



Building Lifestyles, Building Trust

EUPE CORPORATION BERHAD
(Company No.: 199601005416 (377762-V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021**

| | Quarter Ended | | Year-To-Date Ended | |
|--|----------------------|----------------------------------|----------------------|----------------------------------|
| | 30.11.2021 RM'000 | 30.11.2020 RM'000 Restated | 30.11.2021 RM'000 | 30.11.2020 RM'000 Restated |
| Revenue | 58,604 | 80,750 | 145,664 | 232,618 |
| Cost of sales | (37,565) | (44,726) | (98,488) | (147,829) |
| Gross profit | 21,039 | 36,024 | 47,176 | 84,789 |
| Other operating income | 583 | 1,192 | 2,053 | 2,144 |
| Marketing and distribution expenses | (1,782) | (915) | (4,758) | (2,618) |
| Administrative expenses | (3,574) | (3,751) | (11,077) | (12,155) |
| Other operating expenses | (921) | (878) | (2,658) | (2,567) |
| Finance costs | (689) | (638) | (1,872) | (2,286) |
| Profit before tax | 14,656 | 31,034 | 28,864 | 67,307 |
| Tax expense | (3,641) | (8,127) | (7,987) | (17,787) |
| Profit for the period | 11,015 | 22,907 | 20,877 | 49,520 |
| Other comprehensive income | | | | |
| Foreign currency translation differences for foreign operation | - | (202) | 3 | 3 |
| Total comprehensive income for the period | 11,015 | 22,705 | 20,880 | 49,523 |
| Profit attributable to: | | | | |
| Equity holders of the Company | 8,431 | 15,109 | 16,309 | 32,216 |
| Non-controlling interests | 2,584 | 7,798 | 4,568 | 17,304 |
| | 11,015 | 22,907 | 20,877 | 49,520 |
| Total comprehensive income attributable to: | | | | |
| Equity holders of the Company | 8,431 | 14,907 | 16,311 | 32,219 |
| Non-controlling interest | 2,584 | 7,798 | 4,569 | 17,304 |
| | 11,015 | 22,705 | 20,880 | 49,523 |
| Basic Earnings Per Share ("EPS") attributable to equity holders of the Company (sen) | | | | |
| | 6.59 | 11.80 | 12.74 | 25.17 |

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2021 and the accompanying explanatory notes attached to these Condensed Reports.



EUPE CORPORATION BERHAD
(Company No.: 199601005416 (377762-V))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2021**

| | AS AT 30.11.2021 RM'000 | AS AT 28.02.2021 RM'000 RESTATED | AS AT 01.03.2020 RM'000 RESTATED |
|-------------------------------|--|---|---|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 59,284 | 61,179 | 64,924 |
| Right-of-use assets | 999 | 238 | 617 |
| Inventories | 138,118 | 204,002 | 188,193 |
| Investment properties | 45,168 | 46,328 | 45,751 |
| Deferred tax assets | 2,294 | 5,204 | 3,363 |
| | <u>245,863</u> | <u>316,951</u> | <u>302,848</u> |
| Current assets | | | |
| Inventories | 148,184 | 96,215 | 113,524 |
| Contract costs | 488 | 1,557 | 6,085 |
| Contract assets | 115,910 | 72,002 | 167,424 |
| Trade and other receivables | 67,253 | 54,639 | 78,173 |
| Sinking funds | 825 | 837 | 802 |
| Tax recoverable | 5 | 303 | 2,271 |
| Cash and cash equivalents | 57,384 | 77,368 | 36,668 |
| | <u>390,049</u> | <u>302,921</u> | <u>404,947</u> |
| TOTAL ASSETS | <u>635,912</u> | <u>619,872</u> | <u>707,795</u> |



EUPE CORPORATION BERHAD
(Company No.: 199601005416 (377762-V))

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2021 (CONT'D)**

| | AS AT 30.11.2021 RM'000 | AS AT 28.02.2021 RM'000 RESTATED | AS AT 01.03.2020 RM'000 RESTATED |
|--|--|---|---|
| EQUITY AND LIABILITIES | | | |
| Equity attributable to equity holders of the Company | | | |
| Share capital | 133,982 | 133,982 | 133,982 |
| Reserves | 275,842 | 259,534 | 216,085 |
| | <u>409,824</u> | <u>393,516</u> | <u>350,067</u> |
| Non-controlling interest | 47,018 | 42,446 | 72,467 |
| TOTAL EQUITY | <u>456,842</u> | <u>435,962</u> | <u>422,534</u> |
| Non-current liabilities | | | |
| Borrowings | 62,704 | 57,546 | 95,243 |
| Lease liabilities | 924 | - | 252 |
| Deferred tax liabilities | 12,000 | 12,464 | 13,867 |
| | <u>75,628</u> | <u>70,010</u> | <u>109,362</u> |
| Current liabilities | | | |
| Contract liabilities | 5,554 | 5,257 | 12,880 |
| Trade and other payables | 56,328 | 67,469 | 67,334 |
| Provisions | 9,320 | 9,599 | 11,613 |
| Borrowings | 31,136 | 23,955 | 80,094 |
| Lease liabilities | 81 | 252 | 383 |
| Current tax payables | 1,023 | 7,368 | 3,595 |
| | <u>103,442</u> | <u>113,900</u> | <u>175,899</u> |
| TOTAL LIABILITIES | <u>179,070</u> | <u>183,910</u> | <u>285,261</u> |
| TOTAL EQUITY AND LIABILITIES | <u>635,912</u> | <u>619,872</u> | <u>707,795</u> |
| <i>Number of ordinary shares ('000)</i> | <u>128,000</u> | <u>128,000</u> | <u>128,000</u> |
| Net assets per share attributable to equity holders of the Company (RM) | <u>3.20</u> | <u>3.07</u> | <u>2.73</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 2021 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 30 NOVEMBER 2021**

| | ← Attributable to equity holders of the Company → | | | | | Total equity RM'000 |
|--|---|---|---|-----------------|---|------------------------|
| | Share capital RM'000 | Non-distributable Foreign currency translation reserve RM'000 | Distributable Retained earnings RM'000 | Total RM'000 | Non - controlling interests RM'000 | |
| At 1 March 2021 | 133,982 | (208) | 260,741 | 394,515 | 42,875 | 437,390 |
| Effects on adoption of IFRIC Agenda Decision | - | - | (999) | (999) | (429) | (1,428) |
| At 1 March 2021 (restated) | 133,982 | (208) | 259,742 | 393,516 | 42,446 | 435,962 |
| Profit for the financial period | - | - | 16,309 | 16,309 | 4,568 | 20,877 |
| Other comprehensive income | - | 2 | - | 2 | 1 | 3 |
| Total comprehensive income | - | 2 | 16,309 | 16,311 | 4,569 | 20,880 |
| Change in interest in a subsidiary | - | - | (3) | (3) | 3 | - |
| At 30 November 2021 | 133,982 | (206) | 276,048 | 409,824 | 47,018 | 456,842 |
| At 1 March 2020 | 133,982 | (209) | 218,552 | 352,325 | 73,435 | 425,760 |
| Effects on adoption of IFRIC Agenda Decision | - | - | (2,258) | (2,258) | (968) | (3,226) |
| At 1 March 2020 (restated) | 133,982 | (209) | 216,294 | 350,067 | 72,467 | 422,534 |
| Profit for the financial period | - | - | 32,216 | 32,216 | 17,304 | 49,520 |
| Other comprehensive income | - | 3 | - | 3 | - | 3 |
| Total comprehensive income | - | 3 | 32,216 | 32,219 | 17,304 | 49,523 |
| At 30 November 2020 (restated) | 133,982 | (206) | 248,510 | 382,286 | 89,771 | 472,057 |

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2021 and the accompanying explanatory notes attached to these Condensed Reports.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR-TO-DATE ENDED 30 NOVEMBER 2021**

| | Year-To-Date Ended | |
|--|---------------------------|-------------------|
| | 30.11.2021 | 30.11.2020 |
| | RM'000 | RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash receipts from customers | 96,098 | 321,639 |
| Cash payments to suppliers and creditors | (80,710) | (123,657) |
| Cash payments to employees and for expenses | (33,068) | (9,907) |
| Cash (used in)/generated from operations | <u>(17,680)</u> | <u>188,075</u> |
| Bank overdraft interest paid | (128) | (138) |
| Rental income received | 641 | 345 |
| Tax refund | 297 | 1,985 |
| Tax paid | (11,885) | (6,982) |
| Net cash (used in)/generated from operating activities | <u>(28,755)</u> | <u>183,285</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest income received | 517 | 1,049 |
| Proceed from disposal of investment properties | 1,029 | - |
| Purchase of property, plant and equipment | (247) | (2,018) |
| Purchase of right-of-use assets | (1,040) | - |
| Fixed deposits pledged to licensed bank | (4,708) | (11,774) |
| Net cash used in investing activities | (4,449) | (12,743) |



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR-TO-DATE ENDED 30 NOVEMBER 2021 (CONT'D)**

| | Year-To-Date Ended | |
|--|----------------------|----------------------|
| | 30.11.2021 RM'000 | 30.11.2020 RM'000 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid to non-controlling interest | - | (41,809) |
| Drawdown of term loans | 18,148 | 12,096 |
| Repayment of term loans | (7,287) | (76,509) |
| Drawdown of revolving credits | 33,260 | 11,490 |
| Repayment of revolving credits | (26,795) | (44,825) |
| Net (repayment)/creation of bankers' acceptance | (1,613) | 835 |
| Net (repayment)/creation of invoice financing | (3,232) | 3,248 |
| Net (repayment)/creation of hire purchase liabilities | (181) | 413 |
| Net creation/(repayment) of lease liabilities | 754 | (378) |
| Term loans interest paid | (4,518) | (1,733) |
| Revolving credit interest paid | (11) | (366) |
| Bankers' acceptance interest paid | - | (30) |
| Invoice financing interest paid | (11) | (92) |
| Hire purchase interest paid | (32) | (29) |
| Lease liabilities interest paid | (12) | (21) |
| Net cash generated from/(used in) financing activities | 8,470 | (137,710) |
| Net (decrease)/increase in cash and cash equivalents | (24,734) | 32,832 |
| Effect of exchange rate changes | 3 | 3 |
| Cash and cash equivalents at beginning of financial year | 59,902 | 28,191 |
| Cash and cash equivalents at end of financial period | 35,171 | 61,026 |
| Cash and cash equivalents at end of financial period comprise the following : | | |
| Cash and bank balances | 37,333 | 63,307 |
| Fixed deposits with licensed banks | 20,051 | 17,934 |
| | 57,384 | 81,241 |
| Less: Bank overdraft | (2,479) | (2,482) |
| Deposits pledged as collateral | (19,734) | (17,733) |
| | 35,171 | 61,026 |

The Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 28 February 2021 and the accompanying explanatory notes attached to these Condensed Reports.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021**

Part A: Explanatory Notes Pursuant to MFRS 134

A1 Basis of Preparation

These 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 2021. The explanatory notes attached to the Condensed Report provide explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 28 February 2021.

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 2021, except for the adoption of new standards and amendments to standards and interpretation as follows:

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2020

- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 3 *Business Combination – Definition of a Business*
- Amendments to MFRS 101 *Presentation of Financial Statements* and MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*
- Amendments to MFRS 9 *Financial Instruments*, MFRS 139 *Financial Instruments: Recognition and Measurement* and MFRS 7 *Financial Instruments: Disclosures – Interest Rate Benchmark Reform*

The Group and the Company have early adopted the Amendment to MFRS 16 *Leases – Covid-19-Related Rent Concessions* in financial year ended 28 February 2021.

The adoption of the above-mentioned accounting standards, amendments and interpretations have no significant impact on the financial statements of the Group and of the Company.

New/Revised MFRSs, Amendments to MFRSs and Interpretations not adopted

The following are accounting standards, amendments and interpretations of the MFRS framework that have been issued by the MASB but not yet effective in current financial reporting period of the Group and of the Company ended 30 November 2021, thus have not been adopted in these financial statements.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021
Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)

A2 Accounting Policies (cont'd)

New/Revised MFRSs, Amendments to MFRSs and Interpretations not adopted (cont'd)

MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9 *Financial Instruments*, MFRS 139 *Financial Instruments: Recognition and Measurement*, MFRS 7 *Financial Instruments: Disclosure*, MFRS 4 *Insurance Contracts* and MFRS 16 *Leases – Interest Rate Benchmark Reform Phase 2*

MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 April 2021

- Amendment to MFRS 16 *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*

MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 3 *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 116 *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts–Cost of Fulfilling a Contract*
- Annual Improvements to MFRS Standards 2018–2020

MFRSs, Amendments to MFRSs and Interpretations effective for annual periods beginning on or after 1 January 2023

- Amendments to MFRS 101 *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current*
- 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*

MFRSs, Amendments to MFRSs and Interpretations effective 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*



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021
Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)

A2 Accounting Policies (cont'd)

IFRIC Agenda Decision

In March 2019, IFRIC published an agenda decision on borrowings costs confirming receivables, contract assets and inventories for which revenue is recognised over time are non-qualification assets. On 20 March 2019, the Malaysian Accounting Standards Board decided an entity shall apply the change in accounting policy as a result of the IFRIC Agenda Decision to financial statements of annual periods beginning on or after 1 July 2020.

The Group has adopted the IFRIC Agenda Decision retrospectively in its financial position as at 1 March 2020 and throughout all comparative interim periods presented, as if these policies had always been in effect. Comparative information in these condensed consolidated financial statements have been restated to give effect to the above changes. As a result, the following comparatives in the interim financial reports have been restated.

i) Impact on Condensed Consolidated Statement of Financial Position as at 1 March 2020 (date of transition):

| | As previously reported 01.03.2020 RM'000 | Effect on adoption of IFRIC Agenda Decision RM'000 | Restated as at 01.03.2020 RM'000 |
|--|---|--|---|
| ASSETS | | | |
| Non-current assets | | | |
| Deferred tax assets | 2,344 | 1,019 | 3,363 |
| Current assets | | | |
| Inventories | 117,769 | (4,245) | 113,524 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to equity holders of the Company | | | |
| Reserves | 218,343 | (2,258) | 216,085 |
| Non-controlling interest | 73,435 | (968) | 72,467 |
| Net assets per share attributable to equity holders of the Company (RM) | 2.75 | (0.02) | 2.73 |



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021**

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

A2 Accounting Policies (cont'd)

IFRIC Agenda Decision (cont'd)

ii) Impact on Condensed Consolidated Statement of Financial Position as at 1 March 2021:

| | As previously reported 01.03.2021 RM'000 | Effect on adoption of IFRIC Agenda Decision RM'000 | Restated as at 01.03.2021 RM'000 |
|--|---|---|---|
| ASSETS | | | |
| Non-current assets | | | |
| Deferred tax assets | 4,753 | 451 | 5,204 |
| Current assets | | | |
| Inventories | 98,094 | (1,879) | 96,215 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to equity holders of the Company | | | |
| Reserves | 260,533 | (999) | 259,534 |
| Non-controlling interest | 42,875 | (429) | 42,446 |
| Net assets per share attributable to equity holders of the Company (RM) | 3.08 | (0.01) | 3.07 |



**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021**

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

A2 Accounting Policies (cont'd)

IFRIC Agenda Decision (cont'd)

iii) Impact on Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 9 months period ended 30 November 2020:

| | As previously reported 30.11.2020 RM'000 | Effect on adoption of IFRIC Agenda Decision RM'000 | Restated as at 30.11.2020 RM'000 |
|--|---|--|---|
| Cost of sales | (150,945) | 3,116 | (147,829) |
| Finance costs | (975) | (1,311) | (2,286) |
| Tax expense | (17,353) | (434) | (17,787) |
| Profit attributable to: | | | |
| Equity holders of the Company | 31,256 | 960 | 32,216 |
| Non-controlling interest | 16,893 | 411 | 17,304 |
| Total comprehensive income attributable to: | | | |
| Equity holders of the Company | 31,258 | 961 | 32,219 |
| Non-controlling interest | 16,894 | 410 | 17,304 |
| Basic Earnings Per Share ("EPS") attributable to equity holders of the Company (sen) | 24.42 | 0.75 | 25.17 |

A3 Auditors' Report on Preceding Financial Year Financial Statements

The auditors' report on the financial statements for the financial year ended 28 February 2021 was unmodified.

A4 Seasonal or Cyclical Factors

The results for the financial quarter and year-to-date ended 30 November 2021 were not materially affected by seasonal or cyclical factors, except for the Chalet and 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 30 November 2021.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021**

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

A6 Material Changes in Estimates

There were no changes in estimates that have had any material effect during the financial quarter and year-to-date ended 30 November 2021.

A7 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial quarter and year-to-date ended 30 November 2021.

A8 Dividend Paid

No dividends were paid during the financial quarter and year-to-date ended 30 November 2021.

A9 Segmental Reporting

Financial Year-To-Date Ended 30 November 2021

| | Property Development RM'000 | Property Construction RM'000 | Chalet & Golf Management RM'000 | Others RM'000 | Total RM'000 |
|--|-----------------------------------|------------------------------------|---------------------------------------|------------------|-----------------|
| Revenue | 134,242 | 36,025 | 3,614 | 2,672 | 176,553 |
| Elimination of inter- segment revenue | - | (29,964) | (139) | (786) | (30,889) |
| | 134,242 | 6,061 | 3,475 | 1,886 | 145,664 |
| Segment Results | 33,310 | (865) | (1,734) | (492) | 30,219 |
| Interest income | 475 | 16 | 22 | 4 | 517 |
| Finance costs | (1,515) | (28) | (327) | (2) | (1,872) |
| Profit/(loss) before tax | 32,270 | (877) | (2,039) | (490) | 28,864 |
| Tax expense | (7,393) | (373) | (1) | (220) | (7,987) |
| Profit/(loss) for the period | 24,877 | (1,250) | (2,040) | (710) | 20,877 |

As At 30 November 2021

Assets

| | | | | | |
|----------------|---------|--------|--------|--------|---------|
| Segment assets | 515,625 | 18,862 | 50,158 | 51,267 | 635,912 |
|----------------|---------|--------|--------|--------|---------|

Liabilities

| | | | | | |
|---------------------|---------|--------|--------|-------|---------|
| Segment liabilities | 64,931 | 9,943 | 6,912 | 3,444 | 85,230 |
| Borrowings | 77,185 | 8,859 | 7,796 | - | 93,840 |
| | 142,116 | 18,802 | 14,708 | 3,444 | 179,070 |



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021
Part A: Explanatory Notes Pursuant to MFRS 134 (cont'd)

A9 Segmental Reporting (cont'd)

Financial Year-To-Date Ended 30 November 2020 (Restated)

| | Property Development RM'000 Restated | Property Construction RM'000 | Chalet & Golf Management RM'000 | Others RM'000 | Total RM'000 Restated |
|--|---|---|--|--------------------------|--------------------------------------|
| Revenue | 225,511 | 32,006 | 2,849 | 2,283 | 262,649 |
| Elimination of inter- segment revenue | (3,619) | (25,936) | - | (476) | (30,031) |
| | <u>221,892</u> | <u>6,070</u> | <u>2,849</u> | <u>1,807</u> | <u>232,618</u> |
| Segment Results | 70,471 | (44) | (1,999) | 116 | 68,544 |
| Interest income | 457 | 12 | 34 | 546 | 1,049 |
| Finance costs | (1,538) | (317) | (323) | (108) | (2,286) |
| Profit/(loss) before tax | 69,390 | (349) | (2,288) | 554 | 67,307 |
| Tax expense | (17,547) | - | - | (240) | (17,787) |
| Profit/(loss) for the period | <u>51,843</u> | <u>(349)</u> | <u>(2,288)</u> | <u>314</u> | <u>49,520</u> |

As At 30 November 2020 (Restated)

Assets

| | | | | | |
|----------------|---------|--------|--------|--------|---------|
| Segment assets | 512,835 | 18,642 | 55,647 | 45,097 | 632,221 |
|----------------|---------|--------|--------|--------|---------|

Liabilities

| | | | | | |
|---------------------|----------------|---------------|---------------|--------------|----------------|
| Segment liabilities | 94,969 | 11,851 | 9,370 | 3,735 | 119,925 |
| Borrowings | 55,065 | 18,844 | 8,140 | - | 82,049 |
| | <u>150,034</u> | <u>30,695</u> | <u>17,510</u> | <u>3,735</u> | <u>201,974</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 2021.

A12 Significant Event Subsequent to the Reporting Period

There were no significant events subsequent to the financial quarter and year-to-date ended 30 November 2021 up to the date of this report, which is likely to substantially affect the results of the operations of the Group.



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021**

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

A13 Changes in Composition of the Group

There were no material changes in the composition of the Group for the current quarter and year-to-date except for the following:

- i) On 1 March 2021, the Company had undertaken internal restructuring whereby Eupe Kemajuan Sdn. Bhd. ("EKSB"), a wholly-owned subsidiary of the Company, disposed off 3,000 ordinary shares, representing 30% of the equity interest in Titian Kayangan Sdn. Bhd. (formerly known as Tadika Pro-Dedikasi Sdn. Bhd.), a dormant Company for a total cash consideration of RM2.00.
- ii) On 27 September 2021, the Company's wholly-owned subsidiary, EKSB, incorporated a wholly-owned subsidiary in Malaysia with cash subscription of RM100.00, namely Eupe Land Development Sdn. Bhd.. The principal activity of the subsidiary is to carry on the business of property development.
- iii) On 28 September 2021, the Company's wholly-owned subsidiary, EKSB, incorporated a 70% owned subsidiary in Malaysia with cash subscription of RM70.00, namely Titian Development Sdn. Bhd.. The principal activity of the subsidiary is to carry on the business of property development.
- iv) On 10 December 2021, the Company's wholly-owned subsidiary, EKSB, incorporated a wholly-owned subsidiary in Malaysia with cash subscription of RM100.00, namely Eupe Nexus Sdn. Bhd.. The principal activity of the subsidiary is to carry on the business of property development.

A14 Contingent Liabilities and Assets

There were no other contingent liabilities and contingent assets since the financial year ended 28 February 2021 except as disclosed below:

| | 30.11.2021 | 28.02.2021 |
|---|-------------------|-------------------|
| | RM'000 | RM'000 |
| <u>Company</u> | | |
| Guarantees given for banking facilities | | |
| granted to subsidiaries | 117,278 | 107,101 |
| Guarantees given to suppliers of a subsidiary | 45 | 263 |
| | <u>117,323</u> | <u>107,364</u> |

A15 Capital commitments

There were no capital commitments during the period under review.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021

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 | | |
|--------------------------|---------------|---------------|-----------------|--------------------|----------------|-----------------|
| | 30.11.2021 | 30.11.2020 | Changes | 30.11.2021 | 30.11.2020 | Changes |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Property Development | 54,292 | 76,771 | (22,479) | 134,242 | 221,892 | (87,650) |
| Property Construction | 2,394 | 2,320 | 74 | 6,061 | 6,070 | (9) |
| Chalet & Golf Management | 1,354 | 974 | 380 | 3,475 | 2,849 | 626 |
| Others | 564 | 685 | (121) | 1,886 | 1,807 | 79 |
| Total | 58,604 | 80,750 | (22,146) | 145,664 | 232,618 | (86,954) |

| Pre-tax Profit/(Loss) | Quarter Ended | | | Year-To-Date Ended | | |
|--------------------------|---------------|--------------------|-----------------|--------------------|--------------------|-----------------|
| | 30.11.2021 | 30.11.2020 | Changes | 30.11.2021 | 30.11.2020 | Changes |
| | RM'000 | RM'000 Restated | RM'000 | RM'000 | RM'000 Restated | RM'000 |
| Property Development | 15,666 | 31,046 | (15,380) | 32,270 | 69,390 | (37,120) |
| Property Construction | (429) | (81) | (348) | (877) | (349) | (528) |
| Chalet & Golf Management | (543) | (642) | 99 | (2,039) | (2,288) | 249 |
| Others | (38) | 711 | (749) | (490) | 554 | (1,044) |
| Total | 14,656 | 31,034 | (16,378) | 28,864 | 67,307 | (38,443) |

Overview: Q3FY2022 vs Q3FY2021

The Group recorded lower revenue totalling RM58.6 million for the quarter ended 30 November 2021 (“Q3FY2022”), compared to RM80.8 million recorded for the preceding year’s corresponding quarter (“Q3FY2021”). The Group’s pre-tax profit also decreased by RM16.4 million from RM31.0 million in Q3FY2021 to RM14.6 million in Q3FY2022.

Similarly, the Group’s revenue and pre-tax profit for the nine-month period ended 30 November 2021 (“9MFY2022”) of RM145.7 million and RM28.9 million, were both lower by RM86.9 million and RM38.4 million respectively, compared to revenue of RM232.6 million and pre-tax profit of RM67.3 million recorded for the previous year’s corresponding period ended 30 November 2020 (“9MFY2021”).

The overall decrease in the Group’s financial performance was due to the decrease in revenue from Central Region property operation, the result of its second KL project, Parc3@KL South project (“Parc3”) reaching its completion stage with the notice of vacant possession issued on 12 December 2021, combined with the absence of revenue contributions from its first KL project, Novum@South Bangsar (“Novum”) which was handed over to its purchasers in June 2020 (“Q2FY2021”).

However, these decline in Central Region revenue and profit were moderated by improved revenue from the Group’s Northern Region property operations and the ‘soft launch’ of the Group’s third KL project, Est8@Seputeh (“Est8”) in November 2021.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021

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")

The PDD's revenue for Q3FY2022 of RM54.3 million, represented a decrease of RM22.5 million, or 29.3% lower than Q3FY2021 revenue of RM76.8 million. Again, this was primarily due to the aforementioned delivery of vacant possessions of Novum in June 2020 and Parc3 in December 2021.

Despite recording lower revenue from Central Region's projects in the current quarter, Northern Region's PDD reported higher revenue of RM22.8 million, representing an increase of RM5.3 million or 30.4%, compared to revenue of RM17.4 million for Q3FY2021. This improved results was underpinned by the proceeds from sales of completed properties in the Northern Region and stronger momentum in terms of construction progress when operations resumed post-MCO 3.0.

Consistent with the decrease in revenue, PDD's pre-tax profit decreased by RM15.4 million, from RM31.0 million in Q3FY2021, to RM15.7 million in Q3FY2022.

The PDD's revenue for 9MFY2022 of RM134.2 million, was 39.5% lower than 9MFY2021 revenue of RM221.9 million, representing a decrease of RM87.7 million.

In spite of PDD's Central Region's lower revenue for 9MFY2022, stronger sales take-up rates of completed properties and newly launched township residential projects in Northern Region, namely Astana Park Home B PTD12 have moderated these impacts. Besides, Puncak Surya township have also shown positive results by achieving good take-up rate of exceeding 80%, further bolstered by timely construction progress.

Correspondingly, the PDD's pre-tax profit decreased by RM37.1 million from RM69.4 million in 9MFY2021 to RM32.3 million in 9MFY2022.

Property Construction Division ("PCD")

Revenue from PCD is solely derived from the supply of building materials to subcontractors.

PCD recorded revenue of RM2.4 million in Q3FY2022 and RM6.1 million for 9MFY2022, which were comparable to its corresponding comparative periods. However, the pre-tax loss was slightly higher by RM0.3 million compared to Q3FY2021, and RM0.5 million compared to 9MFY2021's. This was primarily due to higher construction materials costs incurred as a result of overall price increases since December 2020, affecting mainly bricks, steel, concrete, piping and sand.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021

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 (cont'd):

Chalet & Golf Management Division ("CGMD")

CGMD recorded revenue of RM1.4 million in Q3FY2022, an increase of RM0.4 million, compared to Q3FY2021's revenue of RM1.0 million. As a result, CGMD recorded a lower pre-tax loss at RM0.5 million in Q3FY2022, compared to RM0.6 million in Q3FY2021. Similarly, CGMD reported a higher revenue by RM0.6 million and lower pre-tax loss by RM0.2 million for 9MFY2022, compared to 9MFY2021's.

The improved results were mainly attributed to the higher room occupancy in Cinta Sayang Resort, coupled with higher food and beverage sales from banquet events, compared to 9MFY2021, where the operations of the hospitality and tourism segment were restricted due to strict enforcement of Movement Control Order.

Others

The Others Division revenue represents rental from investment properties. Both Q3FY2022 and 9MFY2022 revenue were comparable to the previous reporting periods.

However, the division incurred losses in both Q3FY2022 and 9MFY2022, due to lower interest income, higher administrative costs and there was also a bad debt written off.

B2 Material Changes in the Quarterly Results

| | Quarter Ended | | |
|----------------|----------------------|----------------------|-------------------|
| | 30.11.2021 RM'000 | 31.08.2021 RM'000 | Changes RM'000 |
| Revenue | 58,604 | 33,157 | 25,447 |
| Pre-tax profit | 14,656 | 4,632 | 10,024 |

The Group's revenue and pre-tax profit for Q3FY2022 improved by RM25.4 million and RM10.0 million respectively, compared to the immediate preceding quarter ("Q2FY2022"). The overall increase in the current quarter's financial performance was mainly due to property and construction sectors being permitted to operate in Q3FY2022, compared to the strict movement restrictions imposed for almost a month from 1 June 2021.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021

Part B: Explanatory notes pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

B3 Prospects

COVID-19 and the rapid spread of the new variant Omicron over the last three months has introduced new levels of uncertainty regarding the pace of economic recovery, as well as uncertainty regarding its impact on business and consumer sentiment, compared to earlier expectations of a pick-up in both economic activity and sentiment in the new year. However, given continuing uncertainty in the wake of the Omicron variant, we remain committed as a Group to focus on events and actions over which we can control, particularly with the launch of new products that continue to tap into underlying consumer demands for affordable and innovative homes, combined with premium lifestyle design.

On that note, the 'soft launch' during the quarter of our third KL project – Est8@Seputeh – has met with a strong response from buyers and underlies the resilience of the Group's guiding principle to offer home buyers clear points of differentiation in home design, as well as projects sited in highly sought-after locations. Our focus on diversification will also continue to be central to the Group's strategy, as shown by the release and strong sales take-up of our township-style projects in the Northern region.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021

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 period under review.

B5 Taxation

| | Quarter Ended | | Year-To-Date Ended | |
|-----------------------|---------------|--------------|--------------------|---------------|
| | 30.11.2021 | 30.11.2020 | 30.11.2021 | 30.11.2020 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| Current year taxation | 949 | 7,303 | 5,540 | 22,323 |
| Deferred taxation | 2,692 | 824 | 2,447 | (4,536) |
| | <u>3,641</u> | <u>8,127</u> | <u>7,987</u> | <u>17,787</u> |

The Group's effective tax rate was slightly higher than the statutory tax rate in Malaysia mainly due to certain expenses which were not deductible for tax purposes.

B6 Profit Before Tax

The following amounts have been included in arriving at profit before tax:

| | Quarter Ended | | Year-To-Date Ended | |
|--|---------------|------------|--------------------|------------|
| | 30.11.2021 | 30.11.2020 | 30.11.2021 | 30.11.2020 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| Interest income | 148 | 738 | 517 | 1,049 |
| Other income | 435 | 454 | 1,536 | 1,095 |
| Interest expense | (689) | (638) | (1,872) | (2,286) |
| Depreciation and amortisation | (789) | (880) | (2,439) | (2,567) |
| Gain on disposal of property, plant and equipment | 3 | - | 18 | - |
| Loss on disposal of investment property | (131) | - | (131) | - |
| Bad debts written off | (102) | - | (102) | (2) |
| Fixed assets written off | * | - | * | - |
| Foreign exchange loss | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

* Denotes less than thousand

B7 Status of Corporate Proposal

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL QUARTER AND YEAR-TO-DATE ENDED 30 NOVEMBER 2021

Part B: Explanatory notes pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)

B8 Group Borrowings and Debt Securities

The Group borrowings and debt securities as at 30 November 2021 were as follows:

| | Non-current RM'000 | Current RM'000 | Total RM'000 |
|---------------------------|-----------------------|-------------------|-----------------|
| Secured | | | |
| Term loans | 61,941 | 19,915 | 81,856 |
| Revolving credits | - | 8,680 | 8,680 |
| Bank overdrafts | - | 2,479 | 2,479 |
| Hire purchase liabilities | 763 | 62 | 825 |
| | <u>62,704</u> | <u>31,136</u> | <u>93,840</u> |

B9 Changes in Material Litigation

There was no material litigation against the Group as at the reporting date.

B10 Interim Dividend

The Board of Directors has approved and declared an interim single tier dividend of 1.5 sen per ordinary share, amounting to approximately RM1.9 million in respect of the financial year ending 28 February 2022. The interim dividend was paid on 8 December 2021 to Shareholders whose names appear on the Company's Record of Depositors on 24 November 2021.

B11 Earnings Per Share

The earnings per share ("EPS") have been calculated by dividing the Group's net profit attributable to ordinary equity holders for the financial quarter and year-to-date by the weighted average number of ordinary shares in issue during the financial period.

| | Quarter Ended | | Year-To-Date Ended | |
|---|----------------|------------------------|--------------------|------------------------|
| | 30.11.2021 | 30.11.2020 Restated | 30.11.2021 | 30.11.2020 Restated |
| Basic EPS | | | | |
| Net profit attributable to equity holders of the Company (RM'000) | <u>8,431</u> | <u>15,109</u> | <u>16,309</u> | <u>32,216</u> |
| Weighted average number of ordinary shares ('000) | <u>128,000</u> | <u>128,000</u> | <u>128,000</u> | <u>128,000</u> |
| Basic earnings per share (sen) | <u>6.59</u> | <u>11.80</u> | <u>12.74</u> | <u>25.17</u> |

B12 Authorised for Issue

The Condensed Report were authorised for issued by the Board in accordance with a resolution of the directors on 21 January 2022.