

PRESS RELEASE
For Immediate Release

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EcoWorld Malaysia achieves RM2.4 billion sales in 7 months
37.3% increase in PAT in 2Q 2023 + 2 sen interim dividend declared

KUALA LUMPUR: Eco World Development Group Berhad (EcoWorld Malaysia) announced its results for 2Q 2023 today. Key highlights include the following:

- EcoWorld Malaysia recorded **RM2.4 billion sales in 7 months** of FY2023 representing 68.5% of the Group's FY2023 sales target. It is also higher than the RM2.17 billion recorded in the same period of FY2022.
- Demand for the products of the Group's **Eco Business Parks (EBP)** remain very strong with **7-month year-to-date sales** reaching **RM838 million**, which is **111.3% of FY2022 full year EBP sales** of RM753 million.
- **Sales of residential homes** have **exceeded RM1.22 billion** as at 31 May 2023 representing 51% of total year-to-date sales achieved. The largest contributors continue to be homes priced above RM650,000, testament to the **sustained demand for the Group's higher-end products**.
- The Group's **commercial products contributed RM341 million** to total year-to-date sales with good take-ups for new launches and continuing sales of various retail, shop and office units at the Group's matured Klang Valley and Iskandar Malaysia townships.
- The strong sales achieved **increased future revenue to RM4.29 billion** as at 31 May 2023, providing clear earnings and cashflow visibility.
- EcoWorld Malaysia recorded RM420.8 million revenue and RM107.6 million gross profit in 2Q 2023, with **gross profit margin improving to 25.6%** from 23.1% in 2Q 2022.
- The Group's Malaysian joint ventures (JV) contributed profits of RM24.1 million in 2Q 2023 which is 47.4% higher than 2Q 2022. This enabled the **Group's Malaysian operations to record a Profit After Tax (PAT) of RM62.4 million in 2Q 2023**, which is above the RM61.2 million recorded in 2Q 2022.
- EcoWorld International also contributed a RM0.3 million profit in 2Q 2023 vs a loss of RM15.6 million in 2Q 2022. This was mainly due to higher foreign exchange gain, higher interest income following repayments received from its UK JVs and lower finance costs incurred in 2Q 2023.
- Including the share of EcoWorld International's results, the Group achieved **RM62.7 million PAT for 2Q 2023** which is **37.3% higher than 2Q 2022**.
- As at 30 April 2023, EcoWorld Malaysia's **gross and net gearing levels stand at 0.53 and 0.31 times, respectively**.
- Based on the strong performance achieved, the Board of Directors has declared a **2 sen interim dividend in 2Q 2023** which is payable on 20 July 2023.

Comments on EcoWorld Malaysia's performance

"The strong sales performance achieved by EcoWorld Malaysia across all our market segments from

residential to commercial and industrial have enabled us to lock in 68.5% of our full year sales target in just 7 months. Our industrial portfolio continues to outperform with RM838 million achieved year-to-date which represents 111.3% of FY2022 full year sales from this segment. This is significant because last year was already a record year in terms of the Group’s EBP sales,” said Dato’ Chang Khim Wah, President & CEO of EcoWorld Malaysia.

“We also saw sustained demand for the Group’s residential products, particularly our upgrader homes. Total residential sales have exceeded RM1.22 billion, making up 51% of year-to-date sales achieved. The largest contributors in the first half of FY2023 have been higher-priced upgrader homes with very good take-ups observed for all our new launches in the Klang Valley, Iskandar Malaysia and Penang that were tailored to appeal to this segment of the market” Chang mentioned.

“Moving ahead, we will be launching several series of *duduk* apartments to meet the needs of first-time homeowners and those seeking to own homes at more attainable price points. Our recent March 2023 launch of *Hana D’ Eco Ardence*, the latest in our *duduk* series, was very well received with 245 units taken up in less than 2 months. These apartments have been thoughtfully designed to offer a wide and comprehensive range of amenities to residents that will meet the lifestyle needs of every generation. Registrations for upcoming launches of other new *duduk* apartments planned for the rest of 2023 have been very encouraging. We look forward to bringing this very popular product to customers at our other matured townships in the Klang Valley, Iskandar Malaysia and Penang,” he continued.

“Our commercial precincts have also done well. The 7-months sales achieved of RM341 million is already 76.5% of FY2022 full year sales from this segment. We are gratified that increasingly more investors and business owners are drawn to purchase and set up their businesses at the retail shops and offices situated within our matured townships. Many have shared that they were attracted by our relatively more affluent, diverse and fast-growing population base with good patronage from other surrounding communities. This will continue to add to the vibrancy of our commercial precincts which further enhances the liveability and overall appeal of our many townships,” Chang said.

About Eco World Development Group Berhad (EcoWorld Malaysia)

EcoWorld Malaysia is a public listed Malaysian company involved mainly in property development. The Group is led by some of the most well-known and respected players in the property industry.

It has secured approximately 8,318.3 acres of land bank with a total gross development value (GDV) of RM85 billion. Currently, EcoWorld Malaysia has a presence in the Klang Valley, Iskandar Malaysia and Penang with 20 projects in total comprising a product range that includes affordable, upgrader and luxury homes, integrated high-rise developments and green business parks.

Through Eco World International Berhad (EcoWorld International), the brand has also extended its reach to the United Kingdom and Australia.

EcoWorld Malaysia is honoured to be one of the Top 10 Developers at The Edge Malaysia Property Excellence Awards since 2016 and also proud to be named ‘Best of the Best Employers - Malaysia’ in AON’s Best Employer Studies in 2016 and 2017.

In December 2020, EcoWorld Malaysia was included in the FTSE4Good Bursa Malaysia (F4GBM) Index in recognition of the Group's efforts on Sustainability and good Economic, Social and Governance practices. Thereafter in April 2021, EcoWorld Malaysia was conferred the EdgeProp Malaysia’s Responsible Developer: Building Sustainable Development Award 2021 and also accepted as a participant of the United Nations Global Compact (UNGC) based on our commitment to making the UNGC’s principles part of the strategy, culture and day-to-day operations of our company.

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