

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

Interim Financial Report
31 October 2024

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Interim Financial Report - 31 October 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 YEAR ENDED 31 OCTOBER 2024
(The figures have not been audited)

	3 MONTHS ENDED		12 MONTHS ENDED	
	31 OCTOBER 2024 RM'000	31 OCTOBER 2023 RM'000	31 OCTOBER 2024 RM'000	31 OCTOBER 2023 RM'000
Revenue	1,328	28,554	33,152	104,798
Direct expenses	(942)	(23,941)	(28,930)	(86,803)
Gross profit	<u>386</u>	<u>4,613</u>	<u>4,222</u>	<u>17,995</u>
Other income	1,818	6,604	9,357	30,674
Marketing expenses	(239)	(1,529)	(1,248)	(5,780)
Administrative and general expenses	(5,805)	(10,627)	(49,771)	(36,134)
Reversal of impairment loss on investment in a joint venture	2,440	64,673	2,440	64,673
Impairment loss on amount owing by a joint venture	(10,140)	(90,961)	(29,513)	(90,961)
Gain on foreign exchange	2,764	15,530	19,357	31,637
Finance costs	-	(12)	-	(16,598)
Share of results in joint ventures	(3,309)	(25,225)	12,481	(75,029)
Loss before tax	<u>(12,085)</u>	<u>(36,934)</u>	<u>(32,675)</u>	<u>(79,523)</u>
Taxation	(204)	(664)	(1,627)	(5,465)
Loss for the period/year	<u>(12,289)</u>	<u>(37,598)</u>	<u>(34,302)</u>	<u>(84,988)</u>
Other comprehensive (loss)/income, net of tax				
<i>Items that may be reclassified to profit or loss subsequently:</i>				
Hedge of net investment	-	-	-	832
Exchange differences on translation of foreign operations	(44,641)	(8,398)	(40,263)	84,252
Total comprehensive (loss)/income for the period/year	<u>(56,930)</u>	<u>(45,996)</u>	<u>(74,565)</u>	<u>96</u>
Loss for the period/year attributable to:				
Owners of the Company	(12,210)	(37,694)	(34,346)	(85,373)
Non-controlling interests	(79)	96	44	385
	<u>(12,289)</u>	<u>(37,598)</u>	<u>(34,302)</u>	<u>(84,988)</u>
Total comprehensive (loss)/income for period/year attributable to:				
Owners of the Company	(56,823)	(46,095)	(74,592)	(364)
Non-controlling interests	(107)	99	27	460
	<u>(56,930)</u>	<u>(45,996)</u>	<u>(74,565)</u>	<u>96</u>
Loss per share attributable to owners of the Company:				
Basic loss per share (sen)	<u>(0.51)</u>	<u>(1.57)</u>	<u>(1.43)</u>	<u>(3.56)</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 31 OCTOBER 2024

(The figures have not been audited)

	As At 31 OCTOBER 2024 RM'000	As At 31 OCTOBER 2023 RM'000
ASSETS		
Non-current assets		
Plant and equipment	424	1,321
Goodwill	-	31
Investment in joint ventures	4,354	270,038
Inventories - land held for development	138,485	143,809
Amounts owing by joint ventures	551,675	606,324
Deferred tax assets	-	213
	<u>694,938</u>	<u>1,021,736</u>
Current assets		
Inventories - property development costs	2,954	31,370
Amounts owing by joint ventures	325,027	296,759
Trade and other receivables	533	23,321
Contract costs	-	60
Current tax assets	2,577	1,040
Other investments	-	33
Cash and cash equivalents	273,026	295,207
	<u>604,117</u>	<u>647,790</u>
TOTAL ASSETS	<u>1,299,055</u>	<u>1,669,526</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	592,454	1,092,454
Exchange translation reserve	43,943	84,189
Retained earnings	655,833	478,179
Equity attributable to owners of the Company	<u>1,292,230</u>	<u>1,654,822</u>
Non-controlling interests	763	736
Total equity	<u>1,292,993</u>	<u>1,655,558</u>
Non-current liabilities		
Deferred tax liabilities	8	41
	<u>8</u>	<u>41</u>

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2024 (continued)
(The figures have not been audited)

	As At	As At
	31 OCTOBER 2024	31 OCTOBER 2023
	RM'000	RM'000
Current liabilities		
Trade and other payables	4,334	9,257
Current tax liabilities	1,720	4,670
	6,054	13,927
Total liabilities	6,062	13,968
TOTAL EQUITY AND LIABILITIES	1,299,055	1,669,526
Net assets per share attributable to owners of the Company (RM)	0.54	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 YEAR ENDED 31 OCTOBER 2024

(The figures have not been audited)

	←----- Attributable to owners of the Company -----→						
	←----- Non-distributable -----→			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
At 1 November 2023	1,092,454	-	84,189	478,179	1,654,822	736	1,655,558
Other comprehensive income/(loss) for the year:							
- Exchange differences on translation of foreign operations	-	-	(40,246)	-	(40,246)	(17)	(40,263)
(Loss)/Income for the year	-	-	-	(34,346)	(34,346)	44	(34,302)
Total comprehensive income/(loss) for the year	-	-	(40,246)	(34,346)	(74,592)	27	(74,565)
Transfer to retained earnings	(500,000)	-	-	500,000	-	-	-
<i>Transactions with owners of the Company:</i>							
Dividends paid to owners of the Company	-	-	-	(288,000)	(288,000)	-	(288,000)
At 31 OCTOBER 2024	592,454	-	43,943	655,833	1,292,230	763	1,292,993
At 1 November 2022	2,592,454	(832)	12	(144,447)	2,447,187	1,001	2,448,188
Other comprehensive income/(loss) for the year:							
- Hedge of net investment	-	832	-	-	832	-	832
- Exchange differences on translation of foreign operations	-	-	84,177	-	84,177	75	84,252
(Loss)/Income for the year	-	-	-	(85,373)	(85,373)	385	(84,988)
Total comprehensive income/(loss) for the year	-	832	84,177	(85,373)	(364)	460	96
Transfer to retained earnings	(1,500,000)	-	-	1,500,000	-	-	-
<i>Transactions with owners of the Company:</i>							
Dividend declared to owners of the Company	-	-	-	(792,001)	(792,001)	-	(792,001)
Dividend declared to non-controlling interests of a subsidiary	-	-	-	-	-	(725)	(725)
At 31 OCTOBER 2023	1,092,454	-	84,189	478,179	1,654,822	736	1,655,558

(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 YEAR ENDED 31 OCTOBER 2024

(The figures have not been audited)

	12 MONTHS ENDED	
	31 OCTOBER 2024	31 OCTOBER 2023
	RM'000	RM'000
Cash Flows From Operating Activities		
Loss before tax	(32,675)	(79,523)
Adjustments for:		
Non-cash items	21,927	94,494
Non-operating items	(8,203)	(12,096)
Operating (loss)/profit before working capital changes	<u>(18,951)</u>	<u>2,875</u>
Changes in inventories	26,829	81,289
Changes in receivables and other current assets	1,282	1,717
Changes in payables and other current liabilities	(4,925)	2,566
Changes in contract liabilities	-	(614)
Changes in derivatives	-	(605)
Cash generated from operations	<u>4,235</u>	<u>87,228</u>
Interest received	1,559	721
Tax paid	(6,352)	(5,575)
Tax refund	397	1,150
Net cash (used in)/generated from operating activities	<u>(161)</u>	<u>83,524</u>
Cash Flows From Investing Activities		
Purchase of plant and equipment	(32)	(41)
Proceeds from disposal of plant and equipment	3	114
Net advances repaid by joint ventures	242,019	830,089
Withdrawal of other investment	33	41,090
Dividends received from joint venture	19,301	-
Interest received	6,611	27,588
Net cash generated from investing activities	<u>267,935</u>	<u>898,840</u>
Cash Flows From Financing Activities		
Drawdown of borrowings	-	261,332
Repayment of borrowings	-	(744,053)
Dividends paid to owners of the Company	(288,000)	(792,001)
Dividend paid to non-controlling interests of a subsidiary	-	(725)
Repayment of lease liabilities	-	(1,051)
Interest paid in relation to lease liabilities	-	(68)
Interest paid	-	(23,799)
Net cash used in financing activities	<u>(288,000)</u>	<u>(1,300,365)</u>

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2024 (continued)
(The figures have not been audited)

	12 MONTHS ENDED	
	31 OCTOBER 2024	31 OCTOBER 2023
	RM'000	RM'000
Net changes in cash and cash equivalents	(20,226)	(318,001)
Cash and cash equivalents at 1 November 2023/ 2022	295,207	614,220
Effect of exchange rate changes	(1,955)	(1,012)
Cash and cash equivalents at 31 October 2024/ 2023	273,026	295,207
 Cash and cash equivalents comprise the following:		
Deposits	207,973	257,291
Cash and bank balances	65,053	37,916
	273,026	295,207

(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 year ended 31 October 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 year ended 31 October 2024.

A4. Changes in Estimates

There were no material changes in estimates during the financial year ended 31 October 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 year ended 31 October 2024.

A6. Dividends Paid

During the financial year ended 31 October 2024, the Company paid the following dividends:

- a) 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; and
- b) On 24 July 2024, the Company paid first interim 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 2024.

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 year ended 31 October 2024 is as follows:

	United Kingdom RM'000	Australia RM'000	Malaysia RM'000	Eliminations RM'000	Total RM'000
Revenue					
External revenue	-	33,004	317	(169)	33,152
Inter-segment revenue	-	-	-	-	-
Total revenue	-	33,004	317	(169)	33,152
Segment results	(11,924)	(114)	(12,702)	-	(24,740)
Share of results in a joint venture	12,481	-	-	-	12,481
Reversal of impairment losses on investment in a joint venture	2,440	-	-	-	2,440
Planning costs written off	(21,930)	-	-	-	(21,930)
Impairment loss on amount owing by a joint venture	(29,513)	-	-	-	(29,513)
Depreciation	(19)	(86)	(22)	-	(127)
Gain on foreign exchange	-	2	19,355	-	19,357
Other income	-	1,149	5	-	1,154
Finance income	71	1,439	6,693	-	8,203
(Loss)/Profit before tax	(48,394)	2,390	13,329	-	(32,675)
Taxation	(114)	(1,540)	27	-	(1,627)
(Loss)/Profit for the year	(48,508)	850	13,356	-	(34,302)
<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⁽¹⁾</i>	<i>5.8733</i>	<i>3.0445</i>	<i>1.0000</i>		
	United Kingdom RM'000	Australia RM'000	Malaysia RM'000	Eliminations RM'000	Total RM'000
Segment assets	924,895	165,191	208,969	-	1,299,055
Segment liabilities	1,374	2,108	2,580	-	6,062
<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⁽²⁾</i>	<i>5.7052</i>	<i>2.8832</i>	<i>1.0000</i>		

Note:

⁽¹⁾ Average rates for the financial year ended 31 October 2024.

⁽²⁾ Closing rates as at 31 October 2024.

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

There were no significant events after 31 October 2024 until 10 December 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) The following are changes in the composition of the Group during the financial year ended 31 October 2024:
- (i) disposal of all shares held in Apo Group Limited, together with its wholly owned subsidiary, Apo People Limited on 4 July 2024. Apo Group Limited was a wholly owned subsidiary of Eco World London Holdings Limited, an indirect 70% owned joint venture company of the Group;
 - (ii) incorporation of Be: Here Holdings ANV Phase 4 Limited on 2 April 2024;
 - (iii) incorporation of ANV Phase 4 LLP on 16 April 2024 as a 50% subsidiary of Be: Here Holdings ANV Phase 4 Limited; and
 - (iv) incorporation of ANV Phase 4 Holdings Limited on 11 September 2024, which owns 100% shareholding in Be: Here Holdings ANV Phase 4 Limited. ANV Phase 4 Holdings Limited is a wholly owned subsidiary of Be Eco World Investment Company Limited, an indirect 70% owned joint venture company of the Group.
- (b) There were no changes in the composition of the Group during the period between 31 October 2024 until 10 December 2024, being the latest practicable date from the date of issue of this interim financial report.

A10. Commitments and Contingencies

	As at 31/10/2024 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>)	168,575
(ii) Eco World London by way of shareholder’s advances (<i>Note b</i>)	104,885
(iii) Eco World London DMCo by way of shareholder’s advances (<i>Note b</i>)	<u><u>-</u></u>

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 were completed with no outstanding banking facilities and EW Ballymore group has been repaying the shareholders’ 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

	12 MONTHS ENDED 31/10/2024 RM'000
(i) Transactions with joint ventures	
- Advances to joint ventures	166,438
- Repayment of advances by joint ventures	406,856
- Dividend received from a joint venture	19,301
- Sales commission received/receivable from joint ventures	316
(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	108
- Support service fees paid or payable	268
- Rental paid or payable	180
- Secondment fee	2,973
(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			12 MONTHS ENDED		
	31/10/2024 RM'000	31/10/2023 RM'000	CHANGES RM'000	31/10/2024 RM'000	31/10/2023 RM'000	CHANGES RM'000
Gross profit	386	4,613	(4,227)	4,222	17,995	(13,773)
Share of results in a joint venture	(3,309)	(25,225)	21,916	12,481	(75,029)	87,510
Loss before interest and tax	(12,085)	(36,922)	24,837	(32,675)	(62,925)	30,250
Loss before tax	(12,085)	(36,934)	24,849	(32,675)	(79,523)	46,848
Loss for the period/year	(12,289)	(37,598)	25,309	(34,302)	(84,988)	50,686
Loss for the period/year attributable to owners of the Company	(12,210)	(37,694)	25,484	(34,346)	(85,373)	51,027

(a) 4Q 2024 vs. 4Q 2023

The Group recorded a lower revenue in 4Q 2024 of RM1.33 million as compared to 4Q 2023 of RM28.55 million following the sale of all residential units in both projects in Australia, namely West Village and Yarra One with only one commercial unit remaining.

Revenue recorded by the Group's joint-ventures totalled RM67.61 million (4Q 2023: RM328.82 million), of which the Group's effective share (unconsolidated) amounted to RM49.48 million (4Q 2023: RM241.90 million), mainly due to lower sales completions as both joint ventures are gradually selling down its completed inventories. Despite the lower revenue, the Group recorded lower share of losses in a joint venture during the current quarter. The lower losses in Eco World-Ballymore resulted from lower inventory holding costs as it sells down its inventories. Furthermore, the Group had discontinued recognition of share of further losses in Eco World London since 1Q 2024 subsequent to full write-down of its investment in the joint venture as opposed to share of losses recognised during 4Q 2023.

The Group recorded a loss before tax ("LBT") of RM12.09 million during the quarter as compared to LBT of RM36.93 million reported for 4Q 2023. The lower LBT reported in the current financial quarter was mainly due to:

- i. lower impairment loss on amount owing by Eco World London of RM10.14 million as opposed to initial recognition of impairment of RM90.96 million in the previous corresponding financial quarter ended 31 October 2023; and
- ii. lower administrative and general expenses as a result of lower staff cost and professional fees.

B1. Review of Group Performance (continued)**(a) 4Q 2024 vs. 4Q 2023 (continued)**

The above improvements were partly offset by:

- i. lower reversal of impairment on investment in Eco World-Ballymore in the current quarter of RM2.44 million as compared to RM64.67 million due to the significant progress in monetisation of inventories in the previous financial year; and
- ii. lower foreign exchange gains in the current quarter arising from appreciation of British Pound (“GBP”) against Ringgit Malaysia (“RM”) on lower repayment of shareholder’s advances from both joint ventures in the current quarter.

(b) 4Q YTD 2024 vs. 4Q YTD 2023

Revenue for the Group for 4Q YTD 2024 of RM33.15 million was RM71.65 million lower than the previous year of RM104.80 million as a result of residential units in West Village and Yarra One having been fully sold in 1Q 2024.

Revenue recorded by the Group’s joint-ventures totalled RM651.61million (4Q YTD 2023: RM1,381.40 million), of which the Group’s effective share (unconsolidated) amounted to RM477.99 million (4Q YTD 2023: RM978.00 million). However, the Group recorded share of profits in a joint venture during the current financial year as opposed to losses in the previous financial year. This was contributed by Eco World-Ballymore which recorded profit as a result of product mix with higher profit margin, gain recognised on the sale of a commercial unit and lower inventory holding costs. Furthermore, the Group had discontinued recognition of share of further losses in Eco World London since 1Q YTD 2024.

The Group recorded a LBT of RM32.68 million in the current financial year, as compared to LBT of RM79.52 million reported for 4Q YTD 2023. The lower LBT reported in the current financial year was mainly due to:

- i. improved share of results from joint ventures as mentioned above;
- ii. lower impairment loss on amount owing by Eco World London in the current financial year following lower losses recognised by the joint venture; and
- iii. no finance costs as a result of full settlement of all borrowings during 3Q 2023.

The above improvements were partially offset by the lower reversal of impairment on investment in Eco World-Ballymore, increase in administrative and general expenses being initial planning costs of £3.69 million written-off following decision not to proceed with the Quayside Barking project, lower interest income and lower foreign exchange gains during the current financial year.

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

	3 MONTHS ENDED		
	31/10/2024	31/07/2024	CHANGES
	RM’000	RM’000	RM’000
Gross profit	386	-	386
Share of results in a joint venture	(3,309)	9,112	(12,421)
Loss before interest and tax	(12,085)	(8,248)	(3,837)
Loss before tax	(12,085)	(8,248)	(3,837)
Loss for the period	(12,289)	(8,261)	(4,028)
Loss for the period attributable to owners of the Company	(12,210)	(8,191)	(4,019)

B2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter (continued)

The Group recorded LBT of RM12.09 million in the current quarter as compared to LBT of RM8.25 million in the preceding quarter ended 31 July 2024. The higher losses recorded in the current quarter were mainly due to the following:

- i. share of losses from Eco World-Ballymore as compared to share of profits in the preceding quarter mainly due to declines in fair value of commercial properties in EW-Ballymore recognised in the current quarter;
- ii. higher losses recorded by Eco World London in the current quarter being recognised as impairment of amount owing by the joint venture following accrual of additional costs in compliance with the Building Safety Act for completed projects; and
- iii. lower foreign exchange gains arising from appreciation of British Pound (“GBP”) against Ringgit Malaysia (“RM”) on lower repayment of shareholder’s advances from both joint ventures in the current quarter.

B3. Sales Achieved and Prospects for the Current Financial Year

PROJECTS	DEVELOPMENT LAND	CUMULATIVE SALES	12 MONTHS ENDED 31/10/2024 ⁽¹⁾	
	As at 31/10/2024 (Acres)	As at 31/10/2024 RM'mil	Units Sold	Sales value RM'mil
London	50.7	17,460	96	506
Sydney	1.9	918	2	7
Melbourne	0.5	691	2	19
Total⁽²⁾	53.1	19,070	100	531

Notes:

(1) Based on exchange rates of £1:RM5.7052 and A\$1:2.8832 as at Oct 31, 2024

(2) Total may not add up because of rounding

EcoWorld International achieved RM531 million sales in FY2024. This, plus reserves of RM50 million, add up to a total of RM581 million. Embassy Gardens, which brought in RM234 million sales, was the biggest contributor to sales, followed by Wardian (RM140 million), and Millbrook Park (RM63 million).

As at 31 October 2024, the value of completed stocks available for sale stands at approximately RM290 million. These stocks comprise residential and commercial units which are split in approximately equal proportions by value. While the Group intends to sell these units in FY2025, consideration will be given to market conditions, as the current high interest rates continue to dampen selling prices, especially for the commercial units, whose buyers are primarily investors.

Including the Group’s share of cash balances at joint ventures, the Group has total cash balance of RM335 million as at 31 October 2024.

	As at 31 Oct 2023 RM'000	As at 31 Oct 2024 RM'000
Net cash, deposits and other investments ¹ at Eco World International & subsidiaries	295,240	273,026
Net cash/(debt) balances at joint ventures (effective share by the Group)	(14,323)	61,637
Net cash (including net cash at joint ventures)	280,917	334,663

Notes:

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

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

Construction costs in the UK have shown signs of stabilising in recent months. However, the sharp increase in construction costs over the past few years has far outpaced the rise in home prices. According to the UK's Office for National Statistics, construction costs for new homes, as of September 2024, have risen by 28% since 2020, while London home prices have increased by only 6% during the same period. High interest rates are also discouraging investors from making purchases, as rental yields lag behind borrowing costs.

Given the uncertainty around the profitability of new launches, the Group remains focused on selling completed inventory. The Group will continue to assess the feasibility of its remaining sites and will proceed with new launches only if expected returns can be projected with greater certainty.

B4. Variance of Actual Profit from Forecast Profit

There was no profit forecast published as at 31 October 2024.

B5. Taxation

Taxation comprises:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/10/2024	31/10/2023	31/10/2024	31/10/2023
	RM'000	RM'000	RM'000	RM'000
Current tax				
Malaysian tax				
- current quarter/year	-	(744)	-	1,433
- in respect of prior years	(1)	(4)	(27)	(4)
Foreign tax				
- current quarter/year	232	1,925	2,409	4,895
- in respect of prior years	(500)	-	(902)	192
Deferred tax				
Foreign tax				
- current quarter/year	473	(513)	49	(953)
- in respect of prior years	-	-	98	(98)
	<u>204</u>	<u>664</u>	<u>1,627</u>	<u>5,465</u>

Tax expenses are provided for profitable subsidiaries and any taxable other income of the holding company.

B6. Status of Corporate Proposals

As at 10 December 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 10 December 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 a final dividend in respect of the financial year ended 31 October 2024:

Amount per share	: 5.0 sen single tier dividend
Entitlement to dividends based on record of depositors as at	: 27 December 2024
Date payable	: 14 January 2025

This will be in addition to the interim dividend of 6 sen per share which was paid to shareholders on 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/year 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:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/10/2024	31/10/2023	31/10/2024	31/10/2023
Loss for the period/year attributable to owners of the Company (RM'000)	<u>(12,210)</u>	<u>(37,694)</u>	<u>(34,346)</u>	<u>(85,373)</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>(0.51)</u>	<u>(1.57)</u>	<u>(1.43)</u>	<u>(3.56)</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):

	3 MONTHS ENDED 31/10/2024 RM'000	12 MONTHS ENDED 31/10/2024 RM'000
Interest income	1,809	8,203
Depreciation and amortisation	(24)	(127)
Foreign exchange gain	2,764	19,357
Impairment of goodwill	-	(31)
Impairment loss on amount owing by a joint venture	(10,140)	(29,513)
Planning costs written off	-	(21,930)
Plant and equipment written off	-	(793)
Reversal of impairment loss on investment in a joint venture	2,440	2,440

By order of the Board
Tan Ai Ning
Company Secretary
11 December 2024