

**EUPE CORPORATION BERHAD***(Company No.: 377762-V)***PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION****SUMMARY OF KEY FINANCIAL INFORMATION  
FOR THE FINANCIAL PERIOD ENDED 30 NOV 2015**

	3 Months Ended		9 Months Ended	
	Current Quarter 30 NOV 2015 RM '000	Corresponding Quarter 30 NOV 2014 RM '000	Current Period to date 30 NOV 2015 RM '000	Corresponding Period to date 30 NOV 2014 RM '000
1. Revenue	35,449	40,878	93,902	134,149
2. Profit/(loss) before tax	343	6,866	3,023	12,508
3. Profit/(loss) for the period	(23)	3,392	1,741	7,713
4. Profit/(loss) attributable to ordinary equity holders of the parent	48	3,435	1,886	7,710
5. Basic earnings/ (loss) per shares (sen)	0.04	2.68	1.47	6.02
6. Proposed/declared dividend per share (sen)	0.00	2.00	0.00	2.00

	AS AT END OF CURRENT QUARTER	AS AT PRECEEDING FINANCIAL PERIOD END
7. Net assets per share attributable to ordinary equity holders of the parent (RM)	2.23	2.22

**EUPE CORPORATION BERHAD**

(Company No.: 377762-V)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS  
for the financial period ended 30 November 2015**

(The figures have not been audited)

	3 MONTHS ENDED		9 MONTHS ENDED	
	CURRENT QUARTER	CORRESPONDING QUARTER	CURRENT PERIOD TO DATE	CORRESPONDING PERIOD TO DATE
	30/11/2015 RM'000	30/11/2014 RM'000	30/11/2015 RM'000	30/11/2014 RM'000
REVENUE	35,449	40,878	93,902	134,149
COST OF SALES	(31,259)	(30,301)	(78,272)	(109,837)
GROSS PROFIT	4,190	10,577	15,630	24,312
OTHER OPERATING INCOME	269	387	899	3,455
MARKETING AND DISTRIBUTION COSTS	(1,063)	(670)	(2,756)	(5,075)
ADMINISTRATION EXPENSES	(1,797)	(2,315)	(6,674)	(6,926)
OTHER OPERATING EXPENSES	(786)	(955)	(2,947)	(2,852)
FINANCE COST	(581)	(330)	(1,240)	(1,019)
SHARE OF RESULT IN JOINT VENTURES	111	172	111	613
PROFIT BEFORE TAX	343	6,866	3,023	12,508
TAX EXPENSE	(366)	(3,474)	(1,282)	(4,795)
PROFIT FOR THE PERIOD	(23)	3,392	1,741	7,713
PROFIT ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	48	3,435	1,886	7,710
NON-CONTROLLING INTERESTS	(71)	(43)	(145)	3
	(23)	3,392	1,741	7,713
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:				
BASIC EARNINGS PER SHARE (SEN)	0.04	2.68	1.47	6.02
DILUTED EARNINGS PER SHARE (SEN)	0.04	2.68	1.47	6.02

( The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2015 and the accompanying explanatory notes attached to the financial statements. )

**EUPE CORPORATION BERHAD**

(Company No.: 377762-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
for the financial period ended 30 November 2015**

(The figures have not been audited)

	3 MONTHS ENDED		9 MONTHS ENDED	
	CURRENT QUARTER	CORRESPONDING QUARTER	CURRENT PERIOD TO DATE	CORRESPONDING PERIOD TO DATE
	30/11/2015 RM'000	30/11/2014 RM'000	30/11/2015 RM'000	30/11/2014 RM'000
PROFIT FOR THE PERIOD	(23)	3,392	1,741	7,713
<b>OTHER COMPREHENSIVE INCOME</b>				
<i>Item that may be reclassified subsequently to profit or loss:</i>				
UNREALISED GAIN / (LOSS) ON FOREIGN EXCHANGE	(33)	(235)	(169)	(192)
FOREIGN CURRENCY TRANSLATION DIFFERENCES FOR FOREIGN OPERATION	111	(22)	103	(17)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	<u>78</u>	<u>(257)</u>	<u>(66)</u>	<u>(209)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>55</u>	<u>3,135</u>	<u>1,675</u>	<u>7,504</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE COMPANY	126	3,178	1,820	7,501
NON-CONTROLLING INTERESTS	(71)	(43)	(145)	3
	<u>55</u>	<u>3,135</u>	<u>1,675</u>	<u>7,504</u>

( The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2015 and the accompanying explanatory notes attached to the financial statements. )



# EUPE CORPORATION BERHAD

(Company No.: 377762-V)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION as at 30 November 2015

(The figures have not been audited)

	AS AT 30/11/2015 RM'000	AS AT 28/02/2015 RM'000
<b><u>ASSETS</u></b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	73,331	73,968
Other investments	13	13
Land held for property development	189,073	163,697
Investment properties	33,327	33,230
Investments in joint ventures	2,952	3,639
Deferred tax assets	1,111	1,121
	<u>299,807</u>	<u>275,668</u>
<b>CURRENT ASSETS</b>		
Property development costs	88,985	78,118
Inventories	13,353	14,377
Trade and other receivables	65,738	60,753
Sinking and redemption funds	888	205
Tax recoverable	1,899	1,013
Cash and bank balances	18,260	16,719
	<u>189,123</u>	<u>171,185</u>
<b>TOTAL ASSETS</b>	<u><u>488,930</u></u>	<u><u>446,853</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>		
Share capital	128,000	128,000
Reserves	157,989	156,169
	<u>285,989</u>	<u>284,169</u>
<b>NON-CONTROLLING INTERESTS</b>	5,342	4,965
<b>Total equity</b>	<u>291,331</u>	<u>289,134</u>
<b>NON-CURRENT LIABILITIES</b>		
Borrowings	50,776	18,496
Deferred taxation	15,363	15,772
	<u>66,139</u>	<u>34,268</u>
<b>CURRENT LIABILITIES</b>		
Progress Billings	62,905	51,933
Trade and other payables	46,077	39,554
Provision for infrastructure & renovation cost	3,353	3,527
Borrowings	18,964	27,059
Tax liabilities	161	1,378
	<u>131,460</u>	<u>123,451</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>488,930</u></u>	<u><u>446,853</u></u>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (RM)</b>		
	<u><u>2.23</u></u>	<u><u>2.22</u></u>

( The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2015 and the accompanying explanatory notes attached to the financial Statements)



**EUPE CORPORATION BERHAD**

(Company No.: 377762-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

**for the financial period ended 30 November 2015**

(The figures have not been audited)

	----- ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENTS -----					NON- CONTROLLING INTERESTS	TOTAL EQUITY
	---- Non-Distributable ----			Distributable			
	Share capital RM'000	Share premium RM'000	Exchange Translation reserve RM'000	Retained profits RM'000	Sub-total RM'000	RM'000	RM'000
Balance as at 1 March 2015	128,000	5,982	(17)	150,204	284,169	4,965	289,134
Additional minority interest' shares in subsidiary companies	-	-	-	-	-	522	522
Total comprehensive income	-	-	103	1,717	1,820	(145)	1,675
Dividend paid	-	-	-	-	-	-	-
Balance as at 30 November 2015	<u>128,000</u>	<u>5,982</u>	<u>86</u>	<u>151,921</u>	<u>285,989</u>	<u>5,342</u>	<u>291,331</u>
Balance as at 1 March 2014	128,000	5,982	13	139,001	272,996	5,088	278,084
Additional minority interest' shares in subsidiary companies	-	-	-	-	-	-	-
Total comprehensive income	-	-	(17)	7,518	7,501	3	7,504
Dividend paid	-	-	-	-	-	-	-
Balance as at 30 November 2014	<u>128,000</u>	<u>5,982</u>	<u>(4)</u>	<u>146,519</u>	<u>280,497</u>	<u>5,091</u>	<u>285,588</u>

**( The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2015 and the accompanying explanatory notes attached to the financial statement)**

**EUPE CORPORATION BERHAD**

(Company No.: 377762-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
for the financial period ended 30 November 2015**

(The figures have not been audited)

	<b>9 MONTHS ENDED</b>	
	<b>30/11/2015</b>	<b>30/11/2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	106,273	141,469
Cash payments to suppliers and creditors	(105,853)	(110,613)
Cash payments to employees and for expenses	(19,725)	(16,599)
Cash generated from operations	<u>(19,305)</u>	<u>14,257</u>
Interest expenses - overdraft	(71)	(149)
Rental income received	263	237
Deposit received/(paid)	52	(2)
Insurance compensation received	-	98
Tax paid / (refund)	(3,787)	(4,193)
Net cash from operating activities	<u>(22,848)</u>	<u>10,248</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest income	290	509
Purchase of property, plant and equipment & IP	(1,947)	(2,643)
Proceed from disposal of property, plant and equipment	21	12
Subsequent expenditure on investment properties	(174)	(82)
Deposit refund / (paid) for acquisition of land	-	(1,471)
Investment / (repayment) from joint ventures	3,263	3,202
Fixed deposits released from pledge / (pledge to licensed bank)	358	86
Net cash used in investing activities	1,811	(387)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of share capital	522	-
Drawdown of revolving credit	1,500	3,882
Drawdown of term loan	34,700	-
Drawdown of hire purchase loan	250	910
Net creation of bankers' acceptance	407	(288)
Repayment of revolving credit	-	(8,510)
Repayment of term loan	(13,704)	(6,487)
Repayment of hire purchase loan	(518)	(752)
Term loan interest paid	(1,330)	(1,514)
Revolving credit interest paid	(336)	(205)
Discount paid on bankers' acceptance	(116)	(199)
Hire purchase interest paid	(118)	(91)
Net cash used in financing activities	21,257	(13,254)
Net increase in cash and cash equivalents	<u>220</u>	<u>(3,393)</u>
Effect of exchange rate changes	130	(55)
Cash and cash equivalents at beginning of financial period	12,683	18,211
Cash and cash equivalents at end of financial period	<u><u>13,033</u></u>	<u><u>14,763</u></u>
Cash and cash equivalents at end of financial period comprise the following :		
Cash and bank balances	15,566	15,437
Fixed deposits with licensed banks	2,694	3,788
Bank overdraft	(3,877)	(2,840)
	<u>14,383</u>	<u>16,385</u>
Less: Deposits pledged as collateral	(1,350)	(1,622)
	<u><u>13,033</u></u>	<u><u>14,763</u></u>

( The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 28 February 2015 and the accompanying explanatory notes attached to the financial Statements.)



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2015**

**A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with FRS 134 Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 28 February 2015. The explanatory notes attached to the interim financial statements provide an 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 year ended 28 February 2015.

**A2 Accounting Policies**

The accounting policies, methods of computation & basis of consolidation adopted by the Group in the unaudited condensed interim financial statements are consistent with the audited financial statements for the year ended 28 February 2015 except for the adoption of the following new/ revised Financial Reporting Standards (FRS), Amendments to FRSs and Interpretations as follows:

**FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015**

- Amendments to FRS 1 First-time Adoption of Financial Reporting Standards
- Amendments to FRS 2 Share-based Payment
- Amendments to FRS 3 Business Combinations
- Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations – Changes in Method of Disposal
- Amendments to FRS 7 Financial Instruments: Disclosures – Servicing Contracts and Applicability of the Amendments to FRS 7 to Condensed Interim Financial Statements
- Amendments to FRS 8 Operating Segments
- Amendments to FRS 10 Consolidated Financial Statements – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to FRS 11 Joint Arrangements – Accounting for Acquisitions of Interest in Joint Operations
- Amendments to FRS 13 Fair Value Measurement
- FRS 14 Regulatory Deferral Accounts
- Amendments to FRS 116 Property, Plant and Equipment
- Amendments to FRS 119 Employee Benefits – Defined Benefit Plans: Employee Contributions
- Amendments to FRS 124 Related Party Disclosure
- Amendments to FRS 127 Separate Financial Statements – Equity Method in Separate Financial Statements
- Amendments to FRS 128 Investment in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to FRS 134 Interim Financial Reporting – Disclosure of Information ‘Elsewhere in the Interim Financial Report’



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2015**

- Amendments to FRS 138 Intangible Assets
- Amendments to FRS 140 Investment Property

The adoptions of the above FRSs, Amendment to FRSs and IC Interpretations are not expected to have any material impact on the financial statements of the Group.

**Malaysian Financial Reporting Standards (MFRS Framework)**

The Group and the Company fall under the Transitioning Entities provision granted by the MASB because it is within the scope of IC 15 Agreements for the Construction of Real Estate and FRS 141 Agriculture. On 2 September 2014, the MASB announced that all transitioning entities shall comply with Malaysian Financial Reporting Standards (MFRSs) for annual period beginning on or after 1 January 2017, thus the Group and the Company will adopt the MFRS Framework for annual period beginning on or after 1 January 2017.

The Group has continued to prepare these financial statements for annual period beginning on 1 March 2015 in accordance with the FRSs issued by the MASB.

**A3 Reports of the Auditor**

The audited reports for the financial year ended 28 February 2015 were not subject to any qualification.

**A4 Seasonal or Cyclical Factors**

The results for the current quarter under review were not materially affected by seasonal or cyclical factors except for the leisure and hospitality segments which normally peaks during major festive seasons and holidays.

**A5 Exceptional or Unusual Items**

There were no material unusual items affecting the amounts reported for the current financial period.

**A6 Changes in Estimates**

There were no changes in estimates that have a material effect on the amounts reported for the current financial period.

**A7 Debt and Equity Securities**

There were no other issuance, cancellation, repurchases, resale and repayments of debt and equity securities during the current financial period.





**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2015**

**A8 Dividend Paid**

There was no dividend was paid in current financial period under review.

**A9 Segmental Reporting**

**For 9 months ended 30 November 2015:**

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
<b>Revenue</b>	59,216	70,376	10,030	2,196	141,818
Inter-segment	-	(47,330)	-	(586)	(47,916)
	<u>59,216</u>	<u>23,046</u>	<u>10,030</u>	<u>1,610</u>	<u>93,902</u>
<b>Segment Results</b>	<u>4,887</u>	<u>1,209</u>	<u>(1,447)</u>	<u>(668)</u>	<u>3,891</u>
Interest income					282
Finance costs					(1,240)
Profit before taxation					<u>3,023</u>
Taxation					(1,282)
Profit for the period					<u><u>1,741</u></u>

**For 9 months ended 30 November 2014:**

	Property Development RM'000	Property Construction RM'000	Chalet & Golf Management RM'000	Others RM'000	Total RM'000
<b>Revenue</b>	63,278	107,268	10,791	3,182	184,519
Inter-segment	-	(48,749)	-	(1,621)	(50,370)
	<u>63,278</u>	<u>58,519</u>	<u>10,791</u>	<u>1,561</u>	<u>134,149</u>
<b>Segment Results</b>	<u>9,591</u>	<u>3,380</u>	<u>(1,141)</u>	<u>1,236</u>	<u>13,066</u>
Interest income					461
Finance costs					(1,019)
Profit before taxation					<u>12,508</u>
Taxation					(4,795)
Profit for the period					<u><u>7,713</u></u>

**A10 Valuation of Property, Plant & Equipment and Investment Properties**

The Group adopts the fair value model for its investment properties. There is no significant and indicative change in value of the investment properties since the last balance sheet date.



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2015**

**A11 Material Events**

There were no material events subsequent to the end of the current quarter.

**A12 Changes in Composition of the Group**

There were no material changes in the composition of the Group during the financial period.

**A13 Contingent Liabilities and Assets**

Details of contingent liabilities of the Group as at the date of issue of the report are as follows:

	<b>30.11.2015</b>	<b>28.02.2015</b>
	<b>RM'000</b>	<b>RM'000</b>
Guarantees given issued by the Company for banking facilities granted to subsidiaries	75,005	34,523
Guarantees given to third parties in respect of trade performance	547	956
	<u>75,552</u>	<u>35,479</u>

There were no other material changes in contingent liabilities since the last annual reporting date. There were no contingent assets.

**A14 Capital commitments**

The capital commitments not provided for in the interim financial report as at 30 November 2015 is as follows:

	<b>RM'000</b>
Land held for property development:-	
Approved & contracted	<u>63,483</u>



**EUPE CORPORATION BERHAD (377762-V)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2015**

**B Explanatory notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B1 Review of Performance**

Revenue	Individual Quarter 3 months ended			Cumulative Quarter 9 months ended		
	30/11/15 RM'000	30/11/14 RM'000	Variance RM'000	30/11/15 RM'000	30/11/14 RM'000	Variance RM'000
Property Development	18,885	21,301	(2,416)	59,216	63,278	(4,062)
Property Construction	12,130	14,611	(2,481)	23,046	58,519	(35,473)
Chalet & Golf Management	3,854	4,416	(562)	10,030	10,791	(761)
Others	580	550	30	1,610	1,561	49
<b>Total</b>	<b>35,449</b>	<b>40,878</b>	<b>(5,429)</b>	<b>93,902</b>	<b>134,149</b>	<b>(40,247)</b>

Profit/(loss) before tax	Individual Quarter 3 months ended			Cumulative Quarter 9 months ended		
	30/11/15 RM'000	30/11/14 RM'000	Variance RM'000	30/11/15 RM'000	30/11/14 RM'000	Variance RM'000
Property Development	698	5,920	(5,222)	4,755	9,569	(4,814)
Property Construction	328	761	(433)	746	3,178	(2,432)
Chalet & Golf Management	(449)	415	(864)	(1,659)	(1,253)	(406)
Others	(234)	(230)	(4)	(819)	1,014	(1,833)
<b>Total</b>	<b>343</b>	<b>6,866</b>	<b>(6,523)</b>	<b>3,023</b>	<b>12,508</b>	<b>(9,485)</b>



**EUPE CORPORATION BERHAD (377762-V)**  
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**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2015**

The Group recorded revenue of RM35.449 million and RM93.902 million for the current quarter and current financial period respectively. Revenue for the current quarter declined RM5.429 million mainly due to a decrease in the revenue from the property development and property construction divisions, compared to the corresponding quarter. A sharp decline in the current financial period from the property construction division's revenue, due to the impending conclusion of a major construction project, was a significant one-off factor accounting for the Group's result, as was the one-off sale of land recorded in the corresponding quarter which increased that quarter's revenue by RM2.982 million. At the same time, it should be noted that actual sales numbers for the Group's property development division remained relatively stable compared to the previous quarter and corresponding financial period. This reflects the ongoing strength and competitiveness of the Group's property offering. The reduction in the property development division's revenue and profit result for the quarter reflected a number of external factors, notably continuing restrictions on home loans, making it difficult for a number of potential homebuyers to convert registration for Eupe products into purchases. We expect underlying demand for the Group's home offering to remain stable and be converted into higher revenues for the divisions when loan restrictions and other external headwinds ease.

The Group recorded profit before tax of RM0.343 million for the current quarter. This represented a decrease of RM6.523 million compared to corresponding quarter, partly due to the cancellation in some sales for the property development division. The Group's profit before tax for the current financial period was RM3.023 million, a decline of RM9.485 million from corresponding financial period, again due to lower contributions from the property development and property construction divisions as well as one-off factors mentioned above.

Property Development Division

Revenue from the Group's property development division for the current quarter and current financial period, compared with the corresponding quarter and corresponding financial period, was lowered by RM2.416 million and RM4.062 million respectively.

The decline in revenue for the current quarter and current financial period was, as mentioned, due to the one off sale of vacant land in corresponding quarter and corresponding financial period as well as lower sales revenue achieved compared to corresponding financial period. This lower sales revenue was due to a greater reliance on converted sales from the comparatively lower-margin affordable home segment which is showing more resilience to the current economic conditions.

Due to these same reasons, the division posted a profit before tax of RM0.698 million for the current quarter and RM4.755 million for the current financial period, a decline of RM5.222 million and RM4.814 million respectively compared with the corresponding quarter and corresponding financial period. As highlighted, underlying buyer interest and demand for the division's products seems to have found grounds for consolidation, which points to a return to higher revenues once current external conditions improve.



**EUPE CORPORATION BERHAD (377762-V)**  
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**FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2015**

Property Construction Division

As stated, the near completion of a major construction project resulted in the decrease in both revenue and profit before tax for current quarter and current financial period for the property construction division. Revenue for the division was lower by RM2.481 million for the current quarter and RM35.473 million for the current financial period as compared to the corresponding quarter and corresponding financial period. As a result, the division recorded a lower profit before tax of RM0.328 million and RM0.746 million for the current quarter and current financial period respectively.

Chalet & Golf Management Division

The chalet & golf management division had a slow third quarter, again reflecting the general economic slowdown as well as the commencement of additional restructuring of the division's operations. Revenue for the current quarter was RM0.562 million less than the corresponding quarter and for the current financial period, it was RM0.761 million lower compared to the corresponding period. As a result, pre-tax profit for the current quarter and current financial period were lowered by RM0.864 million and RM0.406 million respectively.

Others

The current quarter revenue and profit before tax remained relatively in line with the corresponding quarter. Isolating the one-off profit before tax gain of RM2.302 million in the corresponding financial period, resulting from the fair value adjustment on investment properties as highlighted in last quarter's report, the current financial period's operational results improved by RM0.469 million due to lower administrative expenses.

**B2 Material Changes in the Quarterly Results**

The Group recorded a lower profit before tax (3QFY2016: RM0.343 million vs 2QFY2016: RM1.111 million) despite achieving a higher revenue (3QFY2016: RM35.449 million vs 2QFY2016: RM22.238 million). This was largely due to the thinning of the overall gross profit margin of property development division for the current quarter under review.



**EUPE CORPORATION BERHAD (377762-V)**  
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**B3 Prospects**

The operating environment for the property industry reflects significant headwinds that are continuing to occur in the domestic economy. Ongoing uncertainties and volatility in global markets are compounding the effect of the slowdown. In response to these challenges, the company has, and is continuing to put in place a number of measures to help offset these challenges as well as implementing cost efficiencies in its property management and chalet & golf management divisions.

Despite these continuing challenges, and reflecting our confidence in the quality and competitiveness of our product offering, the Group's remains committed to launching in the next six months its first major residential project in Kuala Lumpur, follow by its second major residential project thereafter. These two projects combined with the Group's diversified mix of affordable and higher-end residential projects in northern Malaysia as well the ongoing development of a pipeline of new projects in Kuala Lumpur are all aimed at achieving a more diversified and robust revenue and profit base for the Group over the longer term.

**B4 Profit Forecast**

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

**B5 Taxation**

	<b>Current Quarter 30.11.2015 RM'000</b>	<b>Period To-date 30.11.2015 RM'000</b>
Current year taxation	1,498	4,733
Under provision in prior year	193	120
Deferred taxation	(409)	(58)
	<u>1,282</u>	<u>4,795</u>

The effective tax rate for the financial period was higher than the statutory income tax rate in Malaysia due to the losses of certain subsidiaries that were not available for full set-off against taxable profits of other subsidiaries and certain expenses which were not deductible for tax purposes.



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**B6 Profit/(Loss) Before Taxation**

The following amounts have been included in arriving at profit / (loss) before taxation:

	<b>Current Quarter 30.11.2015 RM'000</b>	<b>Period To-date 30.11.2015 RM'000</b>
Interest income	97	282
Interest expense	(581)	(1,240)
Other income	172	617
Depreciation and amortization	(1,163)	(3,166)
Provision for write off of receivables	-	(2)

**B7 Status of Corporate Proposal**

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

**B8 Group Borrowings and Debt Securities**

The Group borrowings & debts securities as at 30 November 2015 were as follows:

	<b>Secured RM'000</b>
Bank Overdrafts	3,877
Short Term Bank Borrowings	15,087
Long Term Bank Borrowings	50,776
	<u>69,740</u>

The Group has no borrowing and debt securities denominated in foreign currency.

**B9 Changes in Material Litigation**

There were no material litigations, which would have a material adverse effect on the financial results for the current financial period.



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**B10 Realised and Unrealised Profits / Losses**

The breakdown of retained profits of the Group as at the reporting date were analysed as follows:

	<b>As at 30.11.2015 RM' 000</b>	<b>As at 28.02.2015 RM' 000</b>
Total retained earnings of the Group:		
- Realised profits	165,917	165,212
- Unrealised losses	(13,996)	(15,008)
Total Group's retained profits as per consolidated accounts	151,921	150,204

**B11 Dividend Proposed**

The Board of Directors do not recommend any interim dividend for the current financial period.

**B12 Earnings per share**

The earnings per share has been calculated by dividing the Group's net profit attributable to ordinary equity holders for the financial period by the weighted average number of ordinary shares in issue during the period.

	<b>Current Quarter 30.11.2015 RM</b>	<b>Period To-date 30.11.2015 RM</b>
<b><u>Basic earnings per share</u></b>		
Net profit attributable to equity holders of the company (RM'000)	48	1,886
Weighted average number of ordinary shares ('000)	128,000	128,000
Basic earnings per share (sen)	0.04	1.47
<b><u>Diluted earnings per share</u></b>		
Net profit attributable to equity holders of the company (RM'000)	48	1,886
Weighted average number of ordinary shares ('000)	128,000	128,000
Diluted earnings per share (sen)	0.04	1.47