

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

Interim Financial Report
31 January 2025

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Interim Financial Report - 31 January 2025

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ECO WORLD INTERNATIONAL BERHAD
(Registration No: 201301030020 (1059850-A))
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 JANUARY 2025
(The figures have not been audited)

	3 MONTHS ENDED	
	31 JANUARY 2025	31 JANUARY 2024
	RM'000	RM'000
Revenue	-	31,673
Direct expenses	-	(27,988)
Gross profit	<hr/>	<hr/>
Other income	2,380	3,312
Marketing expenses	-	(799)
Administrative and general expenses	(4,456)	(7,350)
Impairment loss on amount owing by a joint venture	(2,929)	(7,227)
Gain on foreign exchange	140	5,600
Share of results in joint ventures	1,161	4,306
(Loss)/Profit before tax	<hr/>	<hr/>
Taxation	(3,704)	1,527
(Loss)/Profit for the period	<hr/>	<hr/>
	(3,806)	302
Other comprehensive (loss)/income, net of tax		
<i>Items that may be reclassified to profit or loss subsequently:</i>		
Exchange differences on translation of foreign operations	(34,460)	44,122
Total comprehensive (loss)/income for the period	<hr/>	<hr/>
	(38,266)	44,424
(Loss)/Profit for the period attributable to:		
Owners of the Company	(3,747)	182
Non-controlling interests	(59)	120
Total comprehensive (loss)/income for period attributable to:	<hr/>	<hr/>
Owners of the Company	(38,184)	44,276
Non-controlling interests	(82)	148
(Loss)/Earning per share attributable to owners of the Company:	<hr/>	<hr/>
Basic (loss)/earnings per share (sen)	(0.16)	0.01

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 October 2024 and the accompanying explanatory notes)

ECO WORLD INTERNATIONAL BERHAD
(Registration No: 201301030020 (1059850-A))
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2025
(The figures have not been audited)

	As At 31 JANUARY 2025 RM'000	As At 31 OCTOBER 2024 RM'000
ASSETS		
Non-current assets		
Plant and equipment	390	424
Investment in joint ventures	5,382	4,354
Inventories - land held for development	133,186	138,485
Amounts owing by joint ventures	572,563	551,675
	<u>711,521</u>	<u>694,938</u>
Current assets		
Inventories - property development costs	2,842	2,954
Amounts owing by joint ventures	264,005	325,027
Trade and other receivables	371	533
Current tax assets	3,066	2,577
Cash and cash equivalents	156,935	273,026
	<u>427,219</u>	<u>604,117</u>
TOTAL ASSETS	<u>1,138,740</u>	<u>1,299,055</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	592,454	592,454
Exchange translation reserve	9,506	43,943
Retained earnings	532,086	655,833
	<u>1,134,046</u>	<u>1,292,230</u>
Equity attributable to owners of the Company		
Non-controlling interests	681	763
Total equity	<u>1,134,727</u>	<u>1,292,993</u>
Non-current liabilities		
Deferred tax liabilities	6	8
	<u>6</u>	<u>8</u>

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2025 (continued)
(The figures have not been audited)

	As At 31 JANUARY 2025 RM'000	As At 31 OCTOBER 2024 RM'000
Current liabilities		
Trade and other payables	4,007	4,334
Current tax liabilities	-	1,720
	<hr/> 4,007	<hr/> 6,054
Total liabilities	<hr/> 4,013	<hr/> 6,062
TOTAL EQUITY AND LIABILITIES	<hr/> 1,138,740	<hr/> 1,299,055
 Net assets per share attributable to owners of the Company (RM)	 <hr/> 0.47	 <hr/> 0.54

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 October 2024 and the accompanying explanatory notes)

ECO WORLD INTERNATIONAL BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 JANUARY 2025

(The figures have not been audited)

	<i>Attributable to owners of the Company</i>					Total equity RM'000
	Share capital RM'000	Exchange translation reserve RM'000	Distributable retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	
At 1 November 2024						
Other comprehensive loss for the period:						
- Exchange differences on translation of foreign operations						
Loss for the year						
Total comprehensive loss for the period	592,454	43,943	655,833	1,292,230	763	1,292,993
<i>Transactions with owners of the Company:</i>						
Dividends paid to owners of the Company						
At 31 JANUARY 2025	592,454	9,506	532,086	1,134,046	681	1,134,727
At 1 November 2023						
Other comprehensive income for the period:						
- Exchange differences on translation of foreign operations						
Income for the year						
Total comprehensive income for the period	1,092,454	84,189	478,179	1,654,822	736	1,655,558
<i>Transactions with owners of the Company:</i>						
Dividend declared to owners of the Company						
At 31 JANUARY 2024	1,092,454	128,283	334,361	1,555,098	884	1,555,982

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 October 2024 and the accompanying explanatory notes)

ECO WORLD INTERNATIONAL BERHAD
(Registration No: 201301030020 (1059850-A))
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 JANUARY 2025
(The figures have not been audited)

	3 MONTHS ENDED	
	31 JANUARY 2025	31 JANUARY 2024
	RM'000	RM'000
Cash Flows From Operating Activities		
(Loss)/Profit before tax	(3,704)	1,527
Adjustments for:		
Non-cash items	1,448	(1,651)
Non-operating items	(2,380)	(3,011)
Operating loss before working capital changes	<u>(4,636)</u>	<u>(3,135)</u>
Changes in inventories	(28)	27,780
Changes in receivables and other current assets	376	80
Changes in payables and other current liabilities	(271)	(2,213)
Cash (used in)/generated from operations	<u>(4,559)</u>	<u>22,512</u>
Interest received	254	391
Tax paid	(2,282)	(4,966)
Tax refund	5	-
Net cash (used in)/generated from operating activities	<u>(6,582)</u>	<u>17,937</u>
Cash Flows From Investing Activities		
Purchase of plant and equipment	(4)	(5)
Net advances repaid by joint ventures	10,726	16,418
Dividends received from joint venture	-	19,301
Interest received	2,081	2,277
Net cash generated from investing activities	<u>12,803</u>	<u>37,991</u>
Cash Flows From Financing Activities		
Dividends paid to owners of the Company	(120,000)	(144,000)
Net cash used in financing activities	<u>(120,000)</u>	<u>(144,000)</u>

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 JANUARY 2025 (continued)
(The figures have not been audited)

	3 MONTHS ENDED	
	31 JANUARY 2025	31 JANUARY 2024
	RM'000	RM'000
Net changes in cash and cash equivalents	(113,779)	(88,072)
Cash and cash equivalents at 1 November 2024/ 2023	273,026	295,207
Effect of exchange rate changes	(2,312)	3,635
Cash and cash equivalents at 31 January 2025/ 2024	156,935	210,770
 Cash and cash equivalents comprise the following:		
Deposits	135,242	146,026
Cash and bank balances	21,693	64,744
	156,935	210,770

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 October 2024 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 2024.

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 2024, 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 2024:

Amendments to MFRS 16	Leases – Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current
Amendments to MFRS 107	Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements

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 31 January 2025 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 31 January 2025.

A4. Changes in Estimates

There were no material changes in estimates during the financial period ended 31 January 2025.

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 31 January 2025.

A6. Dividends Paid

On 14 January 2025, the Company paid final dividend of 5 sen per share on the 2,400,001,780 ordinary shares in issue, amounting to RM120,000,089 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 period ended 31 January 2025 is as follows:

	United Kingdom RM'000	Australia RM'000	Malaysia RM'000	Eliminations RM'000	Total RM'000
<u>Revenue</u>					
External revenue	-	-	-	-	-
Inter-segment revenue	-	-	-	-	-
Total revenue	-	-	-	-	-
Segment results	(1,747)	(565)	(2,121)	-	(4,433)
Share of results in a joint venture	1,161	-	-	-	1,161
Impairment loss on amount owing by a joint venture	(2,929)	-	-	-	(2,929)
Depreciation	(4)	(14)	(5)	-	(23)
Gain on foreign exchange	-	-	140	-	140
Finance income	43	228	2,109	-	2,380
(Loss)/Profit before tax	(3,476)	(351)	123	-	(3,704)
Taxation	85	(187)	-	-	(102)
(Loss)/Profit for the period	(3,391)	(538)	123	-	(3,806)

	<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</i> ⁽¹⁾		5.5970	2.8148	1.0000
United Kingdom RM'000				
Segment assets	845,102	156,846	136,792	-
Segment liabilities	1,264	377	2,372	-

	<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</i> ⁽²⁾		5.5310	2.7723	1.0000

Note:

⁽¹⁾ Average rates for the financial period ended 31 January 2025.

⁽²⁾ Closing rates as at 31 January 2025.

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

There were no significant events after 31 January 2025 until 18 March 2025, the latest practicable date from the date of issue of this interim financial report.

A9. Changes in the Composition of the Group

- (a) There were no changes in the composition of the Group during the financial period ended 31 January 2025.
- (b) There were no changes in the composition of the Group during the period between 1 February 2025 until 18 March 2025, being the latest practicable date from the date of issue of this interim financial report.

A10. Commitments and Contingencies

	As at 31/01/2025 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>)	163,428
(ii) Eco World London by way of shareholder’s advances (<i>Note b</i>)	84,499
(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 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

**3 MONTHS
ENDED
31/01/2025
RM'000**

(i)	Transactions with joint ventures	
	- Advances to joint ventures	41,111
	- Repayment of advances by joint ventures	51,837
(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	
	- Support service fees paid or payable	67
	- Rental paid or payable	45
	- Staff secondment fee	646
	- Service fee	237

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

B1. Review of Group Performance

	3 MONTHS ENDED		
	31/01/2025	31/01/2024	CHANGES
	RM'000	RM'000	RM'000
Gross profit	-	3,685	(3,685)
Share of results in a joint venture	1,161	4,306	(3,145)
(Loss)/Profit before interest and tax	(3,704)	1,527	(5,231)
(Loss)/Profit before tax	(3,704)	1,527	(5,231)
(Loss)/Profit for the period	(3,806)	302	(4,108)
(Loss)/Profit for the period attributable to owners of the Company	<u>(3,747)</u>	<u>182</u>	<u>(3,929)</u>

1Q 2025 vs. 1Q 2024

There was no revenue recorded by the Group in 1Q 2025 as all residential units in both projects in Australia, namely West Village and Yarra One were fully sold in FY2024 with only one commercial unit remaining. The Group is currently assessing the feasibility of the remaining sites and will proceed to launch if expected return can be projected with greater certainty.

Revenue recorded by the Group's joint-ventures totalled RM54.96 million (1Q 2024: RM225.64 million), of which the Group's effective share (unconsolidated) amounted to RM39.25 million (1Q 2024: RM164.96 million), mainly due to lower sales completions as both joint ventures are gradually selling down its completed inventories. As a result, the Group recorded lower share of profits in a joint venture during the current quarter.

The Group recorded a loss before tax ("LBT") of RM3.70 million during the current quarter as compared to profit before tax ("PBT") of RM1.53 million reported for 1Q 2024. The LBT reported in the current quarter was mainly due to:

- i. no revenue recorded in the current quarter as mentioned above;
- ii. lower foreign exchange gains arising from repayments from joint ventures on weaker British Pound ("GBP") against Ringgit Malaysia ("RM") in the current quarter as compared to the previous corresponding quarter; and
- iii. lower share of profits in Eco World-Ballymore in the current quarter following lower profits recognised by the joint venture as mentioned above.

The above reductions were partly offset by:

- i. lower impairment loss on amount owing by Eco World London in the current quarter as the joint venture recognised lower losses as compared to the previous corresponding period; and
- ii. lower administrative and general expenses as a result of declining staff cost following lower operational activities.

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

	3 MONTHS ENDED		
	31/01/2025	31/10/2024	CHANGES
	RM'000	RM'000	RM'000
Gross profit	-	386	(386)
Share of results in a joint venture	1,161	(3,309)	4,470
Loss before interest and tax	(3,704)	(12,085)	8,381
Loss before tax	(3,704)	(12,085)	8,381
Loss for the period	(3,806)	(12,289)	8,483
Loss for the period attributable to owners of the Company	(3,747)	(12,210)	8,463

The Group recorded LBT of RM3.70 million in the current quarter as compared to LBT of RM12.09 million in the preceding quarter ended 31 October 2024. The lower losses recorded in the current quarter were mainly due to the following:

- i. lower impairment of amount owing by Eco World London being recognised in the current quarter as compared to the preceding quarter when the joint venture accrued additional costs in compliance with the Building Safety Act for completed projects;
- ii. share of profits from Eco World-Ballymore in the current quarter as compared to share of losses in the preceding quarter mainly due to fair value loss of commercial properties in EW-Ballymore having been recognised in that quarter; and
- iii. lower administrative and general expenses as a result of declining staff cost following lower operational activities.

B3. Sales Achieved and Prospects for the Current Financial Period

PROJECTS	DEVELOPMENT LAND	CUMULATIVE SALES	4 MONTHS ENDED 28/2/2025 ⁽¹⁾	
	As at 28/2/2025 (Acres)	As at 28/2/2025 RM'mil	Units Sold	Sales value RM'mil
London	50.7	17,254	12	58
Sydney	1.9	883	-	-
Melbourne	0.5	665	-	-
Total⁽²⁾	53.1	18,802	12	58

Notes:

(1) Based on exchange rates of £1:RM5.6188 and A\$1:2.7724 as at Feb 28, 2025

(2) Total may not add up because of rounding

EcoWorld International recorded RM58 million sales in the first four months of FY2025. This, plus reserves of RM35 million, add up to a total of RM93 million.

As at 28 February 2025, the value of completed units available for sale stands at about RM230 million. Approximately 55% of these units by value are commercial units and the balance are residential units.

While London faces a housing undersupply, high interest rates are deterring potential buyers, leading to slow sales and downward pressure on prices. In response, the Group is adopting a balanced strategy to accelerate the sale of completed units while carefully managing pricing to safeguard shareholder value.

Including the Group's share of cash balances at joint ventures, the Group has total cash balance of RM191 million as at 31 January 2025. Ongoing monetisation of completed stocks is expected to enhance the cash position of the Group.

	As at 31 Oct 2024 RM'000	As at 31 Jan 2025 RM'000
Net cash, deposits and other investments ¹ at Eco World International & subsidiaries	273,026	156,935 ²
Net cash/(debt) balances at joint ventures (effective share by the Group)	61,637	34,493
Net cash (including net cash at joint ventures)	334,663	191,428

Notes:

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

(2) Net cash balance after final dividend payment in respect of the financial year ended 31 October 2024 amounting to RM120 million on 14 January 2025

Recent data from the UK's Office for National Statistics shows a 3.6% decline in London house prices in the last three months of 2024. High interest rates and economic uncertainty stemming from geopolitical conflicts continue to weaken demand from potential homebuyers.

Given the current market conditions, the Board believes it is not conducive for the Group to pursue new launches or acquisitions in the near term. As such, all planned launches for the remaining sites remain on hold, pending review of their feasibility. The decision to proceed will depend on improved market conditions, cost stabilisation, and the ability to achieve the required returns.

B4. Variance of Actual Profit from Forecast Profit

There was no profit forecast published as at 31 January 2025.

B5. Taxation

Taxation comprises:

	3 MONTHS ENDED	
	31/01/2025	31/01/2024
	RM'000	RM'000
Current tax		
Foreign tax		
- current quarter	108	1,737
- in respect of prior years	(5)	-
Deferred tax		
Foreign tax		
- current quarter	(1)	(512)
	<hr/>	<hr/>
	102	1,225

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

B6. Status of Corporate Proposals

As at 18 March 2025, 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 March 2025, being the latest practicable date from the date of issue of this interim financial report.

B9. Dividends Declared

No dividend has been declared or recommended for payment by the Company during the financial period ended 31 January 2025.

B10. Earnings Per Share Attributable to Owners of the Company

Basic (loss)/earnings per share attributable to owners of the Company

Basic (loss)/earnings per share have been calculated by dividing the Group's (loss)/profit 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:

	3 MONTHS ENDED	31/01/2025	31/01/2024
(Loss)/Profit for the period attributable to owners of the Company (RM'000)	(3,747)	182	
Weighted average number of ordinary shares ('000)	2,400,002	2,400,002	
Basic (Loss)/Earnings Per Ordinary Share (sen)	<u>(0.16)</u>	<u>0.01</u>	

B11. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the year ended 31 October 2024 were unqualified.

B12. Notes to the Statement of Comprehensive Income

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

	3 MONTHS ENDED	31/01/2025	RM'000
Interest income	2,380		
Depreciation and amortisation	(23)		
Foreign exchange gain	140		
Impairment loss on amount owing by a joint venture	<u>(2,929)</u>		

By order of the Board
 Yeow Sze Min
 Lim Lih Chau
 Company Secretary
 19 March 2025