



**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 AUGUST 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 AUGUST 2024**

|  | QUARTER ENDED |              | YEAR-TO-DATE ENDED |               |
|--|---------------|--------------|--------------------|---------------|
|  | 31.08.2024    | 31.08.2023   | 31.08.2024         | 31.08.2023    |
|  | RM'000        | RM'000       | RM'000             | RM'000        |
| Revenue  | 103,128       | 73,081       | 215,202            | 143,598       |
| Cost of sales  | (78,239)      | (54,291)     | (166,411)          | (105,851)     |
| Gross profit   | 24,889        | 18,790       | 48,791             | 37,747        |
| Other operating income   | 8,083         | 867          | 9,002              | 1,841         |
| Marketing and distribution expenses  | (1,734)       | (2,148)      | (3,375)            | (3,777)       |
| Administrative expenses  | (6,383)       | (6,800)      | (12,571)           | (12,077)      |
| Other operating expenses   | (3,149)       | (928)        | (4,140)            | (1,720)       |
| Finance costs  | (563)         | (899)        | (1,379)            | (1,838)       |
| <b>Profit before tax</b>   | <b>21,143</b> | <b>8,882</b> | <b>36,328</b>      | <b>20,176</b> |
| Tax expense  | (4,367)       | (2,655)      | (8,773)            | (5,401)       |
| <b>Profit/Total comprehensive income<br/>for the financial period</b>                      | <b>16,776</b> | <b>6,227</b> | <b>27,555</b>      | <b>14,775</b> |
| <b>Profit/Total comprehensive income<br/>attributable to:</b>                              |               |              |                    |               |
| Equity holders of the Company  | 14,838        | 5,327        | 24,275             | 12,138        |
| Non-controlling interests  | 1,938         | 900          | 3,280              | 2,637         |
|  | 16,776        | 6,227        | 27,555             | 14,775        |
| Basic Earnings Per Share ("EPS")<br>attributable to equity holders<br>of the Company (sen) | 10.08         | 4.16         | 16.72              | 9.48          |

*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 AUGUST 2024**

|  | AS AT<br>31.08.2024<br>RM'000 | AS AT<br>29.02.2024<br>RM'000 | MOVEMENT<br>RM'000 |
|--|-------------------------------|-------------------------------|--------------------|
| <b>ASSETS</b>                                    |                               |                               |                    |
| <b>Non-current assets</b>                        |                               |                               |                    |
| Property, plant and equipment                    | 56,621                        | 59,158                        | (2,537)            |
| Right-of-use assets                              | 1,592                         | 1,976                         | (384)              |
| Inventories - land held for property development | 401,400                       | 293,387                       | 108,013            |
| Investment properties                            | 48,245                        | 40,251                        | 7,994              |
| Deferred tax assets                              | 2,884                         | 3,592                         | (708)              |
|  | <u>510,742</u>                | <u>398,364</u>                | <u>112,378</u>     |
| <b>Current assets</b>                            |                               |                               |                    |
| Inventories - property development costs         | 110,684                       | 107,782                       | 2,902              |
| Inventories - completed properties and others    | 13,111                        | 19,140                        | (6,029)            |
| Contract costs                                   | 14,625                        | 17,723                        | (3,098)            |
| Contract assets                                  | 105,624                       | 128,511                       | (22,887)           |
| Trade and other receivables                      | 40,507                        | 54,360                        | (13,853)           |
| Sinking funds                                    | 676                           | 864                           | (188)              |
| Tax recoverable                                  | 468                           | 411                           | 57                 |
| Deposits, cash and bank balances                 | 127,386                       | 80,921                        | 46,465             |
|  | <u>413,081</u>                | <u>409,712</u>                | <u>3,369</u>       |
| <b>TOTAL ASSETS</b>                              | <u>923,823</u>                | <u>808,076</u>                | <u>115,747</u>     |

**EUPE CORPORATION BERHAD**

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

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

|  | AS AT<br>31.08.2024<br>RM'000 | AS AT<br>29.02.2024<br>RM'000 | MOVEMENT<br>RM'000 |
|--|-------------------------------|-------------------------------|--------------------|
| <b>EQUITY AND LIABILITIES</b>  |                               |                               |                    |
| <b>Equity attributable to equity holders<br/>of the Company</b>            |                               |                               |                    |
| Share capital  | 151,768                       | 145,005                       | 6,763              |
| Reserves   | 359,608                       | 338,571                       | 21,037             |
|  | <u>511,376</u>                | <u>483,576</u>                | <u>27,800</u>      |
| Non-controlling interests  | 12,218                        | 16,888                        | (4,670)            |
| <b>TOTAL EQUITY</b>  | <u>523,594</u>                | <u>500,464</u>                | <u>23,130</u>      |
| <b>Non-current liabilities</b>   |                               |                               |                    |
| Long-term borrowings   | 217,457                       | 182,146                       | 35,311             |
| Lease liabilities  | 1,158                         | 1,229                         | (71)               |
| Deferred tax liabilities   | 12,378                        | 13,765                        | (1,387)            |
|  | <u>230,993</u>                | <u>197,140</u>                | <u>33,853</u>      |
| <b>Current liabilities</b>   |                               |                               |                    |
| Contract liabilities   | 8,589                         | 1,159                         | 7,430              |
| Trade and other payables   | 87,745                        | 80,880                        | 6,865              |
| Provisions   | 9,899                         | 12,420                        | (2,521)            |
| Short-term borrowings  | 56,759                        | 13,728                        | 43,031             |
| Lease liabilities  | 603                           | 851                           | (248)              |
| Current tax payables   | 5,641                         | 1,434                         | 4,207              |
|  | <u>169,236</u>                | <u>110,472</u>                | <u>58,764</u>      |
| <b>TOTAL LIABILITIES</b>   | <u>400,229</u>                | <u>307,612</u>                | <u>92,617</u>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <u>923,823</u>                | <u>808,076</u>                | <u>115,747</u>     |
| <i>Number of ordinary shares ('000)</i>                                    | <u>147,200</u>                | <u>141,600</u>                |                    |
| Net assets per share attributable to equity holders<br>of the Company (RM) | <u>3.47</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.



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

|   | ← Attributable to equity holders of the Company → |                                |                 | Non -<br>controlling<br>interests<br>RM'000 | Total<br>equity<br>RM'000 |
|---|---|--------------------------------|-----------------|---|---------------------------|
|   | Share<br>capital<br>RM'000                        | Retained<br>earnings<br>RM'000 | Total<br>RM'000 |   |                           |
| <b>At 1 March 2024</b>  | 145,005   | 338,571                        | 483,576         | 16,888                                      | 500,464                   |
| Profit for the financial period                               | -   | 24,275                         | 24,275          | 3,280                                       | 27,555                    |
| Issuance of ordinary shares                                   | 6,763   | -                              | 6,763           | -   | 6,763                     |
| Dividend payable  | -   | (3,238)                        | (3,238)         | -   | (3,238)                   |
| Dividend paid by subsidiaries to<br>non-controlling interests | -   | -                              | -               | (7,950)                                     | (7,950)                   |
| <b>At 31 August 2024</b>                                      | <b>151,768</b>                                    | <b>359,608</b>                 | <b>511,376</b>  | <b>12,218</b>                               | <b>523,594</b>            |
| <b>At 1 March 2023</b>  | 133,982   | 305,091                        | 439,073         | 18,880                                      | 457,953                   |
| Profit for the financial period                               | -   | 12,138                         | 12,138          | 2,637                                       | 14,775                    |
| Dividend payable  | -   | (1,920)                        | (1,920)         | -   | (1,920)                   |
| Dividend paid by subsidiaries to<br>non-controlling interests | -   | -                              | -               | (6,124)                                     | (6,124)                   |
| <b>At 31 August 2023</b>                                      | <b>133,982</b>                                    | <b>315,309</b>                 | <b>449,291</b>  | <b>15,393</b>                               | <b>464,684</b>            |

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

|  | YEAR-TO-DATE ENDED |            |
|--|--------------------|------------|
|  | 31.08.2024         | 31.08.2023 |
|  | RM'000             | RM'000     |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>            |                    |            |
| Cash receipts from customers                           | 256,197            | 129,897    |
| Cash payments to suppliers and creditors               | (157,867)          | (88,004)   |
| Cash payments to employees and for expenses            | (12,602)           | (25,588)   |
| Cash generated from operations                         | 85,728             | 16,305     |
| Deposit paid   | (336)              | (18)       |
| Rental income received                                 | 317                | 404        |
| Tax paid   | (5,301)            | (2,829)    |
| Net cash generated from operating activities           | 80,408             | 13,862     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>            |                    |            |
| Interest income received                               | 841                | 927        |
| Net changes in fixed deposits pledged                  | 3,953              | 562        |
| Proceed from disposal of property, plant and equipment | 50                 | -          |
| Proceed from sale of investment properties             | 900                | -          |
| Purchase of lands                                      | (105,796)          | (13,315)   |
| Purchase of property, plant and equipment              | (887)              | (550)      |
| Purchase of right-of-use assets                        | (137)              | -          |
| Purchase of investment property                        | (215)              | -          |
| Net cash used in investing activities                  | (101,291)          | (12,376)   |

**EUPE CORPORATION BERHAD**

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

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

|  | YEAR-TO-DATE ENDED |            |
|--|--------------------|------------|
|  | 31.08.2024         | 31.08.2023 |
|  | 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)            | (6,124)    |
| Net repayment of lease liabilities   | (321)              | (548)      |
| Net drawdown/(repayment) of term loans   | 46,741             | (4,594)    |
| Net drawdown of revolving credits  | 31,517             | 7,800      |
| Bank overdraft interest paid   | (98)               | (101)      |
| Lease liabilities interest paid  | (48)               | (29)       |
| Revolving credits interest paid  | (927)              | (322)      |
| Term loans interest paid   | (4,460)            | (4,822)    |
| Net cash generated from/(used in) financing activities                           | 71,217             | (8,740)    |
| Net increase/(decrease) in cash and cash equivalents                             | 50,334             | (7,254)    |
| Cash and cash equivalents at beginning of financial period                       | 63,911             | 70,870     |
| Cash and cash equivalents at end of financial period                             | 114,245            | 63,616     |
| Cash and cash equivalents at end of financial period<br>comprise the following : |                    |            |
| Cash and bank balances   | 78,519             | 44,511     |
| Fixed deposits with licensed banks   | 48,867             | 35,398     |
|  | 127,386            | 79,909     |
| Less: Bank overdraft   | (2,528)            | (2,442)    |
| Deposits pledged as collateral   | (10,613)           | (13,851)   |
|  | 114,245            | 63,616     |

*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 AUGUST 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 AUGUST 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*

**Amendments to MFRSs effective for annual periods beginning on or after 1 January 2026**

- Amendments to MFRS 7 *Financial Instruments: Disclosures* and MFRS 9 *Financial Instruments – Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107 *Annual Improvements to MFRS Accounting Standards – Volume 11*

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

- MFRS 18 *Presentation and Disclosure in Financial Statements*
- MFRS 19 *Subsidiaries without Public Accountability: Disclosures*

**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.



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

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

**A4 Seasonal or Cyclical Factors**

The results for the financial quarter and year-to-date ended 31 August 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 August 2024.

**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 August 2024.

**A7 Debt and Equity Securities**

During the current financial period under review, 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.

Other than the above, there was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities in the current financial period review.

**A8 Dividend Paid**

No dividends were paid during the financial quarter and year-to-date ended 31 August 2024.

**A9 Segmental Reporting**

**Financial Year-to-Date Ended 31 August 2024**

|  | <b>Property<br/>Development<br/>RM'000</b> | <b>Property<br/>Construction<br/>RM'000</b> | <b>Chalet &amp; Golf<br/>Management<br/>RM'000</b> | <b>Others<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|--|--|---|--|--------------------------|-------------------------|
| Revenue                                  | 200,294                                    | 30,906                                      | 5,260  | 1,584                    | 238,044                 |
| Elimination of inter-<br>segment revenue | (6)  | (22,419)                                    | (88)   | (329)                    | (22,842)                |
|  | <b>200,288</b>                             | <b>8,487</b>                                | <b>5,172</b>                                       | <b>1,255</b>             | <b>215,202</b>          |
| Segment results                          | 34,909                                     | (545)                                       | (3,894)  | 6,396                    | 36,866                  |
| Interest income                          | 678  | 151   | 12   | -                        | 841                     |
| Finance costs                            | (981)                                      | (176)                                       | (222)  | -                        | (1,379)                 |
| Profit/(Loss) before tax                 | 34,606                                     | (570)                                       | (4,104)  | 6,396                    | 36,328                  |
| Tax (expense)/income                     | (8,348)                                    | (442)                                       | 162  | (145)                    | (8,773)                 |
| Profit/(Loss) for the period             | <b>26,258</b>                              | <b>(1,012)</b>                              | <b>(3,942)</b>                                     | <b>6,251</b>             | <b>27,555</b>           |

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 AUGUST 2024****Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)****A9 Segmental Reporting (cont'd)****As of 31 August 2024**

|                     | Property<br>Development<br>RM'000 | Property<br>Construction<br>RM'000 | Chalet & Golf<br>Management<br>RM'000 | Others<br>RM'000 | Total<br>RM'000 |
|---------------------|-----------------------------------|------------------------------------|---------------------------------------|------------------|-----------------|
| <b>Assets</b>       |                                   |                                    |                                       |                  |                 |
| Segment assets      | 803,126                           | 20,498                             | 48,527                                | 51,672           | 923,823         |
| <b>Liabilities</b>  |                                   |                                    |                                       |                  |                 |
| Segment liabilities | 93,337                            | 19,742                             | 6,862                                 | 6,072            | 126,013         |
| Borrowings          | 252,153                           | 15,500                             | 6,563                                 | -                | 274,216         |
|                     | 345,490                           | 35,242                             | 13,425                                | 6,072            | 400,229         |

**Financial Year-to-Date Ended 31 August 2023**

|  | Property<br>Development<br>RM'000 | Property<br>Construction<br>RM'000 | Chalet & Golf<br>Management<br>RM'000 | Others<br>RM'000 | Total<br>RM'000 |
|--|-----------------------------------|------------------------------------|---------------------------------------|------------------|-----------------|
| Revenue                                  | 130,860                           | 32,840                             | 3,111                                 | 1,664            | 168,475         |
| Elimination of inter-<br>segment revenue | (2,575)                           | (21,952)                           | (49)                                  | (301)            | (24,877)        |
|  | 128,285                           | 10,888                             | 3,062                                 | 1,363            | 143,598         |
| Segment results                          | 22,824                            | 138                                | (1,487)                               | (388)            | 21,087          |
| Interest income                          | 819                               | 93                                 | 13                                    | 2                | 927             |
| Finance costs                            | (1,586)                           | (6)                                | (246)                                 | -                | (1,838)         |
| Profit/(Loss) before tax                 | 22,057                            | 225                                | (1,720)                               | (386)            | 20,176          |
| Tax (expense)/income                     | (4,994)                           | (376)                              | 81                                    | (112)            | (5,401)         |
| Profit/(Loss) for the period             | 17,063                            | (151)                              | (1,639)                               | (498)            | 14,775          |

**As of 31 August 2023**

|                     |         |        |        |        |         |
|---------------------|---------|--------|--------|--------|---------|
| <b>Assets</b>       |         |        |        |        |         |
| Segment assets      | 655,646 | 22,928 | 51,578 | 44,926 | 775,078 |
| <b>Liabilities</b>  |         |        |        |        |         |
| Segment liabilities | 83,448  | 17,205 | 6,982  | 4,719  | 112,354 |
| Borrowings          | 191,048 | 47     | 6,945  | -      | 198,040 |
|                     | 274,496 | 17,252 | 13,927 | 4,719  | 310,394 |



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

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

**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, and the fair value of the investment properties was determined at RM48,245,000 based on comparison of recent transacted price of similar properties adopting market value comparison method.

**A12 Significant Event Subsequent to the Reporting Period**

On 2 September 2024, The Board of Directors announced that the Company offered a total of 4,118,600 Employees' Share Option Scheme Options with exercise price of RM1.08 per share option to the eligible directors and employees of the Group.

**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 August 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. Subsequently, the issued and paid-up share capital of EBSB was increased from RM100 to RM500,000 by way of an additional issue of 499,900 ordinary shares amounted to RM499,900. 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 as at 31 August 2024 amounted to RM4.6 million which are composed of the following:

- i. RM1.0 million representing claims for liquidated ascertained damages in respect of one of the residential projects undertaken by the Group, should the claims be successful. Due to a recent Federal Court decision, the other suitcases were withdrawn, resulting in the reduction of contingent liability from RM7.3 million disclosed in the previous financial quarter; 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.



**EUPE CORPORATION BERHAD**

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

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

**A15 Capital Commitments**

|  | <b>31.08.2024</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 | -                 | 36,616            |

**Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

**B1 Review of Performance**

| Revenue                  | Quarter Ended  |               |               | Year-To-Date Ended |                |               |
|--------------------------|----------------|---------------|---------------|--------------------|----------------|---------------|
|                          | 31.08.2024     | 31.08.2023    | CHANGES       | 31.08.2024         | 31.08.2023     | CHANGES       |
|                          | Q2FY2025       | Q2FY2024      |               | 6MFY2025           | 6MFY2024       |               |
|                          | RM'000         | RM'000        | RM'000        | RM'000             | RM'000         | RM'000        |
| Property Development     | 96,044         | 65,456        | 30,588        | 200,288            | 128,285        | 72,003        |
| Property Construction    | 3,780          | 5,410         | (1,630)       | 8,487              | 10,888         | (2,401)       |
| Chalet & Golf Management | 2,669          | 1,523         | 1,146         | 5,172              | 3,062          | 2,110         |
| Others                   | 635            | 692           | (57)          | 1,255              | 1,363          | (108)         |
| <b>Total</b>             | <b>103,128</b> | <b>73,081</b> | <b>30,047</b> | <b>215,202</b>     | <b>143,598</b> | <b>71,604</b> |

| Pre-tax Profit/(Loss)    | Quarter Ended |              |               | Year-To-Date Ended |               |               |
|--------------------------|---------------|--------------|---------------|--------------------|---------------|---------------|
|                          | 31.08.2024    | 31.08.2023   | CHANGES       | 31.08.2024         | 31.08.2023    | CHANGES       |
|                          | Q2FY2025      | Q2FY2024     |               | 6MFY2025           | 6MFY2024      |               |
|                          | RM'000        | RM'000       | RM'000        | RM'000             | RM'000        | RM'000        |
| Property Development     | 17,979        | 10,057       | 7,922         | 34,606             | 22,057        | 12,549        |
| Property Construction    | (381)         | 21           | (402)         | (570)              | 225           | (795)         |
| Chalet & Golf Management | (3,255)       | (899)        | (2,356)       | (4,104)            | (1,720)       | (2,384)       |
| Others                   | 6,800         | (297)        | 7,097         | 6,396              | (386)         | 6,782         |
| <b>Total</b>             | <b>21,143</b> | <b>8,882</b> | <b>12,261</b> | <b>36,328</b>      | <b>20,176</b> | <b>16,152</b> |

**Q2FY2025 vs Q2FY2024**

The Group recorded a significant increase in total revenue for the financial quarter ended 31 August 2024 (“Q2FY2025”) of RM30.0 million or 41.0% to RM103.1 million, compared to RM73.1 million in corresponding financial quarter (“Q2FY2024”). This translated into a higher total pre-tax profit of RM21.1 million in Q2FY2025, an increase of RM12.2 million or 137.1% from RM8.9 million in Q2FY2024.



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

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

**6MFY2025 vs 6MFY2024**

Similar to the quarterly results reported above, the Group posted higher revenue and pretax profit of RM215.2 million and RM36.3 million respectively for the six-month period ended 31 August 2024 ("6MFY2025"). This represented an increase in revenue of RM71.6 million or 49.9% and an increase in pre-tax profit of RM16.1 million or 79.7% compared to the corresponding financial period ("6MFY2024").

The increase in the Group's revenue and pre-tax profit was mainly driven by the Property Development Division, reflecting 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 Phase 1-3**, whilst **Villa Natura Phase 4** was launched in April 2024.

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 a significant increase in revenue of RM30.6 million or 46.8% to RM96.0 million in Q2FY2025 from RM65.4 million in Q2FY2024.

For PDD's Central Region, revenue increased by RM23.1 million, mainly contributed by the Group's third and fourth Kuala Lumpur high-rise residential projects, 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 RM7.5 million was mainly due to progressive launches of **Villa Natura** since last financial year which has attracted a strong market response.

PDD's higher revenue outcome translated into higher pre-tax profit of RM18.0 million in Q2FY2025, an increase of RM7.9 million or 78.2%, compared to RM10.1 million in Q2FY2024.

Overall, PDD's revenue increased to RM200.3 million in 6MFY2025, compared to RM128.3 million in 6MFY2024, a significant improvement of RM72.0 million or 56.1%. In line with this higher revenue outcome, the Group registered a higher pre-tax profit of RM34.6 million in 6MFY2025, an increase of RM12.5 million or 56.6% from RM22.1 million recorded for 6MFY2024.



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

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

**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 RM3.8 million in Q2FY2025 and RM8.5 million in 6MFY2025, a decrease of RM1.6 million or 29.6% and RM2.4 million or 22.0% respectively, compared to the corresponding financial quarter and previous financial period.

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 RM0.4 million in Q2FY2025 and RM0.6 million in 6MFY2025, compared to a pre-tax profit of RM0.1 million in Q2FY2024 and RM0.2 million in 6MFY2024. The increase in pre-tax loss is mainly due to increase in operating expenses.

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

CGMD saw a notable increase in revenue of RM1.1 million or 73.3% to RM2.6 million in Q2FY2025 and RM2.1 million or 67.7% to RM5.2 million in 6MFY2025, compared to revenue of RM1.5 million recorded in Q2FY2024 and RM3.1 million in 6MFY2024.

CGMD had higher pre-tax loss of RM3.3 million in Q2FY2025 and RM4.1 million in 6MFY2025, an increase of RM2.4 million or 266.7% and RM2.4 million or 141.2% respectively, compared to the corresponding financial quarter and previous financial period.

The increase in pre-tax loss was mainly due to the write-off of fixed assets for the Carnival Theme Park amounting to RM2.3 million.

**Others**

The Others’ division revenue represents rental from the Group’s investment properties and Group’s corporate expenses. Total revenue maintained at RM0.6 million in both financial quarters and maintained at RM1.3 million in both 6MFY2025 and 6MFY2024.

The division achieved a pre-tax profit of RM6.8 million in Q2FY2025 and RM6.4 million in 6MFY2025, a significant turnaround from the pre-tax loss of RM0.3 million in Q2FY2024 and RM0.4 million in 6MFY2024. This improvement was primarily driven by gains from fair value adjustments on investment properties amounting to RM7.2 million.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 31 AUGUST 2024****Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)****B2 Comparison with Preceding Quarter's Results**

|                | Quarter Ended          |                        |         |
|----------------|------------------------|------------------------|---------|
|                | 31.08.2024<br>Q2FY2025 | 31.05.2024<br>Q1FY2025 | CHANGES |
|                | RM'000                 | RM'000                 | RM'000  |
| Revenue        | 103,128                | 112,074                | (8,946) |
| Pre-tax profit | 21,143                 | 15,185                 | 5,958   |

The Group's revenue decreased slightly by RM8.9 million or 8.0% to RM103.1 million in Q2FY2025, compared to RM112.1 million in the immediate preceding quarter ended 31 May 2024 ("Q1FY2025"). The quarter-over-quarter decrease was mainly driven by slower site progress of PDD's Central Region – **Est8** and **Helix2**, and Northern Region's **Villa Natura** project.

The pre-tax profit increased by RM5.9 million or 38.8% to RM21.1 million in Q2FY2025, compared to RM15.2 million in Q1FY2025. The increase in pre-tax profit was mainly due to gains on fair value adjustments on investment properties.

**B3 Prospects**

The economic outlook for Malaysia continues to be positive with most indicators pointing to solid expansion over the coming 12 months, due to ongoing momentum in domestic and consumer spending and export trade activity. Inflation continues to moderate, underpinning positive consumer and business sentiment. Based on these fundamentals the outlook for the property sector continues to remain positive for the remainder of the year, and these conditions provide a positive platform for planned project launches by Eupe for the remainder of FY2025 and into the next financial year.

**B4 Profit Forecast**

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



**NOTES TO THE FINANCIAL STATEMENTS  
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|                       | Quarter Ended |              | Year-To-Date Ended |              |
|-----------------------|---------------|--------------|--------------------|--------------|
|                       | 31.08.2024    | 31.08.2023   | 31.08.2024         | 31.08.2023   |
|                       | RM'000        | RM'000       | RM'000             | RM'000       |
| Current year taxation | 5,240         | 2,574        | 9,452              | 5,469        |
| Deferred taxation     | (873)         | 81           | (679)              | (68)         |
|                       | <u>4,367</u>  | <u>2,655</u> | <u>8,773</u>       | <u>5,401</u> |

The effective tax rate of the Group for the financial quarter ended 31 August 2024 is lower than the statutory tax rate in Malaysia, primarily due to certain non-taxable income generated by subsidiaries.

**B6 Profit Before Tax**

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

|  | Quarter Ended |            | Year-To-Date Ended |            |
|--|---------------|------------|--------------------|------------|
|  | 31.08.2024    | 31.08.2023 | 31.08.2024         | 31.08.2023 |
|  | RM'000        | RM'000     | RM'000             | RM'000     |
| Interest income                                      | 458           | 434        | 841                | 927        |
| Gain on disposal of<br>property, plant and equipment | 50            | 1          | 75                 | 2          |
| Gain on fair value adjustments                       | 7,167         | -          | 7,167              | -          |
| Other income   | 408           | 432        | 919                | 912        |
| Interest expense                                     | (563)         | (899)      | (1,379)            | (1,838)    |
| Depreciation and amortisation                        | (786)         | (830)      | (1,619)            | (1,621)    |
| Bad debts written off                                | (1)           | -          | (10)               | -          |
| Fixed assets written off                             | (2,325)       | -          | (2,325)            | -          |
| Loss on disposal of investment properties            | (6)           | -          | (131)              | -          |
| Loss on disposal of<br>property, plant and equipment | (30)          | (98)       | (30)               | (99)       |
| Provision for doubtful debts                         | -             | -          | (25)               | -          |
|  | <u>-</u>      | <u>-</u>   | <u>(25)</u>        | <u>-</u>   |

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

There was no corporate proposal announced as at the date of this announcement.

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

| <b>Details of utilisation</b>  | <b>Timeframe for utilisation</b> | <b>Proposed Utilisation<br/>RM'000</b> | <b>Actual Utilisation<br/>RM'000</b> | <b>Balance<br/>RM'000</b> |
|--|----------------------------------|--|--------------------------------------|---------------------------|
| 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 August 2024 were as follows:

|                   | <b>Non-current<br/>RM'000</b> | <b>Current<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|-------------------|-------------------------------|---------------------------|-------------------------|
| <b>Secured</b>    |                               |                           |                         |
| Term loans        | 210,190                       | 14,781                    | 224,971                 |
| Revolving credits | 7,267                         | 39,450                    | 46,717                  |
| Bank overdrafts   | -                             | 2,528                     | 2,528                   |
|                   | <b>217,457</b>                | <b>56,759</b>             | <b>274,216</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**

On 25 July 2024, the Board of Directors has approved and declared an interim single tier dividend of 2.2 sen (6MFY2024 - 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 was 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  
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**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:

|   | Quarter Ended  |                | Year-To-Date Ended |                |
|---|----------------|----------------|--------------------|----------------|
|   | 31.08.2024     | 31.08.2023     | 31.08.2024         | 31.08.2023     |
| <b>Basic EPS</b>  |                |                |                    |                |
| Net profit attributable to equity holders of the Company (RM'000) | <u>14,838</u>  | <u>5,327</u>   | <u>24,275</u>      | <u>12,138</u>  |
| Weighted average number of ordinary shares ('000)                 | <u>147,200</u> | <u>128,000</u> | <u>145,161</u>     | <u>128,000</u> |
| Basic earnings per share (sen)                                    | <u>10.08</u>   | <u>4.16</u>    | <u>16.72</u>       | <u>9.48</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 18 October 2024.