

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 197401000725 (17777 – V))
(Incorporated in Malaysia)

Interim Financial Report
31 October 2024

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(Incorporated in Malaysia)

Interim Financial Report - 31 October 2024

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ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 197401000725 (17777 – V))
(Incorporated in Malaysia)

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024

(The figures have not been audited)

	3 MONTHS ENDED		12 MONTHS ENDED	
	31 OCTOBER 2024	31 OCTOBER 2023	31 OCTOBER 2024	31 OCTOBER 2023
	RM'000	RM'000	RM'000	RM'000
Revenue	638,450	844,456	2,258,213	2,226,862
Cost of sales	(468,568)	(669,389)	(1,647,763)	(1,688,296)
Gross profit	169,882	175,067	610,450	538,566
Other income	22,256	35,918	111,952	102,818
Selling and marketing expenses	(17,069)	(43,311)	(41,738)	(66,745)
Administrative expenses	(69,847)	(65,062)	(212,443)	(185,430)
Impairment loss on investment in a joint venture	-	(82,000)	-	(82,000)
Impairment loss on investment in an associate	(38,000)	-	(38,000)	-
Net impairment loss on financial instruments	(153)	(2,124)	(6,981)	(1,416)
Finance costs	(27,254)	(33,293)	(117,351)	(122,730)
Share of results in joint ventures, net of tax	67,887	39,477	118,367	104,106
Share of results in associates, net of tax	(3,146)	(4,615)	(17,350)	(17,146)
Profit before tax	104,556	20,057	406,906	270,023
Income tax expense	(21,136)	(16,764)	(103,367)	(80,700)
Profit net of tax	83,420	3,293	303,539	189,323
Other comprehensive income/(loss), net of tax				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation of foreign operations	543	(397)	827	(560)
Share of other comprehensive (loss)/income of an associate/ a joint venture	(12,938)	(2,268)	(12,429)	22,954
Total comprehensive income for the period/year	71,025	628	291,937	211,717
Profit net of tax attributable to:				
Owners of the Company	83,420	3,293	303,539	189,323
Non-controlling interests	-	-	-	-
	83,420	3,293	303,539	189,323
Total comprehensive income attributable to:				
Owners of the Company	71,025	628	291,937	211,717
Non-controlling interests	-	-	-	-
	71,025	628	291,937	211,717
Earnings per share attributable to owners of the Company:				
Basic earnings per share (sen)	2.83	0.11	10.30	6.43
Diluted earnings per share (sen)	2.66	0.11 *	9.84	6.43 *

* Anti-dilutive

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

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 197401000725 (17777 – V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2024

	AS AT 31 OCTOBER 2024 RM'000 UNAUDITED	AS AT 31 OCTOBER 2023 RM'000 AUDITED
ASSETS		
Non-current assets		
Property, plant and equipment	130,736	144,300
Investment property	20,648	20,434
Inventories - land held for property development	3,095,564	3,212,740
Investment in associates	331,805	54,056
Investment in joint ventures	709,004	1,056,568
Trade receivables	21,510	32,787
Lease receivables	-	432
Amount due from joint ventures	1,155,470	1,031,920
Deferred tax assets	103,842	93,170
Deposits	-	20,000
	<u>5,568,579</u>	<u>5,666,407</u>
Current assets		
Inventories - property under development	990,793	750,932
Inventories - completed properties	176,303	238,810
Contract assets	207,673	169,954
Current tax assets	84,233	96,252
Trade and other receivables	538,984	642,646
Lease receivables	-	1,278
Short-term funds	502,425	642,737
Deposits	293,560	208,451
Cash and bank balances	560,651	485,376
	<u>3,354,622</u>	<u>3,236,436</u>
TOTAL ASSETS	<u>8,923,201</u>	<u>8,902,843</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	3,619,931	3,614,868
Foreign currency translation reserve	10,577	22,179
Retained earnings	1,263,182	1,136,480
Total equity	<u>4,893,690</u>	<u>4,773,527</u>
Non-current liabilities		
Loans and borrowings	1,763,442	1,800,878
Lease liabilities	4,515	3,524
Other payables	76,230	152,460
Deferred tax liabilities	124,832	120,773
	<u>1,969,019</u>	<u>2,077,635</u>
Current liabilities		
Trade and other payables	866,223	844,384
Contract liabilities	672,296	460,570
Bank overdrafts	15,252	9,232
Loans and borrowings	495,445	730,725
Lease liabilities	3,148	3,993
Current tax liabilities	8,128	2,777
	<u>2,060,492</u>	<u>2,051,681</u>
Total liabilities	<u>4,029,511</u>	<u>4,129,316</u>
TOTAL EQUITY AND LIABILITIES	<u>8,923,201</u>	<u>8,902,843</u>
Net Assets Per Share Attributable to Owners of the Company (RM)	<u>1.66</u>	<u>1.62</u>

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

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 197401000725 (17777 – V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024

(The figures have not been audited)

	Share capital	Foreign currency translation reserve	Cash flow hedge reserve	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 November 2023	3,614,868	22,179	-	1,136,480	4,773,527
Profit for the financial year	-	-	-	303,539	303,539
Other comprehensive loss	-	(11,602)	-	-	(11,602)
Transactions with owners:					
- Conversion of Warrants 2022/2029	5,063	-	-	-	5,063
- Dividends paid	-	-	-	(176,837)	(176,837)
At 31 October 2024	3,619,931	10,577	-	1,263,182	4,893,690
At 1 November 2022	3,614,868	10	(225)	1,123,818	4,738,471
Profit for the financial year	-	-	-	189,323	189,323
Other comprehensive income	-	22,169	225	-	22,394
Transaction with owners:					
- Dividends paid	-	-	-	(176,661)	(176,661)
At 31 October 2023	3,614,868	22,179	-	1,136,480	4,773,527

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

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 197401000725 (17777 – V))
(Incorporated in Malaysia)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024

(The figures have not been audited)

	12 MONTHS ENDED	
	31 OCTOBER 2024	31 OCTOBER 2023
	RM'000	RM'000
Operating activities		
Profit before tax	406,906	270,023
Adjustments for :		
Non-cash items	(36,297)	18,207
Non-operating items	35,373	43,322
Operating cash flows before changes in working capital	405,982	331,552
Changes in inventories - property under development	323,645	618,011
Changes in inventories- completed properties	61,892	132,725
Changes in contract assets/contract liabilities	174,007	(191,414)
Changes in receivables	151,367	(110,426)
Changes in payables	2,184	(22,812)
Cash flows generated from operations	1,119,077	757,636
Interest received	15,206	8,490
Interest paid	(146,400)	(141,980)
Income taxes paid	(97,892)	(51,946)
Net cash from operating activities	889,991	572,200
Investing activities		
Additions to inventories - land held for property development	(475,261)	(339,217)
Purchase of property, plant and equipment and investment property	(15,653)	(17,347)
Proceeds from disposal of property, plant and equipment	8,684	595
Deposit paid for acquisition of investment properties	(28,023)	-
Deposit paid for acquisition of lands	(11,016)	(21,107)
Subscription of shares in a joint venture	(5,207)	-
Subscription of shares in an associate	(9,361)	(3,754)
Acquisition of additional shares in an associate	(17,760)	-
Net advances to joint ventures	(101,977)	(36,000)
Interest received from joint ventures	49,577	55,200
Withdrawal/(Placement) of deposits pledged and/or with maturity of more than 3 months and short-term funds	153,083	(589,419)
Dividends received from joint ventures	88,880	240,840
Dividends received from associates	41,883	-
Interest received from deposits	19,683	19,650
Net cash used in investing activities	(302,468)	(690,559)
Financing activities		
Proceeds from conversion of warrants	5,063	-
Drawdown of bank borrowings	290,359	856,046
Repayment of bank borrowings and lease liabilities	(568,048)	(1,115,521)
Interest paid	-	(5,591)
Dividends paid on ordinary shares	(176,837)	(176,661)
Net cash used in financing activities	(449,463)	(441,727)
Net increase/(decrease) in cash and cash equivalents	138,060	(560,086)
Effect of exchange rate changes	(28)	31
Cash and cash equivalents at 1 November 2023 / 2022	674,980	1,235,035
Cash and cash equivalents at 31 October 2024 / 2023	813,012	674,980
Cash and cash equivalents comprise the following:		
Deposits	293,560	228,451
Cash and bank balances	560,651	485,376
Bank overdrafts	(15,252)	(9,232)
	838,959	704,595
Less: Deposits pledged and/or with maturity of more than 3 months	(25,947)	(29,615)
	813,012	674,980

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

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

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

The 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 accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 October 2023 except for the adoption of the following new MFRS and amendments/improvements to MFRSs which are relevant and mandatory for the current financial year:-

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 112	Income Taxes

The adoption of the above new MFRS and amendments/improvements to MFRSs does not have any material financial impact to the Group.

2. Seasonal or Cyclical Factors

The business operations of the Group during the 12 months ended 31 October 2024 have not been materially affected by any seasonal or cyclical factors.

3. 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 12 months ended 31 October 2024.

4. Changes in Estimates

There were no material changes in estimates for the 12 months ended 31 October 2024.

5. Debts and Equity Securities

There were no issuance or repayment of debt or equity securities, share buy-backs, share cancellations, shares held as treasury shares or resale of treasury shares during the 12 months ended 31 October 2024, except for the following:

- (a) Issuance of 4,365,260 new ordinary shares pursuant to the conversion of 4,365,260 Warrants 2022/2029 at an issue price of RM1.16 per ordinary share; and
- (b) Redemption of the unrated Medium Term Notes of RM250 million in nominal value by Eco World Capital Assets Berhad, a wholly-owned subsidiary of the Company, on 14 August 2024.

6. Dividend Paid

On 19 January 2024, the Company paid a final dividend of 2 sen per ordinary share amounting to RM58,887,388 in respect of the financial year ended 31 October 2023.

On 19 July 2024, the Company paid a first interim dividend of 2 sen per ordinary share amounting to RM58,974,670 in respect of the financial year ended 31 October 2024.

On 23 October 2024, the Company paid a second interim dividend of 2 sen per ordinary share amounting to RM58,974,693 in respect of the financial year ended 31 October 2024.

7. Segmental Reporting

No segmental reporting is presented as the Group is primarily engaged in the business of property development in Malaysia.

8. Events After the End of the Interim Financial Period

There were no significant events after 31 October 2024 till 5 December 2024 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report).

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the 12 months ended 31 October 2024, except for the following:

- (a) Incorporation of Eco Verdance Sdn. Bhd. ("Eco Verdance") as a wholly-owned subsidiary of the Company on 1 November 2023. Eco Verdance has an issued and paid-up share capital of RM2.00;
- (b) On 10 May 2024, GuocoLand Limited ("GLL") announced that its indirect wholly-owned subsidiary had disposed of its entire 27% shareholding in Eco World International Berhad ("EWI"). Following the announcement by GLL, the shareholders' agreement entered into between, amongst others, GLL and the Company had come to a conclusion pursuant to its terms.

This resulted in EWI ceasing to be a joint venture and becoming a 27%-owned associate of the Group.

On 17 May 2024, the Group, through Eco World Capital (International) Sdn. Bhd., a wholly-owned subsidiary of the Company, acquired additional 48 million ordinary shares in EWI thereby increasing its shareholding in EWI from 27% to 29%; and

- (c) On 19 June 2024, the Company entered into a joint venture agreement ("JV Agreement") with Bitgrim Immersify Group Sdn. Bhd. and Immersify (KL) Sdn. Bhd. ("Immersify KL") to jointly operate a digital media art gallery and museum at Bukit Bintang City Centre.

Pursuant to the JV Agreement, the Company subscribed for 100,000 ordinary shares at a price of RM1.00 each in Immersify KL on 23 July 2024. As a result, Immersify KL became a 40%-owned joint venture of the Company.

10. Contingent Liabilities

There were no contingent liabilities that have arisen since the end of the financial quarter up till 5 December 2024 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report).

11. Fair Value of Financial Instruments

The fair value of financial assets measured at fair value through profit or loss is as follows:

	AS AT 31/10/2024 RM'000
Short-term funds	<u>502,425</u>

The short-term funds are measured under Level 1 of the fair value hierarchy. The fair value is derived from quoted prices.

Other than the above, the carrying amounts of the Group's financial assets and financial liabilities at amortised cost are reasonable approximations of fair values.

12. Disaggregation of Revenue

The Group's revenue is disaggregated by primary geographical market as follows:

	12 MONTHS ENDED	
	31/10/2024 RM'000	31/10/2023 RM'000
Location		
Klang Valley	782,326	827,846
Iskandar Malaysia	1,466,280	1,386,513
Penang	9,607	12,503
	<u>2,258,213</u>	<u>2,226,862</u>

13. Commitments

	AS AT 31/10/2024 RM'000
Approved and contracted for:-	
Commitment to subscribe for additional shares in an associate	1,800
Commitment to subscribe for additional shares in a joint venture	9,793
Commitment to acquire property, plant and equipment	9,737
Commitment to acquire properties	122,902
Commitment to fund development costs of a joint venture	35,000
Commitment to purchase development lands	<u>481,756</u>

14. Significant Related Party Transactions

	12 MONTHS ENDED 31/10/2024 RM'000
(a) Transactions with directors of the Company and of its subsidiary companies	
- Legal fees paid and payable to a firm, in which an immediate family member of a director has interest	208
- Legal fees paid and payable to a firm, in which a director has interest	11
- IT-related services fees paid and payable to companies, in which an immediate family member of a director has interest	751
- Stay2Own rental received	51
- Sales of development properties to directors of subsidiary companies	<u>1,287</u>
(b) Transactions with joint ventures	
- Net advances given	101,977
- Dividends received	88,880
- Interest received and receivable	71,149
- Development management fees received and receivable	75,961
- Other resources fees received and receivable	17,202
- Brand licensing fees received and receivable	7,865
- Commission received and receivable	66
- Rental received and receivable	90
- Rental paid and payable	479
- Advisory fees received and receivable	114
- Support service fees received and receivable	134
- Commitment fees received and receivable	72
- Secondment fees received and receivable	1,684
- Sale of property, plant and equipment	385
- Purchase of property, plant and equipment	25
- Purchase of properties	<u>150,925</u>
(c) Transactions with associates	
- Support service fees received and receivable	1,231
- Undertaking fees received and receivable	64
- Administration services fee paid and payable	81
- Dividends received	41,883
- Rental received and receivable	90
- Secondment fees received and receivable	1,289
- Commission received and receivable	<u>42</u>
(d) Transaction with an associate of a joint venture	
- Undertaking fees received and receivable	<u>39</u>

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

1. 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
Revenue	638,450	844,456	(206,006)	2,258,213	2,226,862	31,351
Gross profit	169,882	175,067	(5,185)	610,450	538,566	71,884
Share of results of joint ventures						
- Malaysia	67,887	46,995	20,892	118,318	117,467	851
- International	-	(7,518)	7,518	49	(13,361)	13,410
	67,887	39,477	28,410	118,367	104,106	14,261
Profit before interest and tax	131,810	53,350	78,460	524,257	392,753	131,504
Profit before tax (PBT)	104,556	20,057	84,499	406,906	270,023	136,883
Profit after tax (Malaysian operations)	122,075	92,811	29,264	343,149	284,684	58,465
Profit after tax (PAT)	83,420	3,293	80,127	303,539	189,323	114,216
Profit attributable to owners of the Company	83,420	3,293	80,127	303,539	189,323	114,216

(a) 4Q 2024 vs 4Q 2023

The main projects which contributed to revenue and gross profit in 4Q 2024 were *Eco Botanic*, *Eco Botanic 2*, *Eco Spring*, *Eco Tropics*, *Eco Business Park I*, *Eco Business Park II* and *Eco Business Park III* in Iskandar Malaysia and *Eco Majestic*, *Eco Forest* and *Eco Sanctuary* in the Klang Valley.

Revenue in 4Q 2024 was lower than 4Q 2023 by 24.4% due to revenue from the sale of a 92-acre parcel of industrial land in *Eco Business Park II* having been included in 4Q 2023 upon its completion.

Gross profit margin in 4Q 2024 was higher, however, at 26.6% as compared to 20.7% in 4Q 2023. This was mainly due to higher realisation of cost savings of certain completed and near completion phases in 4Q 2024. The higher gross profit margins contributed by on-going projects in the current quarter, as compared to the margin from the land sale recognised in 4Q 2023, also contributed to the improvement.

The Group's share of results of its Malaysian joint ventures came mainly from *Eco Grandeur*, *Eco Business Park V*, *Eco Ardence*, *Bukit Bintang City Centre (BBCC)* and *Eco Horizon*. Total contributions in 4Q 2024 were 44.5% higher than in 4Q 2023. This was mainly due to:

- higher contribution from active and newly launched phases;
- higher realisation of cost savings due to closure of accounts on several completed phases in *Eco Grandeur*, *Eco Business Park V* and *Eco Ardence* in the current quarter; and
- contribution from on-going *duduk* phases, namely *Hana D' Eco Ardence & Ceria D' Eco Horizon*.

Collectively, the Malaysian joint ventures recorded total revenue of RM634.6 million in 4Q 2024 of which the Group's effective share, based on its equity stakes in the respective joint ventures, amounted to RM348.2 million.

1. Review of Group Performance (Continued)

(a) 4Q 2024 vs 4Q 2023 (Continued)

The substantially higher share of results from Malaysian joint ventures enabled total PAT from Malaysian operations of RM122.1 million to be recorded in 4Q 2024, which was higher than 4Q 2023 by 31.5%.

EcoWorld International Berhad (*EWI*) ceased to be a joint venture of the Group on 10 May 2024, following the conclusion of the shareholders' agreement entered into between, GuocoLand Limited, amongst others, and the Company. Subsequent to this, the Group has re-assessed the investment in EWI as an associate company of the Group.

As a result of the change, EWI's results were included in the following lines:

	3 MONTHS ENDED		
	31/10/2024	31/10/2023	Changes
	RM'000	RM'000	RM'000
Share of results of joint ventures	-	(7,518)	7,518
Share of results of associates	(655)	-	(655)
Total results	(655)	(7,518)	6,863

EWI recorded a lower loss in 4Q 2024 as compared to 4Q 2023 mainly due to lower impairment loss on amount owing by its EcoWorld London joint venture as well as lower administrative and general expenses. The improvement in results was partly offset by lower reversal of impairment on investment in its EcoWorld Ballymore joint venture and lower foreign exchange gain in the current quarter arising from appreciation of the British Pound ("GBP") against Ringgit Malaysia ("RM").

In 4Q 2024, EcoWorld Malaysia reviewed the carrying values of its investment in EWI and recognised a further impairment of RM38.0 million.

After taking into account the impairment and share of EWI's loss, the Group achieved RM83.4 million PAT for 4Q 2024. This is significantly higher than the RM3.3 million PAT recorded in 4Q 2023 due to the:

- strong growth in PAT from the Group's Malaysian operations of 31.5% in 4Q 2024 as mentioned above; and
- lower impairment in the carrying values of its investment in EWI recognised in 4Q 2024 as compared to 4Q 2023.

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

The Group recorded a slightly higher revenue in 4Q YTD 2024 as compared to 4Q YTD 2023. This was mainly due to higher contributions from active and newly launched phases in the current financial year.

Gross profit grew more substantially by 13.3% in 4Q YTD 2024 as compared to 4Q YTD 2023. This enabled gross profit margins to improve from 24.2% in 4Q YTD 2023 to 27.0% in 4Q YTD 2024. The increase was mainly due to higher profit margins achieved following the realisation of cost savings from certain completed and near completion phases as well as generally higher profit margins achieved by on-going phases, as explained above.

1. Review of Group Performance (Continued)

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

The Group's Malaysian operations recorded PAT of RM343.1 million as at 4Q YTD 2024. This was higher than 4Q YTD 2023 by 20.5% mainly due to improvement in gross profit margins recorded by the Group's subsidiaries.

EWI's results, upon the re-assessment of the investment as an associate, were included in the following lines:

	12 MONTHS ENDED		
	31/10/2024	31/10/2023	Changes
	RM'000	RM'000	RM'000
Share of results of joint ventures	49	(13,361)	13,410
Share of results of associates	(1,659)	-	(1,659)
Total results	<u>(1,610)</u>	<u>(13,361)</u>	<u>11,751</u>

EWI recorded a lower loss in 4Q YTD 2024 as compared to 4Q YTD 2023, mainly due to:

- improved results from its EcoWorld Ballymore joint venture;
- lower impairment loss on amount owing by its EcoWorld London joint venture; and
- no finance cost as a result of full settlement of all borrowings during 3Q 2023.

After taking into consideration EWI's loss and the RM38.0 million impairment of investment recognised in 4Q 2024, the Group's PAT for 4Q YTD 2024 was RM303.5 million. This is a record high for EcoWorld Malaysia and 60.3% more than the PAT of RM189.3 million achieved in 4Q YTD 2023.

2. 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
Revenue	638,450	526,216	112,234
Gross profit	169,882	164,737	5,145
Share of results of joint ventures	67,887	19,194	48,693
Profit before interest and tax	131,810	141,841	(10,031)
Profit before tax (PBT)	104,556	111,393	(6,837)
Profit after tax (Malaysian operations)	122,075	81,446	40,629
Profit after tax (PAT)	83,420	80,442	2,978
Profit attributable to owners of the Company	83,420	80,442	2,978

2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter (Continued)

The Group's revenue and gross profit in the current quarter were higher by 21.3% and 3.1%, respectively, as compared to the previous quarter. These were mainly due to better site progress on active and on-going phases.

The share of results of the Group's Malaysian joint ventures in the current quarter was higher by 253.7% as compared to the previous quarter, mainly due to higher contribution from active and newly launched parcels, as well as closure of accounts on several completed phases, as explained above.

EWI's results, upon the re-assessment of investment, have been then included in the share of results of associates. EWI recorded a slightly lower loss in the current quarter as compared to previous quarter mainly due to higher accounting fair value adjustment realised in the current quarter.

Overall, the Group recorded a PAT of RM83.4 million in the current quarter as compared to RM80.4 million in the previous quarter.

3. Prospects for the Next Financial Year

The status of the Group's development projects as at 31 October 2024 is as follows:

Location of projects	No. of launched projects ²	12 months ended 31.10.2024			Cumulative sales ^{1,2} RM'mil	As at 31.10.2024 Future revenue ³ RM'mil
		Units launched ²	Units sold ^{1,2}	Sales value ² RM'mil		
Klang Valley	8	1,642	1,303	1,270	19,789	1,310
Iskandar Malaysia	9	2,253	2,527	2,325	13,247	2,280
Penang	4	886	712	470	2,890	371
Malaysia	21	4,781	4,542	4,065	35,926	3,961

¹ Includes sales of units from prior year launches

² Includes projects and sales of joint ventures

³ Represents revenue expected to be recognised in the future from secured sales of Malaysian subsidiaries and joint ventures only. (EWI is no longer included following its reassessment as an associate company of EcoWorld Malaysia w.e.f. from May 2024)

EcoWorld Malaysia recorded its highest ever sales of RM4.07 billion for FY2024, exceeding the sales target of RM3.5 billion by 16%. The Group's FY2024 sales were also 6% higher than the previous record high of RM3.84 billion achieved in FY2022.

RM2.33 billion or 57% of total sales were contributed by the Group's projects in Iskandar Malaysia, whilst the Klang Valley and Penang contributed 31% and 12%, respectively.

A breakdown of the FY2024 sales achieved by revenue pillars is set out below:

Revenue Pillar	RM'mil	Market segment	%
Eco Townships	1,220	Residential	57%
Eco Rise	1,083		
Eco Hubs	656	Commercial	16%
Eco Business Parks	480	Industrial	27%
QUANTUM	626		
Total	4,065		100%

3. Prospects for the Next Financial Year (Continued)

Eco Townships continue to be the largest contributor to Group sales however *Eco Rise* recorded the largest growth. Sales of commercial properties under *Eco Hubs* grew strongly whilst the industrial segment, represented by *Eco Business Parks* and **QUANTUM** continued to increase from FY2023's high base. Details of the Group's performance by market segments are discussed below:

Residential segment

Landed residential homes under *Eco Townships* recorded RM1.22 billion sales, representing 30% of total sales in FY2024. Homes priced above RM650,000 comprise 82% of sales under this pillar, demonstrating sustained demand for EcoWorld's upgrader products across all three regions.

Buyers continue to be drawn to the Group's *Eco Townships*, characterised by the distinctive EcoWorld DNA of beautifully designed homes set amidst verdant landscaping, with ample lifestyle and recreational amenities all situated nearby.

Sales under *Eco Rise* in FY2024 were RM1.08 billion, more than double the RM509 million recorded in FY2023. This is largely attributable to the tremendous growth achieved by the Group's *duduk* apartments. More than 2,200 units sold were sold during the year, contributing RM900 million which represents 83% of total *Eco Rise* sales.

The success of *duduk* in capturing the hearts and minds of a cross-generational group of urban homebuyers in the Klang Valley, Iskandar Malaysia and Penang bodes well for the sustained growth of the *Eco Rise* pillar. More importantly, the popularity of *duduk* provides EcoWorld Malaysia with considerable flexibility, from a strategic standpoint, in determining the most opportune time for the launch of its valuable township lands. This will enable the Group to benefit from its own substantial investments in upfront value creation by reaping the full matured values of its landbank, thus enhancing returns for shareholders.

Collectively, the Group's residential segment under *Eco Townships* and *Eco Rise* brought in RM2.30 billion in FY2024, making up 57% of the Group's total sales. Sales under this segment also increased 12% from FY2023.

Commercial segment

The Group's *Eco Hubs* pillar contributed RM656 million in sales for FY2024, exceeding that of FY2023 by 27%. These mainly comprise landed shop offices and strata shops, as well as commercial units purposed for place-making, particularly those located within the Group's *duduk* developments. The sustained demand is attributable to the Group's conscientious effort over the years to build vibrant communities that are now attracting more and more business owners, retailers, F&B operators, investors and customers alike to its *Eco Hubs*.

Additionally, *RUBIX Space* was launched in *Eco Business Park V* in the Klang Valley during the year, providing flexible and open commercial space for a variety of uses, including logistics, showroom, support centre and backroom office. This novel product within a business park has been well-received, with a take-up rate of more than 70% to-date.

3. Prospects for the Next Financial Year (Continued)

Industrial segment

The combined sales of *Eco Business Parks* and **QUANTUM** amounted to RM1.11 billion during the year, 6% higher than the previous record high achieved in FY2023. The continued growth of the industrial segment was bolstered by the Group's successful sale of two parcels of industrial land to Microsoft Payments (Malaysia) Sdn. Bhd and Princeton Digital Group for a combined sales value of RM626 million. With two renowned data centre operators anchoring the **QUANTUM Edge** park in Kulai, the Group's plans for the growth of its **QUANTUM** revenue pillar, designed to meet the needs of digital players and high-technology industrialists, are off to a good start.

Meanwhile, sustained demand for ready-built and customised built-to-suit industrial units, as well as smaller plots of industrial lands across the Group's existing *Eco Business Parks*, collectively contributed RM480 million in sales to the Group for FY2024.

Going forward, the Group is targeting to acquire more landbank to serve the continued high demand for industrial products from local, regional and global industrialists. Based on the large number of inquiries and referrals that have been received from the sizeable network of more than 1,400 businesses already operating at its business parks in Iskandar Malaysia and the Klang Valley, coupled with strong interest from new players, prospects for the sustained growth of both the *Eco Business Park* and **QUANTUM** revenue pillars remain very bright.

FY2024 Cashflow, Gearing & Dividends

Net cash generated from operating activities for the year ended 31 October 2024 amounted to RM890.0 million. This is 56% higher than FY2023 and close to 3 times the FY2024 PAT, evidence of the highly cash generative phase EcoWorld Malaysia has entered into, given the increasing maturity of its development projects. As a result, the Group's gross and net gearing positions have continued to decrease markedly from 0.53 and 0.25 times as at 31 October 2023 to 0.46 and 0.19 times as at 31 October 2024.

In view of the above, the Board has declared a final dividend of 2 sen per share, bringing total dividends declared for FY2024 to 6 sen per share.

Landbank and prospects for FY2025 and beyond

As at 31 October 2024, EcoWorld Malaysia's land bank is as follows:

Location of projects	No of projects	Land bank (acres)	
		Original land size	Undeveloped
Klang Valley ¹	10	4,751	1,656
Iskandar Malaysia ²	10	3,763	1,223
Penang	4	464	173
The Group	24	8,978	3,052

¹ 8.9 acres in Mukim Tanjong Duabelas, Daerah Kuala Langat, Selangor is still pending completion

² 240.314 acres in Mukim Pulau, Iskandar Malaysia is still pending completion

The FY2024 acquisitions pending completion are 240.314 acres for the planned development of *Eco Botanic 3* in Iskandar Malaysia, as well as 8.9 acres situated next to the Group's matured *Eco Sanctuary* township.

Thereafter, on 6 November 2024, the Group entered into several agreements to acquire 847.249 acres land in the Semenyih corridor for the planned development of *Eco Forest 2*.

3. Prospects for the Next Financial Year (Continued)

The above acquisitions are in line with EcoWorld Malaysia's stated intention to expand its landbank to broaden and deepen its market share and increase its pipelines for growth.

Furthermore, premised on the strength of its balance sheet, high cash balance (including short-term funds) of RM1.357 billion as at 31 October 2024 and historic low net gearing level of only 0.19 times, the Group is well-placed to consider a range of possibilities to further reinforce and enhance its business model.

In this regard, apart from exploring various opportunities to increase its portfolio of lands held for development, EcoWorld Malaysia has begun to build up a strategic portfolio of investment properties to be held for recurring income. This includes acquiring 108 strata office units at The Stride, BBCC (renamed Menara EcoWorld), from BBCC Development Sdn Bhd for RM150.9 million in 4Q 2024. Apart from generating rental income, the Group is confident that the units at Menara EcoWorld will appreciate in value. This is based on the steady increase in both rents and occupancy rates over the past year as well as numerous exciting plans that are in place to enhance the overall BBCC development and LaLaport Retail Mall, which will be unveiled in early 2025.

In addition to the above, management is also actively considering other proposals to expand its recurring income asset base. This is with a view towards being able to consistently deliver robust and sustainable future growth, whilst generating steady cashflows that will enable the Group to continue rewarding its shareholders with good dividends.

Meanwhile, EcoWorld Malaysia's strong sales performance across all 5 revenue pillars has provided it with substantial future revenue of RM3.96 billion as at 31 October 2024. This underpins the Group's future earnings and cash flows in the near and mid-term.

Accordingly, pending the completion of its new acquisitions and launch of the planned projects, management is maintaining its sales target of RM3.5 billion for FY2025. The focus in the upcoming year will continue to be on improving margins and absolute returns on its matured landbank. This is with the aim of generating optimal profits and cashflows, in the pursuit of improved returns to shareholders.

4. Variance of Actual Profit from Forecast Profit

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

5. Income Tax

Income tax 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				
- for current quarter	22,250	3,561	99,812	40,017
- in respect of prior years	8,157	(572)	15,450	(1,833)
Deferred tax				
- for current quarter	(1,561)	13,776	(6,636)	35,115
- in respect of prior years	(7,710)	(1)	(5,259)	7,401
	<u>21,136</u>	<u>16,764</u>	<u>103,367</u>	<u>80,700</u>

The Group's effective tax rate for 4Q 2024 and 4Q YTD 2024 are higher than the statutory tax rate mainly due to certain non-tax deductible expenses.

6. Status of Corporate Proposals

There were no corporate proposals previously announced by the Company that remained uncompleted as at 5 December 2024, the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report, except as follows:

- (a) On 18 January 2024, Eco Botanic 3 Sdn. Bhd. (“Eco Botanic 3”), a wholly-owned subsidiary of the Company, entered into the following agreements:
 - (i) a conditional development agreement (“Development Agreement”) with Permodalan Darul Ta’zim Sdn. Bhd. (“PDT”) where PDT agreed to nominate Eco Botanic 3 to purchase 13 parcels of freehold land with an aggregate land area of approximately 240.314 acres, all located in Mukim Pulau, Daerah Johor Bahru, Negeri Johor (“New Land”) from River Retreat Sdn. Bhd. (“RRSB”) and for Eco Botanic 3 to develop the New Land; and
 - (ii) a conditional sale and purchase agreement (“SPA”) with RRSB for Eco Botanic 3 to acquire the New Land from RRSB for a purchase consideration of RM450.1 million to be paid in cash and on a staggered basis.

Eco Botanic 3 and RRSB have agreed to extend the approval period, which expired on 18 October 2024, by 3 months to now expire on 18 January 2025 for parties to fulfil the remaining conditions precedent under the SPA. Given that the Development Agreement is unconditional upon all conditions precedent in the SPA being fulfilled, the approval period under the Development Agreement will correspondingly be extended to expire on 18 January 2025;

- (b) On 7 June 2024, Eco Business Park 6 Sdn. Bhd., a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement (“SPA”) with Microsoft Payments (Malaysia) Sdn. Bhd. to dispose of industrial land measuring approximately 123.141 acres located in Kulai, Iskandar Malaysia for a cash consideration of RM402.3 million. The SPA is conditional upon conditions precedent being fulfilled; and
- (c) On 1 November 2024, the Company subscribed for 81 ordinary shares at a price of RM1.00 each in Mutiara Balau Sdn. Bhd. (“MBSB”). As a result, MBSB became an 81%-owned subsidiary of the Company.

On 6 November 2024, MBSB entered into 2 conditional sale and purchase agreements (“SPAs” comprising SPA 1 and SPA 2) to acquire a total of 10 parcels of freehold land of approximately 847.249 acres in aggregate, located in Mukim Beranang and Mukim Semenyih, Selangor (“New Land”). The New Land shall be acquired for a total cash consideration of RM742.4 million. The SPAs are conditional upon conditions precedent being fulfilled within their respective cut-off date.

The remaining 19% stake in MBSB is held by Boustead Properties Berhad (“BProp”). On 6 November 2024, the Company, BProp and MBSB entered into a subscription and shareholders’ agreement to regulate parties’ rights as MBSB’s shareholders and to record their commitments to subscribe for shares in MBSB.

7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as at 31 October 2024 and 31 October 2023 were as follows:-

	As at 31 October 2024		
	Long term RM'000	Short term RM'000	Total borrowings RM'000
Secured			
Revolving credits	53,691	124,808	178,499
Term loans	267,720	1,898	269,618
Bridging loans	163,414	8,739	172,153
Medium term notes	-	20,000	20,000
Sukuk	179,580	-	179,580
	<u>664,405</u>	<u>155,445</u>	<u>819,850</u>
Unsecured			
Revolving credits	-	340,000	340,000
Sukuk	1,099,037	-	1,099,037
Overdraft	-	15,252	15,252
	<u>1,099,037</u>	<u>355,252</u>	<u>1,454,289</u>
	<u>1,763,442</u>	<u>510,697</u>	<u>2,274,139</u>
As at 31 October 2023			
	Long term RM'000	Short term RM'000	Total borrowings RM'000
Secured			
Revolving credits	66,822	117,000	183,822
Term loans	253,186	813	253,999
Bridging loans	182,862	20,274	203,136
Medium term notes	19,999	-	19,999
Sukuk	179,279	-	179,279
	<u>702,148</u>	<u>138,087</u>	<u>840,235</u>
Unsecured			
Revolving credits	-	342,856	342,856
Medium term notes	-	249,782	249,782
Sukuk	1,098,730	-	1,098,730
Overdraft	-	9,232	9,232
	<u>1,098,730</u>	<u>601,870</u>	<u>1,700,600</u>
	<u>1,800,878</u>	<u>739,957</u>	<u>2,540,835</u>

The weighted average effective interest rate at the end of the reporting year were as follows:

	As at 31 October 2024 %	As at 31 October 2023 %
Floating interest rate borrowings	5.30	5.20
Fixed interest rate borrowings	5.34	5.46

There were no bank borrowings denominated in foreign currencies as at the reporting date.

The decrease in borrowings was mainly due to repayments during the 12 months ended 31 October 2024.

The Group's gearing ratios were as follows:

	As at 31 October 2024	As at 31 October 2023
Gross Gearing (times)	0.46	0.53
Net Gearing (times)	0.19	0.25

8. Material Litigation

The Group was not engaged in any material litigation as at 5 December 2024 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report), except as follows:

On 18 April 2022, Hasrat Budi Sdn. Bhd. (“HBSB”), a wholly-owned subsidiary of the Company, filed a Writ of Summons in the Kuala Lumpur High Court vide Suit No. WA-22NCC-159-04/2022 against Revolusi Asia Sdn. Bhd., Entomo Malaysia Sdn. Bhd. and Raveenderen a/l Ramamoothie (collectively, the “Defendants”) for breach of certain representations and warranties provided by the Defendants to HBSB under a share sale agreement entered into among the parties on 27 August 2021. HBSB is seeking to recover, amongst others, costs incurred totalling RM524,786.59 and general damages to be assessed by the Court.

The next Case Management is fixed on 5 May 2025 with Trial fixed on 9 to 12 June 2025.

As an investor then, HBSB was not involved in the management or day-to-day operations of MYSJ Sdn. Bhd. and based on current assessment, the Suit No. WA-22NCC-159-04/2022 above is not expected to have any material impact on the financial position and operations of the Group.

9. Dividend Declared

(a) The Board of Directors has declared a final dividend in respect of the financial year ended 31 October 2024:

- (i) Amount per share : Dividend of 2 sen per share
- (ii) Previous corresponding financial year : Dividend of 2 sen per share
- (iii) Date payable : 14 January 2025
- (iv) In respect of deposited securities, entitlement to dividends will be determined on the basis of the record of depositors as at 30 December 2024.

(b) Total dividend for the current financial year: 6 sen per share.

10. Earnings Per Share Attributable to Owners of the Company

Earnings per share has been calculated by dividing the Group’s profit after tax attributable to owners of the Company by the weighted average number of shares in issue. The weighted average number of 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
Profit for the period/year attributable to owners of the Company (RM’000)	<u>83,420</u>	<u>3,293</u>	<u>303,539</u>	<u>189,323</u>
Weighted average number of ordinary shares (‘000)	<u>2,948,735</u>	<u>2,944,370</u>	<u>2,945,977</u>	<u>2,944,370</u>
Basic Earnings Per Ordinary Share (sen)	<u>2.83</u>	<u>0.11</u>	<u>10.30</u>	<u>6.43</u>

Diluted earnings per share has been calculated by dividing the Group’s profit after tax attributable to owners of the Company by the weighted average number of shares that would have been in issue upon full exercise of the Warrants 2022/2029 (“Warrants”), adjusted for the number of such shares that would have been issued at fair value.

10. Earnings Per Share Attributable to Owners of the Company (Continued)

However, in the event that the potential exercise of the Warrants gives rise to an anti-dilutive effect on earnings per share, the potential exercise of the Warrants is not taken into account in calculating diluted earnings per share.

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/10/2024	31/10/2023	31/10/2024	31/10/2023
Profit for the period/year attributable to owners of the Company (RM'000)	83,420	3,293	303,539	189,323
Weighted average number of ordinary shares for basic Earnings Per Ordinary Share ('000)	2,948,735	2,944,370	2,945,977	2,944,370
Effect of potential exercise of Warrants ('000)	183,307	#	139,089	#
Weighted average number of ordinary shares ('000)	3,132,042	2,944,370	3,085,066	2,944,370
Diluted Earnings Per Ordinary Share (sen)	2.66	0.11 *	9.84	6.43 *

The calculation of diluted earnings per share does not assume the potential exercise of Warrants as the effect on earnings per share is anti-dilutive.

* Anti-dilutive.

11. Auditors' Report on Preceding Annual Financial Statements

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

12. Provision of Financial Assistance

	12 MONTHS ENDED 31/10/2024 RM'000
i) Guarantees given by the Company to secure the bank borrowings of:	
- Paragon Pinnacle Sdn. Bhd. ("Paragon Pinnacle")	417,600
- Eco Horizon Sdn. Bhd. ("Eco Horizon")	98,700
	=====
	AS AT 31/10/2024 RM'000
ii) Guarantees given by the Company to secure the repayment by the following joint venture companies of all sums of monies due, owing, unpaid or outstanding to Tanjung Wibawa Sdn. Bhd.:	
- Paragon Pinnacle	123,261
- Eco Horizon	328,697
	=====

There has been no material impact on the earnings and net tangible assets of the Group for the 12 months ended 31 October 2024 arising from the above-mentioned guarantees.

13. Notes to the Statement of Comprehensive Income

Comprehensive 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	14,067	79,895
Other income including investment income	8,189	30,863
Interest expense	(27,254)	(117,351)
Depreciation and amortisation	(5,595)	(21,980)
Net allowance for impairment of receivables	(153)	(6,981)
Reversal of write down of inventories	(1,198)	(615)
Gain or (loss) on disposal of properties	-	1,194
Reversal of impairment/(Impairment) of right-of-use assets	995	(5,296)
Foreign exchange gain or (loss)	(503)	(917)
Gain or loss on derivatives	-	-
Impairment loss on investment in an associate	(38,000)	(38,000)
Exceptional items	-	-
	<hr/>	<hr/>

By order of the Board
Chua Siew Chuan
Company Secretary
12 December 2024