



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 ENDED 29 FEBRUARY 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 ENDED 29 FEBRUARY 2024**

	QUARTER ENDED		YEAR ENDED	
	29.02.2024	28.02.2023	29.02.2024	28.02.2023
	RM'000	RM'000	RM'000	RM'000
Revenue	107,276	78,802	340,175	201,995
Cost of sales	(76,411)	(54,800)	(248,579)	(144,217)
Gross profit	30,865	24,002	91,596	57,778
Other operating income	848	1,434	3,657	14,085
Marketing and distribution expenses	(1,507)	(1,610)	(6,869)	(6,578)
Administrative expenses	(6,078)	(6,323)	(23,677)	(22,171)
Other operating expenses	(895)	(838)	(3,472)	(3,498)
Finance costs	(853)	(841)	(3,427)	(2,550)
Profit before tax	22,380	15,824	57,808	37,066
Tax expense	(6,230)	(4,286)	(16,475)	(8,774)
Profit/Total comprehensive income for the financial quarter/year	16,150	11,538	41,333	28,292
Profit/Total comprehensive income attributable to:				
Equity holders of the Company	14,540	11,277	35,400	26,124
Non-controlling interests	1,610	261	5,933	2,168
	16,150	11,538	41,333	28,292
Basic Earnings Per Share ("EPS") attributable to equity holders of the Company (sen)	11.22	8.81	27.57	20.41

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2023 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 29 FEBRUARY 2024**

	AS AT 29.02.2024 RM'000	AS AT 28.02.2023 RM'000	MOVEMENT RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	60,179	57,016	3,163
Right-of-use assets	955	835	120
Inventories - land held for property development	293,387	272,890	20,497
Investment properties	40,251	40,143	108
Deferred tax assets	3,592	4,674	(1,082)
	<u>398,364</u>	<u>375,558</u>	<u>22,806</u>
Current assets			
Inventories - property development costs	107,782	136,196	(28,414)
Inventories - completed properties and others	19,140	26,835	(7,695)
Contract costs	17,723	16,590	1,133
Contract assets	128,511	66,634	61,877
Trade and other receivables	54,360	55,139	(779)
Sinking funds	864	687	177
Tax recoverable	411	1,540	(1,129)
Cash and cash equivalents	80,921	87,776	(6,855)
	<u>409,712</u>	<u>391,397</u>	<u>18,315</u>
TOTAL ASSETS	<u>808,076</u>	<u>766,955</u>	<u>41,121</u>

**EUPE CORPORATION BERHAD**

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2024 (CONT'D)**

	AS AT 29.02.2024 RM'000	AS AT 28.02.2023 RM'000	MOVEMENT RM'000
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	145,005	133,982	11,023
Reserves	338,571	305,091	33,480
	<u>483,576</u>	<u>439,073</u>	<u>44,503</u>
Non-controlling interests	16,888	18,880	(1,992)
TOTAL EQUITY	<u>500,464</u>	<u>457,953</u>	<u>42,511</u>
Non-current liabilities			
Long-term borrowings	182,898	175,018	7,880
Lease liabilities	477	278	199
Deferred tax liabilities	13,765	13,279	486
	<u>197,140</u>	<u>188,575</u>	<u>8,565</u>
Current liabilities			
Contract liabilities	1,159	1,195	(36)
Trade and other payables	80,880	83,648	(2,768)
Provisions	12,420	13,335	(915)
Short-term borrowings	14,038	19,988	(5,950)
Lease liabilities	541	592	(51)
Current tax payables	1,434	1,669	(235)
	<u>110,472</u>	<u>120,427</u>	<u>(9,955)</u>
TOTAL LIABILITIES	<u>307,612</u>	<u>309,002</u>	<u>(1,390)</u>
TOTAL EQUITY AND LIABILITIES	<u>808,076</u>	<u>766,955</u>	<u>41,121</u>
<i>Number of ordinary shares ('000)</i>	<u>141,600</u>	<u>128,000</u>	
Net assets per share attributable to equity holders of the Company (RM)	<u>3.42</u>	<u>3.43</u>	

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2023 and the accompanying explanatory notes attached to these Condensed Reports.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL YEAR ENDED 29 FEBRUARY 2024**

	← Attributable to equity holders of the Company →					Non - controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Non-distributable Foreign currency translation reserve RM'000	Distributable Retained earnings RM'000	Total RM'000			
At 1 March 2023	133,982	-	305,091	439,073	18,880	457,953	
Profit for the financial year	-	-	35,400	35,400	5,933	41,333	
Total contributions by owners:							
- Issuance of ordinary shares	11,023	-	-	11,023	-	11,023	
Dividend paid	-	-	(1,920)	(1,920)	(7,925)	(9,845)	
At 29 FEBRUARY 2024	<u>145,005</u>	<u>-</u>	<u>338,571</u>	<u>483,576</u>	<u>16,888</u>	<u>500,464</u>	
At 1 March 2022	133,982	(206)	281,271	415,047	37,507	452,554	
Profit for the financial year	-	-	26,124	26,124	2,168	28,292	
Disposal of interests in subsidiaries	-	206	-	206	(19)	187	
Dividend paid	-	-	(2,304)	(2,304)	(20,776)	(23,080)	
At 28 FEBRUARY 2023	<u>133,982</u>	<u>-</u>	<u>305,091</u>	<u>439,073</u>	<u>18,880</u>	<u>457,953</u>	

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2023 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 YEAR ENDED 29 FEBRUARY 2024**

	YEAR ENDED	
	29.02.2024	28.02.2023
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	280,359	213,536
Cash payments to suppliers and creditors	(203,552)	(138,296)
Cash payments to employees and for expenses	(44,583)	(31,186)
Cash generated from operations	32,224	44,054
Deposit (paid)/received	(214)	601
Insurance claim received	-	97
Rental income received	814	829
Tax paid	(14,013)	(10,455)
Net cash generated from operating activities	18,811	35,126
CASH FLOWS FROM INVESTING ACTIVITIES		
Deposit paid for purchase of lands	(4,068)	(2,000)
Interest income received	1,747	2,095
Net changes in fixed deposits pledged	(153)	793
Net proceeds from disposal of subsidiaries	-	9,153
Proceed from disposal of property, plant and equipment	-	88
Proceed from sale of investment properties	-	3,703
Purchase of lands	(13,315)	(161,000)
Purchase of property, plant and equipment	(1,797)	(869)
Purchase of right-of-use assets	(714)	-
Purchase of investment property	(108)	-
Net cash used in investing activities	(18,408)	(148,037)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 29 FEBRUARY 2024 (CONT'D)**

	YEAR ENDED	
	29.02.2024	28.02.2023
	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of share capital	11,023	-
Dividend paid to shareholders	(1,920)	(2,304)
Dividend paid to non-controlling interests	(7,924)	(20,776)
Net drawdown/(repayment) of hire purchase liabilities	405	(264)
Net drawdown/(repayment) of lease liabilities	68	(558)
Net (repayment)/drawdown of term loans	(7,740)	6,000
Net drawdown of revolving credits	9,200	126,423
Bank overdraft interest paid	(197)	(186)
Bankers' acceptance interest paid	-	(2)
Hire purchase interest paid	(38)	(31)
Lease liabilities interest paid	(33)	(47)
Revolving credits interest paid	(828)	(261)
Term loans interest paid	(9,378)	(6,020)
Net cash (used in)/generated from financing activities	(7,362)	101,974
Net decrease in cash and cash equivalents	(6,959)	(10,937)
Cash and cash equivalents at beginning of financial year	70,870	81,807
Cash and cash equivalents at end of financial year	63,911	70,870
Cash and cash equivalents at end of financial year comprise the following :		
Cash and bank balances	56,058	37,905
Fixed deposits with licensed banks	24,863	49,871
	80,921	87,776
Less: Bank overdraft	(2,444)	(2,492)
Deposits pledged as collateral	(14,566)	(14,414)
	63,911	70,870

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2023 and the accompanying explanatory notes attached to these Condensed Reports.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 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 28 February 2023. 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 28 February 2023.

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 28 February 2023, 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 2023:

- MFRS 17 *Insurance Contracts*
- Amendments to MFRS 17 *Insurance Contracts*
- Amendment to MFRS 17 *Insurance Contracts* – *Initial Application of MFRS 17 and MFRS 9 Financial Instruments – Comparative Information*
- 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



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 2024**

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

A2 Accounting Policies (cont'd)

A2.1 New MFRS and amendments to MFRSs adopted (cont'd)

itself material.

The amendments did not result in any changes to the Group's accounting policies. The previous term, "significant accounting policies" used throughout the financial statements has been replaced with "material accounting policy information".

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

A2.2 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 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

- 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 adoption of the abovementioned amendments to MFRSs has no significant impact on the financial statements of the Group.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 2024**

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

A3 Auditors' Report on Preceding Financial Year Financial Statements

The auditors' report on the financial statements for the financial year ended 28 February 2023 was unmodified.

A4 Seasonal or Cyclical Factors

The results for the financial quarter and year ended 29 February 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 ended 29 February 2024.

A6 Material Changes in Estimates

There were no changes in estimates that have had any material effect during the financial quarter and year ended 29 February 2024.

A7 Debt and Equity Securities

During the current quarter, 13,600,000 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 19 February 2024.

A8 Dividend Paid

There was no dividend paid during the quarter under review.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 2024**

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

A9 Segmental Reporting

Financial Year Ended 29 February 2024

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	312,557	72,700	6,870	4,901	397,028
Elimination of inter- segment revenue	(3,296)	(51,233)	(90)	(2,234)	(56,853)
	309,261	21,467	6,780	2,667	340,175
Segment results	64,148	(693)	(2,861)	(1,106)	59,488
Interest income	1,404	307	31	5	1,747
Finance costs	(2,923)	(20)	(484)	-	(3,427)
Profit/(Loss) before tax	62,629	(406)	(3,314)	(1,101)	57,808
Tax expense	(14,060)	(2,385)	163	(193)	(16,475)
Profit/(Loss) for the period	48,569	(2,791)	(3,151)	(1,294)	41,333

As of 29 February 2024

Assets					
Segment assets	687,293	24,729	51,030	45,024	808,076
Liabilities					
Segment liabilities	84,113	17,313	6,465	2,785	110,676
Borrowings	190,144	81	6,711	-	196,936
	274,257	17,394	13,176	2,785	307,612

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 2024****Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)****A9 Segmental Reporting (cont'd)****Financial Year Ended 28 February 2023**

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
Revenue	177,301	69,733	6,921	4,805	258,760
Elimination of inter-segment revenue	-	(54,497)	(129)	(2,139)	(56,765)
	<u>177,301</u>	<u>15,236</u>	<u>6,792</u>	<u>2,666</u>	<u>201,995</u>
Segment results	31,807	(431)	(2,202)	8,347	37,521
Interest income	1,826	242	24	3	2,095
Finance costs	(2,074)	(19)	(457)	-	(2,550)
Profit/(Loss) before tax	31,559	(208)	(2,635)	8,350	37,066
Tax expense	(7,593)	(1,253)	261	(189)	(8,774)
Profit/(Loss) for the period	<u>23,966</u>	<u>(1,461)</u>	<u>(2,374)</u>	<u>8,161</u>	<u>28,292</u>

As of 28 February 2023**Assets**

Segment assets	647,425	20,362	48,104	50,806	766,697
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Liabilities

Segment liabilities	86,830	16,030	6,335	4,429	113,624
Borrowings	187,808	86	7,226	-	195,120
	<u>274,638</u>	<u>16,116</u>	<u>13,561</u>	<u>4,429</u>	<u>308,744</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 28 February 2023.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 2024****Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)****A12 Significant Event Subsequent to the Reporting Period**

There was no significant event which has arisen since 28 February 2023 up to the date of this report, which would substantially affect the financial results of the Group for the financial quarter and year ended 29 February 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 ended 29 February 2024 except for the incorporation of a new 100% owned subsidiary, Unik Prestasi Sdn. Bhd. ("UPSB") under the Company's wholly owned subsidiary, Eupe Kemajuan Sdn. Bhd., for total cash consideration of RM1 on 12 September 2023. The principal activity of UPSB is to carry on the business of property management.

A14 Contingent Liabilities and Assets

The contingent liabilities of the Group for the financial quarter and year ended 29 February 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

	29.02.2024	28.02.2023
	RM'000	RM'000
Approved and contracted for:		
- Development lands acquired and Purchase Agreement	<u>36,616</u>	<u>13,315</u>



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 2024**

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

B1 Review of Performance

Revenue	Quarter Ended			Year Ended		
	29.02.2024	28.02.2023	CHANGES	29.02.2024	28.02.2023	CHANGES
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property Development	99,755	71,872	27,883	309,261	177,301	131,960
Property Construction	4,584	4,314	270	21,467	15,236	6,231
Chalet & Golf Management	2,324	1,911	413	6,780	6,792	(12)
Others	613	705	(92)	2,667	2,666	1
Total	107,276	78,802	28,474	340,175	201,995	138,180

Pre-tax Profit/(Loss)	Quarter Ended			Year Ended		
	29.02.2024	28.02.2023	CHANGES	29.02.2024	28.02.2023	CHANGES
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Property Development	24,350	16,430	7,920	62,629	31,559	31,070
Property Construction	(866)	90	(956)	(406)	(208)	(198)
Chalet & Golf Management	(683)	(580)	(103)	(3,314)	(2,635)	(679)
Others	(421)	(116)	(305)	(1,101)	8,350	(9,451)
Total	22,380	15,824	6,556	57,808	37,066	20,742

Q4FY2024 vs Q4FY2023

The Group's recorded a significant increase in total revenue for the financial quarter ended 29 February 2024 ("Q4FY2024") of RM28.5 million or 36.2% to RM107.3 million, compared to RM78.8 million in corresponding financial quarter ("Q4FY2023"). This translated into a higher total pre-tax profit of RM22.4 million in Q4FY2024, an increase of RM6.6 million or 41.8% from RM15.8 million in Q4FY2023.

FY2024 vs FY2023

The Group posted higher revenue and pre-tax profit of RM340.2 million and RM57.8 million respectively for the financial year ended 29 February 2024 ("FY2024"). This represented a significant increase in revenue of RM138.2 million or 68.4% and an increase in pre-tax profit of RM20.7 million or 55.8% compared to the previous financial year ("FY2023").

The increase in the Group's revenue and pre-tax profit was mainly attributed to the strong sales take-up rate and progressive site works from on-going and newly launched projects in PDD's Central Region. Particularly **Est8 and Helix2** and its Northern Region, notably the **Villa Natura** project.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 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 RM27.9 million or 38.8% to RM99.8 million in Q4FY2024 from RM71.9 million in Q4FY2023.

For PDD's Central Region, revenue increased by RM32.3 million, mainly due to the contribution by the Group's third Kuala Lumpur ("KL") high-rise residential project, namely **Est8@Seputeh** and its fourth KL project – **Helix2@PJ South**, both of which have achieved strong sales rates as well as good construction progress.

For PDD's Northern Region, revenue decreased by RM4.4 million, due to higher construction progress and completed projects which had contributed to the previous quarter's, namely **Bandar Seri Astana Jaya** and **Padang Serai Ria Heights Phase 1**.

PDD's revenue outcome translated into a pre-tax profit of RM24.4 million in Q4FY2024, an increase of RM8.0 million or 48.8%, compared to RM16.4 million in Q4FY2023.

Overall, PDD's revenue increased to RM309.3 million in FY2024, compared to RM177.3 million in FY2023, a significant improvement of RM132.0 million or 74.5%. In line with this higher revenue outcome, the Group registered a higher pre-tax profit of RM62.6 million in FY2024, an increase of RM31.0 million or 98.1% from RM31.6 million recorded for FY2023.

Property Construction Division ("PCD")

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

PCD recorded higher revenue of RM4.6 million in Q4FY2024 and RM21.5 million in FY2024, an increase of RM0.3 million or 7.0% and RM6.2 million or 40.8% respectively, compared to the corresponding financial quarter and previous financial year.

These improvements were driven by higher demand for building materials for new project construction activities, namely **Villa Natura**.

However, PCD recorded a pre-tax loss of RM0.9 million in Q4FY2024 compared to a pre-tax profit of RM0.1 million in Q4FY2023 and pre-tax loss of RM0.4 million and RM0.2 million in FY2024 and FY2023 respectively.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 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’s revenue increased by RM0.4 million or 21.1% to RM2.3 million in Q4FY2024, compared to revenue of RM1.9 million recorded in Q4FY2023. CGMD recorded a total revenue outcome of RM6.8 million for both FY2024 and FY2023.

CGMD reported a higher pre-tax loss of RM0.7 million in Q4FY2024 and RM3.3 million in FY2024, an increase of RM0.1 million and RM0.7 million respectively compared to Q4FY2023 and FY2023.

Lower financial performance was mainly due to rising costs from staff costs, repairs and maintenances, professional fees and term loan interests.

Others

The Others’ division revenue represents rental from the Group’s investment properties and holding company corporate expenses. Total revenue decreased by RM0.1 million in Q4FY2024 and maintained at RM2.7 million in both FY2024 and FY2023.

The division’s pre-tax loss of RM0.4 million for Q4FY2024 compared to pre-tax loss of RM0.1m for Q4FY2023. For the FY2024, the division reported a decrease in pre-tax profit of RM9.5 million, mainly due to one-off gains from the disposal of the Group’s Australian-based subsidiaries in the FY2023.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 2024****Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)****B2 Material Changes in the Quarterly Results**

	Quarter Ended		
	29.02.2024 RM'000	30.11.2023 RM'000	CHANGES RM'000
Revenue	107,276	89,301	17,975
Pre-tax profit	22,380	15,252	7,128

The Group's revenue increased significantly by RM18.0 million or 20.2% to RM107.3 million in Q4FY2024, compared to RM89.3 million in the immediate preceding quarter ended 30 November 2023 ("Q3FY2024"). 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 **Villa Natura** project, with phase 3 launched in October 2023 in Northern Region.

The pre-tax profit increased by RM7.1 million or 46.4% to RM22.4 million in Q4FY2024, compared to RM15.3 million in Q3FY2024. The higher percentage increase in the pre-tax profit is mainly due to higher revenue.

B3 Prospects

The Malaysian economy continues to show resilience with ongoing strong consumer spending and a recovery in exports underpinning forecasts for stronger economic growth into the new financial year, with Bank Negara Malaysia forecasting between 4% and 5% in calendar year 2024.

Combined with macro-economic factors such as continuing population and employment growth as well as the prospect of interest rates remaining static through 2024, the property outlook remains cautiously optimistic. At the same time, the sector continues to face affordability issues as well as ongoing fragmentation of the market. This places an increasing emphasis on innovation, quality and price competitiveness, factors which Eupe continues to place a strong emphasis on with its current projects and upcoming project launches.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 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 year under review.

B5 Taxation

	Quarter Ended		Year Ended	
	29.02.2024	28.02.2023	29.02.2024	28.02.2023
	RM'000	RM'000	RM'000	RM'000
Current year taxation	6,217	6,315	14,907	8,772
Deferred taxation	13	(2,029)	1,568	2
	<u>6,230</u>	<u>4,286</u>	<u>16,475</u>	<u>8,774</u>

The effective tax rate of the Group for the financial quarter and year ended 29 February 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:

	Quarter Ended		Year Ended	
	29.02.2024	28.02.2023	29.02.2024	28.02.2023
	RM'000	RM'000	RM'000	RM'000
Interest income	411	748	1,747	2,095
Gain on disposal of a subsidiary	-	-	-	9,223
Gain on disposal of an investment property	-	-	-	49
Gain on disposal of property, plant and equipment	2	-	60	50
Other income	435	686	1,847	2,668
Interest expense	(853)	(841)	(3,427)	(2,550)
Depreciation and amortisation	(919)	(819)	(3,396)	(3,279)
Bad debts recovered	*	5	3	5
Bad debts written off	(1)	-	(1)	-
Fixed assets written off	-	-	*	(2)
Loss on disposal of a subsidiary	-	-	-	(2)
Loss on disposal of an investment property	-	(29)	-	(223)
Loss on disposal of property, plant and equipment	-	-	(100)	-
Realised foreign exchange loss	-	(3)	-	(3)
Reversal of/(Provision for) doubtful debts	<u>25</u>	<u>5</u>	<u>25</u>	<u>5</u>

* Denotes less than thousand

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 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 24 November 2023, Bursa Securities had vided its letter dated 23 November 2023, 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.

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 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		<u>11,288</u>	<u>414</u>	<u>10,874</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR ENDED 29 FEBRUARY 2024****Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)****B8 Group Borrowings and Debt Securities**

Total Group borrowings and debt securities as of 29 February 2024 were as follows:

	Non-current RM'000	Current RM'000	Total RM'000
Secured			
Term loans	174,454	3,776	178,230
Revolving credits	7,692	7,508	15,200
Bank overdrafts	-	2,444	2,444
Hire purchase liabilities	752	310	1,062
	182,898	14,038	196,936

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

There was no dividend declared or proposed by the Company during the quarter under review.

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 Ended	
	29.02.2024	28.02.2023	29.02.2024	28.02.2023
Basic EPS				
Net profit attributable to equity holders of the Company (RM'000)	14,540	11,277	35,400	26,124
Weighted average number of ordinary shares ('000)	129,644	128,000	128,409	128,000
Basic earnings per share (sen)	11.22	8.81	27.57	20.41

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 April 2024.