

PRESS RELEASE
For Immediate Release

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**EcoWorld International achieved RM549 million sales & reserves
in 10 months of FY2024**

KUALA LUMPUR: Eco World International Berhad (EcoWorld International) announced its results for 3Q 2024 today. Key points to note include the following:

- EcoWorld International recorded a narrower loss before tax of RM8.2 million in 3Q 2024 compared to loss before tax of RM10.1 million in 3Q 2023 mainly due to:
 - Improved share of results in joint ventures arising from sales of completed units by EcoWorld-Ballymore;
 - lower marketing expenses as the projects in Australia are almost fully sold;
 - absence of interest costs due to full repayment of loans in FY2023.
- EcoWorld International achieved RM501 million sales exchanges plus reserves of RM48 million adding up to a total of RM549 million in 10 months of FY2024. Embassy Gardens, which brought in RM224 million sales, was the biggest contributor, followed by Wardian (RM146 million), and Millbrook Park (RM55 million).
- Including the net cash balances at joint ventures, the Group has a total net cash balance of RM271 million as at 31 July 2024.

Comments on EcoWorld International's performance by Dato' Teow Leong Seng, President & CEO

As at 31 August 2024, we have reduced the value of unsold completed stocks to about RM330 million of which the Group's effective share is approximately RM240 million. Roughly one-third of the unsold stocks by value are commercial units that are primarily marketed to investors.

As the current high interest rate increases the rental yield expectation of these commercial units, the Group is focusing on leasing them to commercial tenants. The intention is to sell these units to investors once the expected rental yields return to more favourable levels. Meanwhile, the remaining residential units are being actively marketed and are expected to be the primary source of cash flow for the Group in the near term. The Group's target to generate excess cash of up to RM500 million for distributions to shareholders over 2024 and 2025 remains unchanged - the first tranche amounting to RM144 million has already been paid in July 2024.

Following a decline in 2023, London home prices have seen a modest recovery in 2024. However, the rise in home prices continues to lag behind increasing construction costs. While the Bank of England's recent interest rate cut has slightly reduced mortgage rates, they remain significantly above pre-COVID levels, maintaining pressure on housing affordability.

Given the uncertainty around the profitability of new developments, the Group is prioritising the sale of completed inventory and distributing surplus cash to shareholders. The Group will continue to assess the viability of its remaining sites and will proceed with new launches only when market conditions are more conducive and expected returns can be projected with greater confidence.

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 real estate development outside Malaysia.

It has 18 existing and upcoming projects in the United Kingdom and Australia with total gross development value of GBP4.6 billion and AUD0.7 billion respectively.

EcoWorld International's entry into the UK began with the EcoWorld-Ballymore joint-venture that has developed three prime waterside residential projects in London. In 2018, EcoWorld London was launched giving the Group a presence in the UK mid-mainstream market and 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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