainly due to higher consultant fee incurred for corporate exercises.

**B2 Material Changes in the Quarterly Results**

	Quarter Ended		
	31.05.2024	29.02.2024	CHANGES
	Q1FY2025	Q4FY2024	
	RM'000	RM'000	RM'000
Revenue	112,074	107,276	4,798
Pre-tax profit	15,185	22,380	(7,195)

The Group’s revenue increased slightly by RM4.8 million or 4.5% to RM112.1 million in Q1FY2025, compared to RM107.3 million in the immediate preceding quarter ended 29 February 2024 (“Q4FY2024”). The quarter-over-quarter increase was mainly driven by higher sales take-up rates and site progress of PDD’s Central Region – **Est8** and **Helix2**, coupled with higher contribution from Northern Region’s **Villa Natura** project, where Phase 4 has newly launched in April 2024.

The pre-tax profit decreased by RM7.2 million or 32.1% to RM15.2 million in Q1FY2025, compared to RM22.4 million in Q4FY2024. The decrease in pre-tax profit was mainly due to absence of the cost savings recognised upon the completion of projects in Northern Region in Q4FY2024.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

**Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)**

**B3 Prospects**

Malaysia's economy continues to show positive signs of growth on the back of growing exports and private expenditure. This momentum is expected to be sustained as consumer and business sentiment continues to improve. At the same time, cost pressures and the impacts of subsidy adjustments continue to be a potential downside risk, along with lower commodity prices and ongoing global uncertainties. This stronger economic outlook at a national level continues to flow through to increasing demand and positive sentiment in the property market and this should be a positive for project launches in the second half of the year.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024****Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)****B4 Profit Forecast**

The Group did not issue any profit forecast or profit guarantee during the current financial quarter under review.

**B5 Taxation**

	<b>Quarter and Year-to-Date Ended</b>	
	<b>31.05.2024</b>	<b>31.05.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Current year taxation	4,210	2,895
Deferred taxation	196	(149)
	<u>4,406</u>	<u>2,746</u>

The effective tax rate of the Group for the financial quarter and year-to-date ended 31 May 2024 is higher than the statutory tax rate in Malaysia was due to certain non-tax deductible expenses and losses in certain subsidiaries which are not available to set off against taxable profits of other subsidiaries.

**B6 Profit Before Tax**

The following amounts have been included in arriving at Profit Before Tax:

	<b>Quarter and Year-to-Date Ended</b>	
	<b>31.05.2024</b>	<b>31.05.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest income	383	493
Gain on disposal of property, plant and equipment	25	1
Other income	511	480
Interest expense	(816)	(939)
Depreciation and amortisation	(833)	(791)
Bad debts written off	(9)	-
Fixed assets written off	*	-
Loss on disposal of an investment property	(125)	-
Loss on disposal of property, plant and equipment	*	(1)
Provision for doubtful debts	<u>(25)</u>	<u>-</u>

\* Denotes less than thousand



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024**

**Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)**

**B7 Status of Corporate Proposal**

There are no other corporate proposals announced but pending completion as at the date of this report save for the following:

As announced on 26 October 2023, the Company had proposed to undertake the following:

- (i) To undertake a private placement of up to 19,200,000 of new ordinary shares in the Company ("Placement Shares"), representing 15% of the total number of issued ordinary shares (excluding treasury shares, if any) of the Company ("Private Placement");
- (ii) Establishment of a long-term incentive plan of up to 15% of the total number of issued ordinary shares (excluding treasury shares, if any) of the Company at any point in time during the duration of the proposed long term incentive plan for the eligible directors (including non-executive directors) and employees of the Group (excluding dormant subsidiaries, if any) ("LTIP").

On 23 November 2023, Bursa Securities had approved the listing and quotation for the Private Placement and LTIP, subject to the conditions as listed in the announcement.

The Private Placement and LTIP were approved by the shareholders at the Extraordinary General Meeting held on 22 December 2023.

On 24 January 2024, the LTIP became effective and the LTIP committee was formed.

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 in the Company which raised total proceeds of RM11.3 million.

On 7 May 2024, the Company had undertaken the second and final tranche of the Private Placement exercise and had placed out 5,600,000 new ordinary shares of the Company which raised total proceeds of RM6.9 million. The Private Placement exercise was completed on the same day.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024****Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)****B7 Status of Corporate Proposal (cont'd)**

As of 31 May 2024, the details of utilisation of proceeds raised from the Private Placement were as follows:

Details of utilisation	Timeframe for utilisation	Proposed Utilisation	Actual Utilisation	Balance
		RM'000	RM'000	RM'000
Part finance the infrastructure works for the Group's land located in Daerah Kuala Muda, Kedah	Within 18 months	17,586	342	17,244
Estimated expenses in relation to the Proposals	Immediate	590	590	-
<b>Total</b>		<b>18,176</b>	<b>932</b>	<b>17,244</b>

**B8 Group Borrowings and Debt Securities**

Total Group borrowings and debt securities as of 31 May 2024 were as follows:

	Non-current RM'000	Current RM'000	Total RM'000
<b>Secured</b>			
Term loans	176,886	9,272	186,158
Revolving credits	7,479	30,350	37,829
Bank overdrafts	-	2,441	2,441
	<b>184,365</b>	<b>42,063</b>	<b>226,428</b>

**B9 Changes in Material Litigation**

Save as disclosed in Note A14, there was no other material litigation against the Group as at the reporting date.

**B10 Dividend**

The Board of Directors has approved and declared an interim single tier dividend of 2.2 sen (Q1FY2024 - 1.5 sen) per ordinary share amounting to approximately RM3.2 million in respect of the financial year ending 28 February 2025. The interim dividend will be paid on 11 September 2024 to shareholders whose names appear on the Company's Record of Depositors on 27 August 2024.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 MAY 2024****Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)****B11 Earnings Per Share**

The earnings per share ("EPS") have been calculated by dividing the Group's net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue, as follows:

	<b>Quarter and Year-to-Date Ended</b>	
	<b>31.05.2024</b>	<b>31.05.2023</b>
<b>Basic EPS</b>		
Net profit attributable to equity holders of the Company (RM'000)	<u>9,437</u>	<u>6,811</u>
Weighted average number of ordinary shares ('000)	<u>143,122</u>	<u>128,000</u>
Basic earnings per share (sen)	<u>6.59</u>	<u>5.32</u>

**B12 Authorised for Issue**

The Condensed Consolidated Financial Statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 25 July 2024.