

**ECO WORLD INTERNATIONAL BERHAD**  
**(Registration No: 201301030020 (1059850-A))**  
**(Incorporated in Malaysia)**

**Interim Financial Report**  
**30 April 2024**

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**Interim Financial Report - 30 April 2024**

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**ECO WORLD INTERNATIONAL BERHAD**  
**(Registration No: 201301030020 (1059850-A))**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 APRIL 2024**

*(The figures have not been audited)*

	3 MONTHS ENDED		6 MONTHS ENDED	
	30 APRIL 2024	30 APRIL 2023	30 APRIL 2024	30 APRIL 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	151	22,704	31,824	45,072
Direct expenses	-	(17,364)	(27,988)	(35,396)
<b>Gross profit</b>	<u>151</u>	<u>5,340</u>	<u>3,836</u>	<u>9,676</u>
Other income	1,669	9,246	4,981	13,706
Marketing expenses	(90)	(1,099)	(889)	(2,757)
Administrative and general expenses	(8,735)	(8,158)	(16,085)	(15,731)
Impairment loss on amount owing by a joint venture	(10,773)	-	(18,000)	-
Gain on foreign exchange	1,537	28,643	7,137	2,669
Finance costs	-	(7,412)	-	(15,394)
Share of results in joint ventures	2,372	(28,680)	6,678	(24,646)
<b>Loss before tax</b>	<u>(13,869)</u>	<u>(2,120)</u>	<u>(12,342)</u>	<u>(32,477)</u>
Taxation	(185)	(2,345)	(1,410)	(2,742)
Loss for the period	<u>(14,054)</u>	<u>(4,465)</u>	<u>(13,752)</u>	<u>(35,219)</u>
<b>Other comprehensive (loss)/income, net of tax</b>				
<i>Items that may be reclassified to profit or loss subsequently:</i>				
Hedge of net investment	-	199	-	227
Exchange differences on translation of foreign operations	(6,263)	93,688	37,859	25,778
<b>Total comprehensive (loss)/income for the period</b>	<u>(20,317)</u>	<u>89,422</u>	<u>24,107</u>	<u>(9,214)</u>
<b>Loss for the period attributable to:</b>				
Owners of the Company	(14,127)	(4,556)	(13,945)	(35,377)
Non-controlling interests	73	91	193	158
	<u>(14,054)</u>	<u>(4,465)</u>	<u>(13,752)</u>	<u>(35,219)</u>
<b>Total comprehensive (loss)/income for period attributable to:</b>				
Owners of the Company	(20,386)	89,270	23,890	(9,394)
Non-controlling interests	69	152	217	180
	<u>(20,317)</u>	<u>89,422</u>	<u>24,107</u>	<u>(9,214)</u>
<b>Loss per share attributable to owners of the Company:</b>				
Basic loss per share (sen)	<u>(0.59)</u>	<u>(0.19)</u>	<u>(0.58)</u>	<u>(1.47)</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 October 2023 and the accompanying explanatory notes)

**ECO WORLD INTERNATIONAL BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 APRIL 2024**

*(The figures have not been audited)*

	As At 30 APRIL 2024 RM'000	As At 31 OCTOBER 2023 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Plant and equipment	499	1,321
Goodwill	-	31
Investment in joint ventures	265,505	270,038
Inventories - land held for development	149,388	143,809
Amounts owing by joint ventures	720,896	606,324
Deferred tax assets	622	213
	<u>1,136,910</u>	<u>1,021,736</u>
<b>Current assets</b>		
Inventories - property development costs	4,174	31,370
Amounts owing by joint ventures	254,951	296,759
Trade and other receivables	22,886	23,321
Contract costs	-	60
Current tax assets	2,536	1,040
Other investments	34	33
Cash and cash equivalents	122,652	295,207
	<u>407,233</u>	<u>647,790</u>
<b>TOTAL ASSETS</b>	<u>1,544,143</u>	<u>1,669,526</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	1,092,454	1,092,454
Exchange translation reserve	122,024	84,189
Retained earnings	320,234	478,179
<b>Equity attributable to owners of the Company</b>	<u>1,534,712</u>	<u>1,654,822</u>
Non-controlling interests	953	736
<b>Total equity</b>	<u>1,535,665</u>	<u>1,655,558</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	9	41
	<u>9</u>	<u>41</u>

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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 APRIL 2024 (continued)**  
*(The figures have not been audited)*

	<b>As At</b>	<b>As At</b>
	<b>30 APRIL 2024</b>	<b>31 OCTOBER 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Current liabilities</b>		
Trade and other payables	6,639	9,257
Current tax liabilities	1,830	4,670
	8,469	13,927
<b>Total liabilities</b>	8,478	13,968
<b>TOTAL EQUITY AND LIABILITIES</b>	1,544,143	1,669,526
<b>Net assets per share attributable to owners of the Company (RM)</b>	0.64	0.69

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 October 2023 and the accompanying explanatory notes)

**ECO WORLD INTERNATIONAL BERHAD**  
**(Registration No: 201301030020 (1059850-A))**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 APRIL 2024**

*(The figures have not been audited)*

	←----- <i>Attributable to owners of the Company</i> -----→						
	←----- <i>Non-distributable</i> -----→			Distributable retained earnings/ (Accumulated losses)	Total	Non- controlling interests	Total equity
	Share capital RM'000	Hedging reserve RM'000	Exchange translation reserve RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 November 2023</b>	1,092,454	-	84,189	478,179	1,654,822	736	1,655,558
Other comprehensive income/(loss) for the period:							
- Exchange differences on translation of foreign operations	-	-	37,835	-	37,835	24	37,859
(Loss)/Income for the period	-	-	-	(13,945)	(13,945)	193	(13,752)
Total comprehensive income/(loss) for the period	-	-	37,835	(13,945)	23,890	217	24,107
<i>Transactions with owners of the Company:</i>							
Dividends paid to owners of the Company	-	-	-	(144,000)	(144,000)	-	(144,000)
<b>At 30 APRIL 2024</b>	1,092,454	-	122,024	320,234	1,534,712	953	1,535,665
<b>At 1 November 2022</b>	2,592,454	(832)	12	(144,447)	2,447,187	1,001	2,448,188
Other comprehensive income/(loss) for the period:							
- Hedge of net investment	-	227	-	-	227	-	227
- Exchange differences on translation of foreign operations	-	-	25,756	-	25,756	22	25,778
(Loss)/Income for the period	-	-	-	(35,377)	(35,377)	158	(35,219)
Total comprehensive income/(loss) for the period	-	227	25,756	(35,377)	(9,394)	180	(9,214)
<b>At 30 APRIL 2023</b>	2,592,454	(605)	25,768	(179,824)	2,437,793	1,181	2,438,974

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 October 2023 and the accompanying explanatory notes)

**ECO WORLD INTERNATIONAL BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 APRIL 2024**

*(The figures have not been audited)*

	<b>6 MONTHS ENDED</b>	
	<b>30 APRIL 2024</b>	<b>30 APRIL 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Loss before tax	(12,342)	(32,477)
Adjustments for:		
Non-cash items	9,113	12,290
Non-operating items	(4,602)	2,229
Operating loss before working capital changes	<u>(7,831)</u>	<u>(17,958)</u>
Changes in inventories	26,076	30,233
Changes in receivables and other current assets	552	1,857
Changes in payables and other current liabilities	(2,731)	1,051
Changes in contract liabilities	-	(528)
Cash generated from operations	<u>16,066</u>	<u>14,655</u>
Interest received	1,025	254
Tax paid	(6,297)	(3,121)
Tax refund	-	531
<b>Net cash generated from operating activities</b>	<u><u>10,794</u></u>	<u><u>12,319</u></u>
<b>Cash Flows From Investing Activities</b>		
Purchase of plant and equipment	(24)	-
Proceeds from disposal of plant and equipment	2	-
Net (advances to)/advances repaid by joint ventures	(62,847)	461,171
Placement of other investment	-	(239,882)
Dividends received from joint venture	19,301	-
Interest received	3,576	12,910
<b>Net cash (used in)/generated from investing activities</b>	<u><u>(39,992)</u></u>	<u><u>234,199</u></u>
<b>Cash Flows From Financing Activities</b>		
Drawdown of borrowings	-	261,332
Repayment of borrowings	-	(474,053)
Dividends paid to owners of the Company	(144,000)	-
Repayment of lease liabilities	-	(505)
Interest paid in relation to lease liabilities	-	(40)
Interest paid	-	(15,269)
<b>Net cash used in financing activities</b>	<u><u>(144,000)</u></u>	<u><u>(228,535)</u></u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 APRIL 2024 (continued)**  
*(The figures have not been audited)*

	<b>6 MONTHS ENDED</b>	
	<b>30 APRIL 2024</b>	<b>30 APRIL 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Net changes in cash and cash equivalents</b>	(173,198)	17,983
<b>Cash and cash equivalents at 1 November 2023/ 2022</b>	295,207	614,220
<b>Effect of exchange rate changes</b>	643	9,172
<b>Cash and cash equivalents at 30 April 2024/ 2023</b>	122,652	641,375
 <b>Cash and cash equivalents comprise the following:</b>		
Deposits	93,475	615,297
Cash and bank balances	29,177	26,078
	122,652	641,375

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 October 2023 and the accompanying explanatory notes)



## A. NOTES TO THE INTERIM FINANCIAL REPORT

### A1. Basis of Preparation

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting, International Accounting Standard (“IAS”) 34, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

This interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2023.

The interim financial report does not include all of the information required for a complete set of MFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to assist in understanding the changes in the Group’s financial position and performance since the last annual financial statements.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 October 2023, except for the adoption of the following new MFRSs, Amendments to MFRSs and Issues Committee Interpretations (“IC Interpretations”), which are relevant to the Group and effective for annual periods beginning on or after 1 November 2023:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 101	Presentation of Financial Statements – Disclosures 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

The adoption of the above new MFRSs, Amendments to MFRSs and IC Interpretations does not have any impact to the Interim Financial Statements of the Group.

**A2. Seasonal or Cyclical Factors**

The business operations of the Group during the financial period ended 30 April 2024 have not been materially affected by any seasonal or cyclical factors.

**A3. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 April 2024.

**A4. Changes in Estimates**

There were no material changes in estimates during the financial period ended 30 April 2024.

**A5. Debt and Equity Securities**

There were no issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares or resale of treasury shares during the financial period ended 30 April 2024.

**A6. Dividends Paid**

On 17 January 2024, the Company paid final dividend of 6 sen per share on the 2,400,001,780 ordinary shares in issue, amounting to RM144,000,107 in respect of the financial year ended 31 October 2023.

**A7. Segmental Reporting**

The Group's operating and reportable segments are business units operating in different geographical locations:

- (i) United Kingdom - the areas of operation are principally real estate development activities and provision of advisory and project monitoring services;
- (ii) Australia - the area of operation is principally real estate development activities; and
- (iii) Malaysia - the areas of operation are investment holding and promotional and marketing services.

**A7. Segmental Reporting (continued)**

The segmental analysis for the financial period ended 30 April 2024 is as follows:

	<b>United Kingdom RM'000</b>	<b>Australia RM'000</b>	<b>Malaysia RM'000</b>	<b>Eliminations RM'000</b>	<b>Total RM'000</b>
<u>Revenue</u>					
External revenue	-	31,690	263	(129)	31,824
Inter-segment revenue	-	-	-	-	-
Total revenue	-	31,690	263	(129)	31,824
Segment results	(6,708)	993	(7,347)	-	(13,062)
Share of results in a joint venture	6,678	-	-	-	6,678
Impairment loss on amount owing by a joint venture	(18,000)	-	-	-	(18,000)
Depreciation	(9)	(56)	(11)	-	(76)
Gain on foreign exchange	-	(1)	7,138	-	7,137
Other income	-	377	3	-	380
Finance income	21	932	3,648	-	4,601
(Loss)/Profit before tax	(18,018)	2,245	3,431	-	(12,342)
Taxation	(258)	(1,152)	-	-	(1,410)
(Loss)/Profit for the period	(18,276)	1,093	3,431	-	(13,752)

<i>Main foreign currency</i>	<i>GBP</i>	<i>AUD</i>	<i>RM</i>
<i>Exchange ratio of 1 unit of foreign currency to RM<sup>(1)</sup></i>	<i>5.9524</i>	<i>3.1027</i>	<i>1.0000</i>

	<b>United Kingdom RM'000</b>	<b>Australia RM'000</b>	<b>Malaysia RM'000</b>	<b>Eliminations RM'000</b>	<b>Total RM'000</b>
Segment assets	1,266,991	180,315	96,837	-	1,544,143
Segment liabilities	1,510	4,260	2,708	-	8,478
<u> </u>					
<i>Main foreign currency</i>	<i>GBP</i>	<i>AUD</i>	<i>RM</i>		
<i>Exchange ratio of 1 unit of foreign currency to RM<sup>(2)</sup></i>	<i>5.9813</i>	<i>3.1139</i>	<i>1.0000</i>		

*Note:*

<sup>(1)</sup> Average rates for the financial period ended 30 April 2024.

<sup>(2)</sup> Closing rates as at 30 April 2024.

**A8. Significant Events after the End of the Interim Financial Period**

There were no significant events after 30 April 2024 until 18 June 2024, the latest practicable date from the date of issue of this interim financial report other than as disclosed in Note B6.

**A9. Changes in the Composition of the Group**

- (a) There were no changes in the composition of the Group during the financial period ended 30 April 2024.
- (b) There were no changes in the composition of the Group during the period between 1 May 2024 until 18 June 2024, being the latest practicable date from the date of issue of this interim financial report.

**A10. Commitments and Contingencies**

**As at  
30/04/2024  
RM'000**

Approved and contracted for commitment to fund joint ventures:

(i) Eco World-Ballymore Holding Company Limited (“EW Ballymore”) by way of share subscription and shareholder’s advances ( <i>Note a</i> )	176,733
(ii) Eco World London by way of shareholder’s advances ( <i>Note b</i> )	60,888
(iii) Eco World London DMCo by way of shareholder’s advances ( <i>Note b</i> )	-
	-

*Note a*

This represents the balance of the undrawn commitments which the shareholders of EW Ballymore have committed to fund under the shareholders’ agreement. The likelihood of EW Ballymore drawing any undrawn commitments or requiring further funding in the future is low considering that construction of the joint venture projects have been completed, there is no outstanding banking facilities and EW Ballymore group has made sufficient distributions to repay the shareholders’ advances in full (excluding interest on advances).

*Note b*

This represents the balance of the committed funding which the shareholders of EcoWorld London have committed to fund under the shareholders’ agreement. Drawing on the balance of the committed funding will continuously be made for working capital requirements and meeting other obligations of the EcoWorld London group.

**A11. Significant Related Party Transactions**

	<b>6 MONTHS ENDED 30/04/2024 RM'000</b>
(i) Transactions with joint ventures	
- Advances to joint ventures	112,816
- Repayment of advances by joint ventures	50,485
- Dividend received from a joint venture	19,301
- Sales commission received/receivable from joint ventures	262
(ii) Transactions with wholly-owned subsidiaries of Eco World Development Group Berhad (“EW Berhad”) where certain directors of the Company are also the directors of EW Berhad	
- Agent fees paid or payable	66
- Support service fees paid or payable	134
- Rental paid or payable	90
- Secondment fee	1,684
(iii) Transaction with a joint venture of EW Berhad where certain directors of the Company are also the directors of EW Berhad	
- Rental paid or payable	19
(iv) Transaction with a company where a subsidiary director has interest	
- Consultancy fee paid or payable	189

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of Group Performance**

	3 MONTHS ENDED			6 MONTHS ENDED		
	30/04/2024 RM'000	30/04/2023 RM'000	CHANGES RM'000	30/04/2024 RM'000	30/04/2023 RM'000	CHANGES RM'000
Gross profit	151	5,340	(5,189)	3,836	9,676	(5,840)
Share of results in a joint venture	2,372	(28,680)	31,052	6,678	(24,646)	31,324
(Loss)/Profit before interest and tax	(13,869)	5,292	(19,161)	(12,342)	(17,083)	4,741
Loss before tax	(13,869)	(2,120)	(11,749)	(12,342)	(32,477)	20,135
Loss for the period	(14,054)	(4,465)	(9,589)	(13,752)	(35,219)	21,467
Loss for the period attributable to owners of the Company	(14,127)	(4,556)	(9,571)	(13,945)	(35,377)	21,432

**(a) 2Q 2024 vs. 2Q 2023**

The Group's revenue comprises the property sales proceeds from its projects in Australia, namely West Village and Yarra One, and fees for marketing services rendered by a subsidiary to the Group's joint venture in respect of property sales of its projects in the UK. The Group recorded a lower revenue in 2Q 2024 of RM0.2 million as compared to 2Q 2023 of RM22.70 million as there were no units sold and handed over to customers of projects in Australia in the current quarter following the sell-out of all residential units leaving 2 commercial units unsold.

Revenue recorded by the Group's joint-ventures totalled RM165.86 million (2Q 2023: RM314.51 million), of which the Group's effective share (unconsolidated) amounted to RM120.80 million (2Q 2023: RM224.37 million), mainly due to lower sales completions as both joint ventures are gradually selling down its completed inventories. However, the Group recorded share of profits in a joint venture during the current quarter as opposed to losses in the previous corresponding financial quarter. This was contributed by Eco World-Ballymore's profit in the current quarter as a result of lower inventory holding costs following the progressive monetisation of inventories. Furthermore, the Group had since discontinued recognition of share of further losses in Eco World London in 1Q 2024 upon full write-down of its investment in the joint venture as opposed to share of losses recognised during 2Q 2023 arising from increased construction and defects rectification costs.

The Group recorded a loss before tax ("LBT") of RM13.87 million during the quarter as compared to LBT of RM2.12 million reported for 2Q 2023. In addition to the above, the higher LBT reported in the current financial quarter was due to:

- i. lower foreign exchange gains arising from appreciation of British Pound ("GBP") against Ringgit Malaysia ("RM") on GBP-denominated bank balances as a result of lower GBP-denominated bank balances held at end of 2Q 2024;

## **B1. Review of Group Performance (continued)**

### **(a) 2Q 2024 vs. 2Q 2023 (continued)**

- ii. despite the Group having discontinued recognition of share of further losses in Eco World London in the current quarter, an additional impairment of the amount owing by Eco World London was recognised in the current quarter of RM10.77 million. This follows losses recorded by Eco World London during the current quarter as the joint venture continue to sell its remaining completed inventories, closing completed projects through defect liability period and invest in obtaining planning and enhancing value for its land bank projects; and
- iii. lower interest income from unit trust and fixed deposit following dividend payment in 4Q 2023 and 1Q 2024.

### **(b) 2Q YTD 2024 vs. 2Q YTD 2023**

Revenue for the Group for 2Q YTD 2024 of RM31.82 million was RM13.25 million lower than the corresponding period of RM45.07 million as a result of all residential units in West Village and Yarra One having been sold by the current period.

Revenue recorded by the Group's joint-ventures totalled RM391.50 million (2Q YTD 2023: RM802.27 million), of which the Group's effective share (unconsolidated) amounted to RM285.76 million (2Q YTD 2023: RM553.52 million). However, the Group recorded share of profits in a joint venture during the current period as opposed to losses in the previous corresponding financial period. This was contributed by Eco World-Ballymore which recorded profit as a result of product mix with higher profit margin and lower inventory holding costs following the progressive monetisation of inventories. Furthermore, the Group had since discontinued recognition of share of further losses in Eco World London in 1Q YTD 2024 as opposed to share of losses recognised during 2Q YTD 2023 arising from increased construction and defects rectification costs.

The Group recorded a LBT of RM12.34 million in the current financial period, as compared to LBT of RM32.48 million reported for 2Q YTD 2023. The lower LBT reported in the current financial period was mainly due to:

- i. lower finance costs as a result of full settlement of all borrowings during 3Q 2023;
- ii. improved share of results from Eco World-Ballymore and lower losses from Eco World London being recognised as impairment of amount owing by Eco World London in the current period as compared to share of losses in Eco World London in the previous corresponding period as it approaches closure of defect liability period of its completed projects; and
- iii. higher foreign exchange gains mainly due to gains recognised during the current period arising from appreciation of GBP against RM on repayment of shareholder's advances from Eco World-Ballymore and GBP-denominated bank balances.

**B2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter**

	<b>3 MONTHS ENDED</b>		
	<b>30/04/2024</b>	<b>31/01/2024</b>	<b>CHANGES</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Gross profit	151	3,685	(3,534)
Share of results in a joint venture	2,372	4,306	(1,934)
(Loss)/Profit before interest and tax	(13,869)	1,527	(15,396)
(Loss)/Profit before tax	(13,869)	1,527	(15,396)
(Loss)/Profit for the period	(14,054)	302	(14,356)
(Loss)/Profit for the period attributable to owners of the Company	<u>(14,127)</u>	<u>182</u>	<u>(14,309)</u>

The Group recorded LBT of RM13.87 million in the current quarter as opposed to PBT of RM1.53 million in the preceding quarter ended 31 January 2024.

The losses recorded in the current quarter were mainly due to the following:

- i. no units sold and handed over to customers in the current quarter for the projects in Australia;
- ii. lower foreign exchange gains due to higher appreciation of GBP against RM on GBP-denominated bank balances in the previous quarter and lower GBP-denominated bank balances held during 2Q 2024; and
- iii. Eco World London recorded higher losses in the current quarter being recognised as impairment of amount owing by Eco World London following downward revision of project profit margins due to additional defects rectification costs, inventory holding costs and discounts to expedite sales of remaining completed units.

**B3. Sales Achieved and Prospects for the Current Financial Period**

<b>PROJECTS</b>	<b>DEVELOPMENT LAND</b>	<b>CUMULATIVE SALES</b>	<b>7 MONTHS ENDED 31/05/2024<sup>(1)</sup></b>		<b>Effective Future Revenue<sup>(3)</sup></b>
	<b>As at 31/5/2024 (Acres)</b>	<b>As at 31/5/2024 RM'mil</b>	<b>Units Sold<sup>(2)</sup></b>	<b>Sales value RM'mil</b>	<b>RM'mil</b>
London	50.7	18,185	74	407	175
Sydney	1.9	994	1	6	-
Melbourne	0.5	749	2	20	-
<b>Total<sup>4</sup></b>	<b>53.1</b>	<b>19,928</b>	<b>77</b>	<b>433</b>	<b>175</b>

Notes:

(1) Based on exchange rates of £1:RM5.9824 and A\$1:RM3.1252 as at May 31, 2024

(2) Refer to number of units exchanged only.

(3) Effective future revenue based on effective stake in joint ventures and subsidiaries as at May 31, 2024

(4) Total may not add up because of rounding

EcoWorld International achieved RM433 million sales in 7 months of FY2024. This, plus reserves of RM85 million, add up to a total of RM518 million. Embassy Gardens, which brought in RM166 million sales, was the biggest contributor to sales, followed by Wardian (RM153 million), and Millbrook Park (RM41 million).

The sales continue to generate healthy cashflows for the Group. Including the Group's share of cash balances at joint ventures, the Group has total cash balance of RM349 million as at 30 April 2024. The effective future revenue of RM175 million as at 31 January 2024 is expected to contribute positively towards the cash balance in the near term.



**B3. Sales Achieved and Prospects for the Current Financial Period (continued)**

	<b>As at 31 Oct 2023 RM'000</b>	<b>As at 30 Apr 2024 RM'000</b>
Net cash, deposits and other investments <sup>1</sup> at Eco World International & subsidiaries	295,240	122,686
Net cash/(debt) balances at joint ventures (effective share by the Group)	(14,323)	226,775
<b>Net cash (including net cash at joint ventures)</b>	<b>280,917</b>	<b>349,461</b>

Notes:

(1) Other investments relate to deposits that must be maintained for financing facilities

As at 31 May 2024, the Group also has approximately RM400 million of completed stocks that are available for sale, of which the Group's effective share is approximately RM300 million. The Board is maintaining the target of generating excess cash of up to RM500 million by selling these stocks over 2024 and 2025. This is with the view towards returning the excess cash to shareholders after setting aside sufficient funds for working capital of the remaining projects.

Home prices in London have softened in recent months, with the UK's Office for National Statistics reporting a 3.0% decline in London house prices between December 2023 and March 2024. Demand for housing in the UK may be muted in the near term, given the uncertainties over policy direction as the UK heads into a general election in July 2024. Market expectations of rate cuts in the later part of 2024 may further compound the slowdown in demand as homebuyers wait for lower mortgage rates.

Despite the softening home prices, construction costs in the UK have continued to rise by 1.8% between December 2023 and March 2024<sup>(a)</sup>, driven by a tight labour market and high commodity prices. In light of these market conditions, the Board believes it remains unconvincing for the Group to undertake any new launches or acquisitions in the near term.

The UK real estate market nonetheless presents opportunities in the longer term as there is a limited supply of homes to meet demand. Rental rates in London rose by 7% in 2023 and have so far been holding steady this year<sup>(b)</sup>, indicating a strong underlying demand for housing in London relative to its supply. The Group will continue to review the feasibility of remaining sites and proceed with launches when cost pressures stabilise and the expected returns of undertaking such launches can be forecast with greater certainty.

Sources:

- a) UK's Office For National Statistics
- b) Rightmove's Rental Price Tracker

**B4. Variance of Actual Profit from Forecast Profit**

There was no profit forecast published as at 30 April 2024.

**B5. Taxation**

Taxation comprises:

	<b>3 MONTHS ENDED</b>		<b>6 MONTHS ENDED</b>	
	<b>30/04/2024</b>	<b>30/04/2023</b>	<b>30/04/2024</b>	<b>30/04/2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax				
Malaysian tax				
- current quarter/period	-	1,392	-	1,392
Foreign tax				
- current quarter/period	110	1,552	1,847	2,473
Deferred tax				
Foreign tax				
- current quarter/period	75	(599)	(437)	(1,174)
- in respect of prior years	-	-	-	51
	<u>185</u>	<u>2,345</u>	<u>1,410</u>	<u>2,742</u>

Tax expenses are provided for profitable subsidiaries and any taxable other income of the holding company as losses in other subsidiaries were not available to set-off against the taxable profits within the Group.

**B6. Status of Corporate Proposals**

As at 18 June 2024, there is no corporate proposal that has been announced by the Company which is yet to be completed.

**B7. Group Borrowings and Debt Securities**

During the current quarter, the Group does not have any borrowings and debt securities.

**B8. Material Litigation**

The Group was not engaged in any material litigation as at 18 June 2024, being the latest practicable date from the date of issue of this interim financial report.

**B9. Dividends Declared**

The Board of Directors has declared the First Interim Dividend in respect of the financial year ending 31 October 2024:

Amount per share	: 6 sen single tier dividend
Entitlement to dividends based on record of depositors as at	: 04 July 2024
Date payable	: 24 July 2024

**B10. Earnings Per Share Attributable to Owners of the Company**

Basic loss per share attributable to owners of the Company

Basic loss per share have been calculated by dividing the Group's loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue. The weighted average number of ordinary shares in issue is calculated as follows:

	<b>3 MONTHS ENDED</b>		<b>6 MONTHS ENDED</b>	
	<b>30/04/2024</b>	<b>30/04/2023</b>	<b>30/04/2024</b>	<b>30/04/2023</b>
Loss for the period attributable to owners of the Company (RM'000)	<u>(14,127)</u>	<u>(4,556)</u>	<u>(13,945)</u>	<u>(35,377)</u>
Weighted average number of ordinary shares ('000)	2,400,002	2,400,002	2,400,002	2,400,002
Basic Loss Per Ordinary Share (sen)	<u>(0.59)</u>	<u>(0.19)</u>	<u>(0.58)</u>	<u>(1.47)</u>

**B11. Auditors' Report on Preceding Annual Financial Statements**

The preceding audited financial statements for the year ended 31 October 2023 were unqualified.

**B12. Notes to the Statement of Comprehensive Income**

Comprehensive (loss)/income has been arrived at after crediting/(charging):

	<b>3 MONTHS ENDED 30/04/2024 RM'000</b>	<b>6 MONTHS ENDED 30/04/2024 RM'000</b>
Interest income	1,590	4,601
Depreciation and amortisation	(26)	(76)
Foreign exchange gain	1,537	7,137
Impairment of goodwill	-	(31)
Impairment loss on amount owing by a joint venture	<u>(10,773)</u>	<u>(18,000)</u>

By order of the Board  
Tan Ai Ning  
Company Secretary  
19 June 2024