Quarterly rpt on consolidated results for the financial period ended 31 Oct 2023

ECO WORLD INTERNATIONAL BERHAD

Financial Year End	31 Oct 2023
Quarter	4 Qtr
Quarterly report for the financial period ended	31 Oct 2023
The figures	have not been audited

Attachments

EWI Q4-2023 results.pdf *553.6 kB*

EWI 4Q 2023 Results PR.pdf *226.5 kB*

Default Currency | **Other Currency**

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
31 Oct 2023

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31 Oct 2023	31 Oct 2022	31 Oct 2023	31 Oct 2022
		$$'000	$$'000	$$'000	$$'000
1	Revenue	28,554	43,145	104,798	159,964
2	Profit/(loss) before tax	-36,934	-94,645	-79,523	-229,360
3	Profit/(loss) for the period	-37,598	-95,423	-84,988	-233,256
4	Profit/(loss) attributable to ordinary equity holders of the parent	-37,694	-95,729	-85,373	-234,418
5	Basic earnings/(loss) per share (Subunit)	-1.57	-3.99	-3.56	-9.77
6	Proposed/Declared dividend per share (Subunit)	6.00	0.00	39.00	0.00
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the parent ($$)	0.6900		1.0200	

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	ECO WORLD INTERNATIONAL BERHAD
Stock Name	EWINT
Date Announced	13 Dec 2023
Category	Financial Results
Reference Number	FRA-11122023-00001

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

Interim Financial Report
31 October 2023

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

Interim Financial Report - 31 October 2023

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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 2023
(The figures have not been audited)

	3 MONTHS ENDED		12 MONTHS ENDED	
	31 OCTOBER 2023 RM'000	31 OCTOBER 2022 RM'000	31 OCTOBER 2023 RM'000	31 OCTOBER 2022 RM'000
Revenue	28,554	43,145	104,798	159,964
Direct expenses	(23,941)	(35,922)	(86,803)	(130,275)
Gross profit	4,613	7,223	17,995	29,689
Other income	6,604	2,474	30,674	6,197
Marketing expenses	(1,529)	(2,419)	(5,780)	(6,605)
Administrative and general expenses	(10,627)	(9,344)	(36,134)	(38,199)
Reversal of impairment losses/(Impairment losses) on investment in a joint venture	64,673	(37,949)	64,673	(74,111)
Impairment losses on amount owing by a joint venture	(90,961)	-	(90,961)	-
Gain/(Loss) on foreign exchange	15,530	(5,330)	31,637	(1,307)
Finance costs	(12)	(8,712)	(16,598)	(42,117)
Share of results in joint ventures	(25,225)	(40,588)	(75,029)	(102,907)
Loss before tax	(36,934)	(94,645)	(79,523)	(229,360)
Taxation	(664)	(778)	(5,465)	(3,896)
Loss for the period/year	(37,598)	(95,423)	(84,988)	(233,256)
Other comprehensive income/(loss), net of tax				
Items that may be reclassified to profit or loss subsequently:				
Hedge of net investment	-	358	832	484
Exchange differences on translation of foreign operations	(8,398)	14,128	84,252	(134,296)
Total comprehensive income/(loss) for the period/year	(45,996)	(80,937)	96	(367,068)
Loss for the period/year attributable to:				
Owners of the Company	(37,694)	(95,729)	(85,373)	(234,418)
Non-controlling interests	96	306	385	1,162
	(37,598)	(95,423)	(84,988)	(233,256)
Total comprehensive income/(loss) for period/year attributable to:				
Owners of the Company	(46,095)	(81,244)	(364)	(368,114)
Non-controlling interests	99	307	460	1,046
	(45,996)	(80,937)	96	(367,068)
Loss per share attributable to owners of the Company:				
Basic loss per share (sen)	(1.57)	(3.99)	(3.56)	(9.77)

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 October 2022 and the accompanying explanatory notes)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2023
(The figures have not been audited)

	As At 31 OCTOBER 2023 RM'000	As At 31 OCTOBER 2022 RM'000
ASSETS		
Non-current assets		
Plant and equipment	1,321	1,691
Right-of-use assets	-	1,511
Goodwill	31	287
Investment in joint ventures	270,038	263,785
Inventories - land held for development	143,809	141,679
Amounts owing by joint ventures	606,324	941,258
Deferred tax assets	213	234
	1,021,736	1,350,445
Current assets		
Inventories - property development costs	31,370	114,437
Amounts owing by joint ventures	296,759	807,609
Trade and other receivables	23,321	22,549
Contract costs	60	807
Current tax assets	1,040	1,470
Other investments	33	41,123
Cash, bank balances and deposits	295,207	614,220
	647,790	1,602,215
TOTAL ASSETS	1,669,526	2,952,660
EQUITY AND LIABILITIES		
Equity		
Share capital	1,092,454	2,592,454
Hedging reserve	-	(832)
Exchange translation reserve	84,189	12
Accumulated profits/(losses)	478,179	(144,447)
Equity attributable to owners of the Company	1,654,822	2,447,187
Non-controlling interests	736	1,001
Total equity	1,655,558	2,448,188
Non-current liabilities		
Lease liabilities	-	770
Deferred tax liabilities	41	1,184
	41	1,954

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2023 (continued)
(The figures have not been audited)

	As At 31 OCTOBER 2023 RM'000	As At 31 OCTOBER 2022 RM'000
Current liabilities		
Trade and other payables	9,257	14,266
Contract liabilities	-	621
Borrowings	-	482,816
Lease liabilities	-	1,051
Current tax liabilities	4,670	2,932
Derivative financial liabilities	-	832
	13,927	502,518
Total liabilities	13,968	504,472
TOTAL EQUITY AND LIABILITIES	1,669,526	2,952,660
Net assets per share attributable to owners of the Company (RM)	0.69	1.02

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 October 2022 and the accompanying explanatory notes)

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2023
(The figures have not been audited)

	← *Attributable to owners of the Company* →							
	← *Non-distributable* →							
	Share capital RM'000	**Warrant reserve RM'000**	**Hedging reserve RM'000**	**Exchange translation reserve RM'000**	**Accumulated profit/ (losses) RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 November 2022	2,592,454	-	(832)	12	(144,447)	2,447,187	1,001	2,448,188
Other comprehensive (loss)/income 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 (loss)/income for the year	-	-	832	84,177	(85,373)	(364)	460	96
Transfer to retained earnings	(1,500,000)	-	-	-	1,500,000	-	-	-
Transactions with owners of the Company:								
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
At 1 November 2021	2,592,451	276,418	(1,316)	134,192	(186,447)	2,815,298	1,976	2,817,274
Other comprehensive (loss)/income for the year:								
- Hedge of net investment	-	-	484	-	-	484	-	484
- Exchange differences on translation of foreign operations	-	-	-	(134,180)	-	(134,180)	(116)	(134,296)
(Loss)/Income for the year	-	-	-	-	(234,418)	(234,418)	1,162	(233,256)
Total comprehensive (loss)/income for the year	-	-	484	(134,180)	(234,418)	(368,114)	1,046	(367,068)
Transfer of reserves upon expiry of Warrants	-	(276,418)	-	-	276,418	-	-	-
Transactions with owners of the Company:								
Issuance of ordinary shares pursuant to exercise of warrants	3	-	-	-	-	3	-	3
Dividend declared to non-controlling interests of a subsidiary	-	-	-	-	-	-	(2,021)	(2,021)
At 31 OCTOBER 2022	2,592,454	-	(832)	12	(144,447)	2,447,187	1,001	2,448,188

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 October 2022 and the accompanying explanatory notes)

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2023
(The figures have not been audited)

	12 MONTHS ENDED	
	31 OCTOBER 2023	31 OCTOBER 2022
	RM'000	RM'000
Cash Flows From Operating Activities		
Loss before tax	(79,523)	(229,360)
Adjustments for:		
Non-cash items	94,494	182,950
Non-operating items	(12,096)	37,336
Operating profit/(loss) before working capital changes	2,875	(9,074)
Changes in inventories	81,289	127,139
Changes in receivables and other current assets	1,717	(9,074)
Changes in payables and other current liabilities	2,566	(1,164)
Changes in contract liabilities	(614)	(763)
Changes in derivatives	(605)	-
Cash generated from operations	87,228	107,064
Interest received	721	228
Tax paid	(5,575)	(8,678)
Tax refund	1,150	8,585
Net cash generated from operating activities	83,524	107,199
Cash Flows From Investing Activities		
Purchase of plant and equipment	(41)	(31)
Proceeds from disposal of plant and equipment	114	2
Net advances repaid by joint ventures	830,089	660,967
Withdrawal/(Placement) of restricted cash and bank balances, and other investment	41,090	(22,363)
Interest received	27,588	4,553
Net cash generated from investing activities	898,840	643,128
Cash Flows From Financing Activities		
Drawdown of borrowings	261,332	272,446
Repayment of borrowings	(744,053)	(690,383)
Proceeds from issuance of ordinary shares	-	3
Dividend paid to owners of the Company	(792,001)	-
Dividend paid to non-controlling interests of a subsidiary	(725)	(2,021)
Repayment of lease liabilities	(1,051)	(920)
Interest paid in relation to lease liabilities	(68)	(117)
Interest paid	(23,799)	(40,852)
Net cash used in financing activities	(1,300,365)	(461,844)

ECO WORLD INTERNATIONAL BERHAD
(Registration No: 201301030020 (1059850-A))
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2023 (continued)
(The figures have not been audited)

	12 MONTHS ENDED	
	31 OCTOBER 2023	**31 OCTOBER 2022**
	RM'000	**RM'000**
Net changes in cash and cash equivalents	(318,001)	288,483
Cash and cash equivalents at 1 November 2022/ 2021	614,220	317,355
Effect of exchange rate changes	(1,012)	8,382
Cash and cash equivalents at 31 October 2023/ 2022	295,207	614,220
Cash and cash equivalents comprise the following:		
Deposits	257,291	571,112
Cash and bank balances	37,916	43,108
	295,207	614,220

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 October 2022 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 2022.

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 2022, 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 2022:

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018−2020)
Amendments to MFRS 3	Business Combinations – Reference to the Conceptual Framework
Amendments to MFRS 9	Financial Instruments (Annual Improvements to MFRS Standards 2018−2020)
Amendments to Illustrative Examples accompanying MFRS 16	Leases (Annual Improvements to MFRS Standards 2018−2020)
Amendments to MFRS 116	Property, Plant and Equipment − Proceeds before Intended Use
Amendments to MFRS 137	Provisions, Contingent Liabilities and Contingent Assets − Onerous Contracts − Cost of Fulfilling a Contract

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 2023 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 2023.

A4. Changes in Estimates

There were no material changes in estimates during the financial year ended 31 October 2023.

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 2023.

A6. Dividends Paid

On 29 September 2023, the Company paid interim dividend of 33 sen per share on the 2,400,001,780 ordinary shares in issue, amounting to RM792,000,587 in respect of the financial year ended 31 October 2023.

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 2023 is as follows:

	United Kingdom RM'000	Australia RM'000	Malaysia RM'000	Eliminations RM'000	Total RM'000
Revenue					
External revenue	-	104,667	343	(212)	104,798
Inter-segment revenue	-	-	62	(62)	-
Total revenue	-	104,667	405	(274)	104,798
Segment results	(8,535)	4,961	(19,126)	-	(22,700)
Share of results in joint ventures	(75,029)	-	-	-	(75,029)
Reversal of impairment losses on investment in a joint venture	64,673	-	-	-	64,673
Impairment losses on amount owing by a joint venture	(90,961)	-	-	-	(90,961)
Depreciation	(43)	(161)	(1,015)	-	(1,219)
Gain on foreign exchange	-	-	31,637	-	31,637
Other income	-	1,382	598	-	1,980
Finance income	534	416	27,744	-	28,694
Finance costs	-	(441)	(16,157)	-	(16,598)
(Loss)/Profit before tax	(109,361)	6,157	23,681	-	(79,523)
Taxation	(583)	(3,453)	(1,429)	-	(5,465)
(Loss)/Profit for the year	(109,944)	2,704	22,252	-	(84,988)
Main foreign currency	*GBP*	*AUD*	*RM*		
Exchange ratio of 1 unit of foreign currency to RM [(1)]	*5.5917*	*3.0031*	*1.0000*		

	United Kingdom RM'000	Australia RM'000	Malaysia RM'000	Eliminations RM'000	Total RM'000
Segment assets	1,196,959	206,386	266,181	-	1,669,526
Segment liabilities	836	8,396	4,736	-	13,968
Main foreign currency	*GBP*	*AUD*	*RM*		
Exchange ratio of 1 unit of foreign currency to RM [(2)]	*5.7987*	*3.0363*	*1.0000*		

Note:

[(1)] *Average rates for the financial year ended 31 October 2023.*

[(2)] *Closing rates as at 31 October 2023.*

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

There were no significant events after 31 October 2023 until 12 December 2023, the latest practicable date from the date of issue of this interim financial report other than as disclosed in Note B6 and B9.

A9. Changes in the Composition of the Group

(a) There were no changes in the composition of the Group during the financial year ended 31 October 2023.

(b) There were no changes in the composition of the Group during the period between 1 November 2023 until 12 December 2023, being the latest practicable date from the date of issue of this interim financial report.

A10. Commitments and Contingencies

	As at 31/10/2023 RM'000
Approved and contracted for:	
- Commitment to fund joint ventures	
(i) Eco World-Ballymore Holding Company Limited ("Eco World-Ballymore") by way of share subscription and shareholder's advances (*Note a*)	171,338
(ii) Eco World London by way of shareholder's advances *(Note b)*	139,232
(iii) Eco World London DMCo by way of shareholder's advances *(Note b)*	-

Note a

The Group and the other joint venture partner are jointly committed to agree on the action to be taken in the event of (i) an emergency giving rise to public liability of the EW-Ballymore Holding / its shareholders; (ii) damage or lack of repair to any of the joint venture projects which will cause a material diminution in value of the property; or (iii) an acceleration of or a default under any finance documents entered into by or on behalf of EW-Ballymore Holding. The Group and the other joint venture partner could agree to provide the additional funding in the ratio of 75:25 based on their current proportion of the existing equity interests in EW-Ballymore Holding. The likelihood for further funding in the future is low considering that construction of the joint venture projects were completed and the development facility obtained by EW-Ballymore Holding was fully repaid in April 2022. Furthermore, EW-Ballymore Holding commenced repayment of shareholder's advances from May 2022 onwards.

Note b

The Group and the other joint venture partner are jointly committed to provide funding into EcoWorld London and EcoWorld London DMCo to prevent a breach of a covenant or undertaking by the EcoWorld London group of companies and EcoWorld London DMCo under any 3rd party finance agreement. Any committed funding provided shall be in the ratio of 70:30 based on the current proportion of the joint venture partners' existing equity interests in EcoWorld London and EcoWorld London DMCo.

In the event of a non-compliance under the shareholders' agreement, the compliant shareholder has an option to acquire all or a portion of the shares held by the non-compliant shareholder in EcoWorld London group of companies and/or EcoWorld London DMCo, as the case may be, at a discounted or a nominal price.

A11. Significant Related Party Transactions

		12 MONTHS ENDED 31/10/2023 RM'000
(i)	Transactions with joint ventures	
	- Advances to joint ventures	151,856
	- Repayment of advances by joint ventures	(983,284)
	- Sales commission received/receivable from joint ventures	343
(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	123
	- Support service fees paid or payable	268
	- Rental paid or payable	180
	- Secondment fee	2,922
(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	1,119
(iv)	Transaction with a company where a subsidiary director has interest	
	- Consultancy fee paid or payable	735

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		
	31/10/2023 RM'000	31/10/2022 RM'000	CHANGES RM'000	31/10/2023 RM'000	31/10/2022 RM'000	CHANGES RM'000
Gross profit	4,613	7,223	(2,610)	17,995	29,689	(11,694)
Share of results in joint ventures	(25,225)	(40,588)	15,363	(75,029)	(102,907)	27,878
Loss before interest and tax	(36,922)	(85,933)	49,011	(62,925)	(187,243)	124,318
Loss before tax	(36,934)	(94,645)	57,711	(79,523)	(229,360)	149,837
Loss for the period/year	(37,598)	(95,423)	57,825	(84,988)	(233,256)	148,268
Loss for the period/year attributable to owners of the Company	(37,694)	(95,729)	58,035	(85,373)	(234,418)	149,045

(a) 4Q 2023 vs. 4Q 2022

The Group's revenue comprises the property sales proceeds from its projects in Australia, namely West Village and Yarra One, and fees for marketing services rendered by a subsidiary to the Group's joint venture in respect of property sales of its projects in the UK. The Group recorded a lower revenue in 4Q 2023 of RM28.55 million as compared to 4Q 2022 of RM43.15 million mainly due to lower number of units sold and handed over to customers as the Group is only selling the remaining unsold units of both projects in 4Q 2023.

Revenue recorded by the Group's joint-ventures totalled RM328.82 million (4Q 2022: RM1,065.91 million), of which the Group's effective share (unconsolidated) amounted to RM241.90 million (4Q 2022: RM704.09 million), mainly due to lower sales completions. However, the Group recorded lower share of losses in joint ventures during the current quarter as fair values of Eco World-Ballymore's commercial properties substantially held their values following significant decline in the previous year.

The Group recorded a loss before tax ("LBT") of RM36.93 million during the quarter as compared to LBT of RM94.64 million reported for 4Q 2022. The lower losses in 4Q 2023 were mainly due to the following:

i. foreign exchange gains arising from appreciation of British Pound ("GBP") against Ringgit Malaysia ("RM") on repayment of shareholder's advances from Eco World-Ballymore and conversion of bank balances denominated in GBP to RM as opposed to foreign exchange losses recorded in 4Q 2022;

ii. reversal of impairment on investment in Eco World-Ballymore of RM64.67 million following significant progress in monetisation of inventories during the year being offset against impairment losses on amount owing by Eco World London of RM90.96 million due to losses recorded by the joint venture. In the previous corresponding financial quarter, the group provided impairment losses on the investment in Eco World-Ballymore of RM37.95 million and higher share of losses in Eco World-Ballymore as mentioned above; and

iii. lower finance costs as a result of full settlement of all borrowings during the previous quarter.

B1. Review of Group Performance (continued)

(b) 4Q YTD 2023 vs. 4Q YTD 2022

Revenue for the Group for 4Q YTD 2023 of RM104.80 million was RM55.16 million lower than the previous year of RM159.96 million as a result of lesser units sold in West Village and Yarra One in the current year as compared to the previous year.

Revenue recorded by the Group's joint-ventures totalled RM1,381.40 million (4Q YTD 2022: RM2,710.91 million), of which the Group's effective share (unconsolidated) amounted to RM978.00 million (4Q YTD 2022: RM1,876.87 million), mainly due to lower sales completions. However, the Group recorded lower share of losses in joint ventures during the current financial year due to lower downward revision of project profit margins as compared to the previous year other than initial planning costs being written-off following the decision not to proceed with the acquisition of the Tulse Hill project during the current year. In the previous year, other than the downward revision of project profit margins mainly arising from extended construction programme, the losses were caused by higher inventory holding costs as a result of the longer period of time taken for sales realisation and declines in fair value of commercial properties in Eco World-Ballymore.

The Group recorded a LBT of RM79.52 million in the current financial year, as compared to LBT of RM229.36 million reported for 4Q YTD 2022.

The lower LBT reported in the current financial year was mainly due to:

i. foreign exchange gains recognised in 4Q YTD 2023 as opposed to foreign exchange losses in 4Q YTD 2022;

ii. lower finance costs as a result of full settlement of all borrowings during the current year;

iii. higher interest income from unit trust and fixed deposit following repayment of shareholder's advances from Eco World-Ballymore and Eco World London; and

iv. reversal of impairment on investment in Eco World-Ballymore of RM64.67 million following significant progress in monetisation of inventories during the year being offset against impairment losses on amount owing by Eco World London of RM90.96 million due to losses recorded by the joint venture. In the previous financial year, the group provided impairment losses on the investment in Eco World-Ballymore of RM74.11 million and higher share of losses in Eco World-Ballymore as mentioned above.

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

	3 MONTHS ENDED		
	31/10/2023	**31/07/2023**	**CHANGES**
	RM'000	**RM'000**	**RM'000**
Gross profit	4,613	3,706	907
Share of results in joint ventures	(25,225)	(25,158)	(67)
Loss before interest and tax	(36,922)	(8,920)	(28,002)
Loss before tax	(36,934)	(10,112)	(26,822)
Loss for the period	(37,598)	(12,171)	(25,427)
Loss for the period attributable to owners of the Company	(37,694)	(12,302)	(25,392)

The Group's current quarter LBT of RM36.93 million has increased by RM26.82 million from the LBT recorded in the preceding quarter ended 31 July 2023 of RM10.11 million.

The higher LBT recorded in the current quarter was mainly due to impairment on amount owing by Eco World London recognised in the current quarter.

B3. Sales Achieved and Prospects for the Current Financial Year

PROJECTS	LANDBANK	CUMULATIVE SALES	12 MONTHS ENDED 31/10/2023[1]		Effective Future Revenue[3]
	As at 31/10/2023 (Acres)	As at 31/10/2023 RM'mil	Units Sold[2]	Sales value RM'mil	RM'mil
London	50.7	17,232	203	1,065	143
Sydney	1.9	960	13	25	-
Melbourne	0.5	708	34	91	36
Total[4]	**53.1**	**18,900**	**250**	**1,181**	**179**

Notes:
(1) Based on exchange rates of £1:RM5.7987 and A$1:3.0363 as at Oct 31, 2023
(2) Refer to number of units exchanged only.
(3) Effective future revenue based on effective stake in joint ventures and subsidiaries as at Oct 31, 2023
(4) Total may not add up because of rounding

EcoWorld International achieved RM1.181 billion sales in FY2023. This, plus reserves of RM114 million, add up to a total of RM1.295 billion. Embassy Gardens, which brought in RM617 million sales, was the biggest contributor to sales, followed by Wardian (RM215 million), London City Island (RM107 million) and Yarra One (RM91 million).

These sales have generated substantial cash for the Group and enabled the distribution of the RM792 million dividend in September 2023. As at 31 October 2023, the Group has a net cash balance of RM295 million. The effective future revenue of RM179 million and reserves of RM114 million as at 31 October 2023 are expected to contribute positively to the cash balance in the near term.

	As at 31 Oct 2022 RM'000	As at 31 Oct 2023 RM'000
Cash, deposits and other investments[1]	655,343	295,240
Total Borrowings	482,816	-
Net cash	**172,527**	**295,240**

Notes:
(1) Other investments relate to deposits that must be maintained and restricted for use during the tenure of borrowings
(2) Based on exchange rate of £1:RM5.4594 as at Oct 31, 2022
(3) Based on exchange rate of £1:RM5.7987 as at Oct 31, 2023

The Board is declaring a final dividend of 6 sen per share for FY2023, which translates to RM144 million. Combined with the RM792 million dividend already distributed, the total dividends for FY2023 amount to RM936 million. This slightly exceeds the targeted RM900 million excess cash distribution set last year.

As at 31 October 2023, the Group has approximately RM850 million of completed and nearly-completed stocks that are available for sale, of which the Group's effective share is approximately RM650 million. The Board targets to sell out all these stocks in FY2024, and distribute the excess cash generated (net of the amounts required for the Group's pared down operational requirements) back to shareholders.

The challenging conditions persist in the UK real estate market as high interest rates dampen the purchasing power of homebuyers. With UK inflation rates in recent months surpassing the Bank of England's target, there remains risk of further interest rate hikes.

Accordingly, all launches for the remaining sites continue to be put on hold, pending review of their feasibility in view of the ongoing weak sentiment among homebuyers and significant cost inflations. The Board will only consider proceeding with launches when market conditions improve, cost pressures stabilise and expected returns that meet the Group's requirements can be forecast with greater certainty.

B4. Variance of Actual Profit from Forecast Profit

There was no profit forecast published as at 31 October 2023.

B5. Taxation

Taxation comprises:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31/10/2023 RM'000	31/10/2022 RM'000	31/10/2023 RM'000	31/10/2022 RM'000
Current tax				
Malaysian tax				
- current quarter/year	(744)	4	1,433	4
- in respect of prior years	(4)	-	(4)	(5)
Foreign tax				
- current quarter/year	1,925	1,508	4,895	6,619
- in respect of prior years	-	-	192	88
Deferred tax				
Foreign tax				
- current quarter/year	(513)	(734)	(953)	(2,753)
- in respect of prior years	-	-	(98)	(57)
	664	778	5,465	3,896

The Group's losses were mainly attributed to the equity accounting of share of losses in joint ventures and impairment losses. Tax expenses are provided for profitable subsidiaries and taxable other income of the holding company as losses in other subsidiaries were not available to set-off against the taxable profits within the Group.

B6. Status of Corporate Proposals

As at 12 December 2023, there is no corporate proposal that has been announced by the Company which is yet to be completed.

B7. Group Borrowings and Debt Securities

The total group borrowings and debt securities as at 31 October 2023 were as follows:

	As at 31/10/2023				As at 31/10/2022
	Secured/ Unsecured	**Foreign Currency '000**		**RM Equivalent '000**	**RM Equivalent '000**
Short term borrowings					
- Term loan	Secured	AUD	-	-	33,200
- Medium term notes	Unsecured	RM	-	-	449,616
				-	482,816

As at 31 October 2023, the Group's medium term notes based on fixed rates to finance the projects in UK and Australia were fully settled.

B8. Material Litigation

The Group was not engaged in any material litigation as at 12 December 2023, 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 2023:

Amount per share : 6.0 sen single tier dividend
Entitlement to dividends based on record of depositors as at : 29 December 2023
Date payable : 17 January 2024

This will be in addition to the interim dividend of 33 sen per share which was paid to shareholders on 29 September 2023.

B10. Earnings Per Share Attributable to Owners of the Company

Basic loss 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/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	
	31/10/2023	31/10/2022	31/10/2023	31/10/2022
Loss for the period/year attributable to owners of the Company (RM'000)	(37,694)	(95,729)	(85,373)	(234,418)
Weighted average number of ordinary shares ('000)	2,400,002	2,400,000	2,400,002	2,400,000
Basic Loss Per Ordinary Share (sen)	(1.57)	(3.99)	(3.56)	(9.77)

B11. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the year ended 31 October 2022 were unqualified.

B12. Notes to the Statement of Comprehensive Income

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

	3 MONTHS ENDED 31/10/2023 RM'000	12 MONTHS ENDED 31/10/2023 RM'000
Interest income	5,602	28,694
Interest expense	(12)	(16,598)
Depreciation and amortisation	(301)	(1,219)
Foreign exchange gain	15,530	31,637
Hedge of net investment reclassified to profit and loss	-	(605)
Impairment of goodwill	(54)	(257)
Reversal of impairment losses on investment in a joint venture	64,673	64,673
Impairment losses on amount owing by a joint venture	(90,961)	(90,961)

By order of the Board
Tan Ai Ning
Company Secretary
13 December 2023