

PRESS RELEASE
For Immediate Release

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EcoWorld International's total net cash balance exceeds RM700 million
On track to declare 1st tranche dividend of at least RM300 million

KUALA LUMPUR: Eco World International Berhad (EcoWorld International) announced its results for 2Q 2023 today.

Key points to note include the following:

- EcoWorld International is on track to achieve its full year sales target of RM1.4 billion, with sales achieved of RM619 million plus reserves of RM299 million, totalling RM918 million in 7 months of FY2023.
- The Group's focus on selling its completed stocks have generated substantial cash.
- Since turning net cash positive in 4Q FY2022, the Group's total cash, deposits and other investments have further increased to RM922 million (excluding cash held at JV entities) as at 30 April 2023. This exceeds remaining borrowings by RM652 million.
- Including the Group's effective share of net cash balances at JV entities, the Group's total net cash balance stands at RM727 million as at 30 Apr 2023. This is a 218% increase from the net cash (including cash at JVs) position as at 31 October 2022.
- On 19 June 2023, shareholders of EcoWorld International approved the Group's Proposed Capital Reduction exercise thus paving the way for the planned distribution of excess cash back to shareholders in the form of dividends.
- EcoWorld International aims to declare a 1st tranche dividend of at least RM300 million in the near term while working towards achieving the RM900 million total distribution target set for 2023.
- EcoWorld International recorded a loss before tax ("LBT") of RM2.12 million in 2Q 2023 as compared to a LBT of RM66.53 million in 2Q 2022. The lower LBT was mainly due to:
 - higher foreign exchange gain as the GBP strengthened against Ringgit Malaysia ("RM");
 - higher interest income following capital contribution repayments from the UK JVs; and
 - lower finance costs as a result of the Group's progressive repayment of loans.

In addition, in 2Q 2022 the Group had provided an impairment loss on its investment in Eco World-Ballymore which contributed to the higher loss recorded in the previous year corresponding quarter.

Comments on EcoWorld International's performance

"On 19 June 2023, shareholders holding 99.992% of EcoWorld International's voting shares voted in favour of the Group's Proposed Capital Reduction, at the Company's Extraordinary General Meeting. This signifies near unanimous support for the Group's plans to concentrate our efforts on the monetisation of our completed stocks, cash preservation and generation with a view towards distributing excess cash back to shareholders," said Dato' Teow Leong Seng, President & CEO of EcoWorld International.

“With the approval of our shareholders secured we expect to be able to complete our Proposed Capital Reduction by August 2023. Thereafter, based on the Group’s substantial net cash reserves of more than RM700 million accumulated as at 30 April 2023, we are well on track to be able to declare a 1st tranche dividend amounting to at least RM300 million in the near term. We will also be working towards achieving the RM900 million total distribution target set for 2023,” said Teow.

With total sales (including reserves) of RM918 million achieved as at 31 May 2023, EcoWorld International is on track to meet its sales target of RM1.4 billion for FY2023. Given that sales of its remaining completed stocks are the key determinant for distributions to shareholders, EcoWorld International will continue to offer attractive incentive packages to buyers and maintain its marketing campaigns. In addition, it is also exploring various options including bulk offers to accelerate sales. These initiatives are expected to sustain the sales momentum enabling conversion of remaining stocks to cash despite the softening in real estate demand following hikes in interest rates and cost of living pressures in the UK and Australia.

About Eco World International Berhad (EcoWorld International)

EcoWorld International is a public company listed on the Main Market of Bursa Malaysia Securities Berhad on 3 April 2017. Its core business involves property development outside Malaysia.

It has 19 existing and upcoming projects in the United Kingdom and Australia with total gross development value of GBP4.7 billion and AUD0.7 billion respectively. Major shareholders in EcoWorld International are Eco World Development Group Berhad – a well-known Malaysian property developer and GuocoLand Limited – a public company listed on the Singapore Exchange.

EcoWorld International’s entry into UK began with the EcoWorld-Ballymore joint-venture that is currently developing three prime waterside residential projects in London. In 2018, EcoWorld London was launched giving EcoWorld an immediate presence in the highly resilient UK mid-mainstream market and the fast-growing Build-to-Rent sub-sector.

The Company has two active projects in Australia, namely West Village in Sydney’s second central business district of Parramatta and Yarra One in Melbourne’s charming South Yarra neighbourhood.

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