Quarterly rpt on consolidated results for the financial period ended 31 Jan 2019

ECO WORLD INTERNATIONAL BERHAD

Financial Year End	31 Oct 2019
Quarter	1 Qtr
Quarterly report for the financial period ended	31 Jan 2019
The figures	have not been audited

Attachments

EWI Q1-2019 results.pdf
548.6 kB

Default Currency | **Other Currency**

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
31 Jan 2019

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31 Jan 2019	31 Jan 2018	31 Jan 2019	31 Jan 2018
		$$'000	$$'000	$$'000	$$'000
1	Revenue	0	0	0	0
2	Profit/(loss) before tax	24,119	-12,512	24,119	-12,512
3	Profit/(loss) for the period	24,344	-10,175	24,344	-10,175
4	Profit/(loss) attributable to ordinary equity holders of the parent	22,758	-10,173	22,758	-10,173
5	Basic earnings/(loss) per share (Subunit)	0.95	-0.42	0.95	-0.42
6	Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	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 ($$)	1.0500		1.0300	

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	28 Mar 2019
Category	Financial Results
Reference Number	FRA-27032019-00007

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

Interim Financial Report
31 January 2019

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

Interim Financial Report - 31 January 2019

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 JANUARY 2019
(The figures have not been audited)

	3 MONTHS ENDED 31 JANUARY 2019 RM'000	3 MONTHS ENDED 31 JANUARY 2018 (RESTATED) RM'000
Revenue	-	-
Direct expenses	(878)	(1,668)
Gross loss	(878)	(1,668)
Other income	3,029	6,939
Marketing expenses	(778)	(1,384)
Administrative and general expenses	(12,709)	(17,192)
Unrealised gain on foreign exchange	1,656	4,878
Finance costs	(12,855)	-
Share of results in joint ventures	46,654	(4,085)
Profit/(Loss) before tax	24,119	(12,512)
Taxation	225	2,337
Profit/(Loss) for the period	24,344	(10,175)
Other comprehensive (loss)/income, net of tax		
Items that may be reclassified to profit or loss subsequently:		
Fair value adjustment on cash flow hedge	(1,421)	-
Exchange differences on translation of foreign operations	13,513	(38,153)
Total comprehensive income/(loss) for the period	36,436	(48,328)
Profit/(Loss) for the period attributable to:		
Owners of the Company	22,758	(10,173)
Non-controlling interests	1,586	(2)
	24,344	(10,175)
Total comprehensive income/(loss) for the period attributable to:		
Owners of the Company	34,526	(48,842)
Non-controlling interests	1,910	514
	36,436	(48,328)
Earnings/(Loss) per share attributable to owners of the Company:		
Basic earnings/(loss) per share (sen)	0.95	(0.42)
Diluted earnings/(loss) per share (sen) *	0.95	(0.42)

* *Anti-dilutive*

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 October 2018 and the accompanying explanatory notes)

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2019
(The figures have not been audited)

	As At 31 JANUARY 2019 RM'000	As At 31 OCTOBER 2018 (RESTATED) RM'000	As At 1 NOVEMBER 2017 (RESTATED) RM'000
ASSETS			
Non-current assets			
Plant and equipment	5,859	6,366	7,169
Goodwill	105,198	105,198	105,198
Investment in joint ventures	236,839	192,850	140,665
Amounts owing by joint ventures	2,243,124	2,116,983	1,089,481
Deferred tax assets	26,313	25,787	19,316
	2,617,333	2,447,184	1,361,829
Current assets			
Inventories - property development costs	624,804	460,331	365,138
Trade and other receivables	30,983	43,549	25,031
Current tax assets	1,284	1,188	682
Derivative financial assets	-	2,004	-
Cash, bank balances and deposits	283,402	436,960	992,388
	940,473	944,032	1,383,239
TOTAL ASSETS	3,557,806	3,391,216	2,745,068
EQUITY AND LIABILITIES			
Equity			
Share capital	2,592,451	2,592,451	2,592,451
Warrant reserve	276,418	276,418	276,418
Cash flow hedge reserve	(1,431)	(10)	-
Exchange translation reserve	(59,806)	(72,995)	16,681
Accumulated losses	(297,017)	(319,775)	(308,596)
Equity attributable to owners of the Company	2,510,615	2,476,089	2,576,954
Non-controlling interests	17,776	17,199	3,396
Total equity	2,528,391	2,493,288	2,580,350
Non-current liabilities			
Borrowings	736,271	605,440	48,684
Hire purchase liability	121	134	-
Deferred tax liabilities	1,876	1,883	1,944
	738,268	607,457	50,628
Current liabilities			
Trade and other payables	42,196	43,473	16,067
Amount owing to a corporate shareholder of a subsidiary	16,185	15,465	16,340
Borrowings	229,040	230,638	79,913
Derivative financial liabilities	2,930	-	-
Hire purchase liability	49	48	-
Current tax liabilities	747	847	1,770
	291,147	290,471	114,090
Total liabilities	1,029,415	897,928	164,718
TOTAL EQUITY AND LIABILITIES	3,557,806	3,391,216	2,745,068

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2019 (continued)
(The figures have not been audited)

	As At 31 JANUARY 2019 RM'000	As At 31 OCTOBER 2018 (RESTATED) RM'000	As At 1 NOVEMBER 2017 (RESTATED) RM'000
Net assets per share attributable to owners of the Company (RM)	1.05	1.03	1.07

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 October 2018 and the accompanying explanatory notes)

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 JANUARY 2019
(The figures have not been audited)

	Attributable to owners of the Company							
	Non-distributable				*Distributable*			
	Share capital RM'000	**Warrant reserve RM'000**	**Cash flow hedge reserve RM'000**	**Exchange translation reserve RM'000**	**Accumulated losses RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
At 1 November 2018 (as previously reported)	2,592,451	276,418	(10)	(68,851)	(306,399)	2,493,609	15,873	2,509,482
Effects of MFRS 15 adoption	-	-	-	(4,144)	(13,376)	(17,520)	1,326	(16,194)
At 1 November 2018 (restated)	2,592,451	276,418	(10)	(72,995)	(319,775)	2,476,089	17,199	2,493,288
Other comprehensive (loss)/income for the period:								
- Net change in fair value of cash flow hedge	-	-	(1,421)	-	-	(1,421)	-	(1,421)
- Exchange differences on translation of foreign operations	-	-	-	13,189	-	13,189	324	13,513
Profit for the period	-	-	-	-	22,758	22,758	1,586	24,344
Total comprehensive (loss)/income for the period	-	-	(1,421)	13,189	22,758	34,526	1,910	36,436
Transactions with owners of the Company:								
Dividend declared to non-controlling interests of a subsidiary	-	-	-	-	-	-	(1,333)	(1,333)
At 31 JANUARY 2019	2,592,451	276,418	(1,431)	(59,806)	(297,017)	2,510,615	17,776	2,528,391
At 1 November 2017 (as previously reported)	2,592,451	276,418	-	17,644	(341,637)	2,544,876	2,768	2,547,644
Effects of MFRS 15 adoption	-	-	-	(963)	33,041	32,078	628	32,706
At 1 November 2017 (restated)	2,592,451	276,418	-	16,681	(308,596)	2,576,954	3,396	2,580,350
Other comprehensive (loss)/income for the period:								
- Exchange differences on translation of foreign operations	-	-	-	(38,669)	-	(38,669)	516	(38,153)
Loss for the period	-	-	-	-	(10,173)	(10,173)	(2)	(10,175)
Total comprehensive (loss)/income for the period	-	-	-	(38,669)	(10,173)	(48,842)	514	(48,328)
Issuance of preference shares by a subsidiary to non-controlling interests	-	-	-	-	-	-	13,885	13,885
At 31 JANUARY 2018 (RESTATED)	2,592,451	276,418	-	(21,988)	(318,769)	2,528,112	17,795	2,545,907

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 October 2018 and the accompanying explanatory notes)

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 JANUARY 2019
(The figures have not been audited)

	3 MONTHS ENDED	
	31 JANUARY 2019	31 JANUARY 2018 (RESTATED)
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit/(Loss) before tax	24,119	(12,512)
Adjustments for:		
Non-cash items	(47,765)	(241)
Non-operating items	9,827	(6,670)
Operating loss before working capital changes	(13,819)	(19,423)
Changes in inventories - property development costs	(155,527)	(12,589)
Changes in receivables	5,458	(4,880)
Changes in payables	(8,407)	644
Cash used in operations	(172,295)	(36,248)
Interest received	1,037	16
Tax paid	(465)	(906)
Net cash used in operating activities	(171,723)	(37,138)
Cash Flows From Investing Activities		
Purchase of plant and equipment	(27)	(1,115)
Proceeds from disposal of plant and equipment	-	1
Advances to joint ventures	(95,808)	(162,304)
Investment in joint ventures	(11,726)	-
(Placements)/Withdrawal of deposits, debt service reserve and interest service reserve accounts	(8,107)	142
Landholder duty	-	(269)
Interest received	1,991	6,923
Net cash used in investing activities	(113,677)	(156,622)
Cash Flows From Financing Activities		
Drawdown of borrowings	133,064	-
Advances from a corporate shareholder of a subsidiary	-	1,090
Finance costs	(7,676)	(2,795)
Dividend paid to non-controlling interests of a subsidiary	(1,333)	-
Repayment of hire purchase	(12)	-
Net cash generated from/(used in) financing activities	124,043	(1,705)

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 JANUARY 2019 (continued)
(The figures have not been audited)

	3 MONTHS ENDED	
	31 JANUARY 2019	31 JANUARY 2018 (RESTATED)
	RM'000	RM'000
Net changes in cash and cash equivalents	(161,357)	(195,465)
Cash and cash equivalents at 1 November 2018/ 2017	427,597	986,680
Effect of exchange rate changes	(308)	(862)
Cash and cash equivalents at 31 January 2019/ 2018	265,932	790,353
Cash and cash equivalents comprise the following:		
Deposits	212,216	728,789
Cash and bank balances	71,186	67,130
	283,402	795,919
Less: Deposit pledged, debt service reserve and interest service reserve accounts	(17,470)	(5,566)
	265,932	790,353

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 October 2018 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 2018.

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 an understanding of 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 2018, 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 2018:

Amendments to MFRS 1 and MFRS 128	Annual Improvements to MFRS Standards 2014–2016 Cycle
MFRS 9	Financial Instruments
MFRS 15	Revenue from Contracts with Customers
Amendments to MFRS 15	Clarifications to MFRS 15
Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to MFRS 140	Transfers of Investment Property
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration

The adoption of the above new MFRSs, Amendments to MFRSs and IC Interpretations is not expected to have a material impact to the Interim Financial Statements of the Group except for MFRS 9 and MFRS 15, discussed as follows:

MFRS 9 Financial Instruments

MFRS 9 addresses the classification, recognition, derecognition, measurement and impairment of financial assets and financial liabilities as well as general hedge accounting. It replaces MFRS 139 Financial Instruments: Recognition and Measurement and IC Interpretation 9 Reassessment of Embedded Derivatives.

MFRS 9 contains a new impairment model based on expected losses (as oppose to 'incurred loss' model under MFRS 139), i.e. a loss event need not occur before an impairment loss is recognised, which will result in earlier recognition of losses.

The Group has assessed the effects of adopting MFRS 9 on their financial assets and financial liabilities and concluded that the adoption does not have significant impact to the financial performance or position upon their initial application.

A1. Basis of Preparation (continued)

MFRS 15 Revenue from Contract with Customers

MFRS 15 introduces a new model for revenue recognition arising from contracts with customers. MFRS 15 replaces MFRS 111 Construction Contracts, MFRS 118 Revenue, IC Interpretation 13 Customer Loyalty Programmes, IC Interpretation 15 Agreements for the Construction of Real Estate, IC Interpretation 18 Transfers of Assets from Customers and IC Interpretation 131 Revenue – Barter Transactions Involving Advertising Services. The application of MFRS 15 will result in difference in amount and timing of revenue recognition as compared with current accounting policies.

The Group has conducted an assessment on the existing contracts with customers and identified, among others, the following changes to the existing accounting principles:

(i) Timing of recognition for the sales of properties

The Group's existing accounting policy is to recognise revenue on the basis of fair value of consideration received or receivable from the sale of properties when the significant risks and rewards of development units are transferred to purchasers. Upon adoption of MFRS 15, revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Control of the asset may transfer over time or at a point in time.

(ii) Accounting for incremental costs of obtaining a contract

The Group's existing accounting policy is to expense off incremental costs, such as referral fees and sales commissions, in obtaining a customer contract. Upon adoption of MFRS 15, these costs are qualified to be recognised as an asset and subsequently amortised to profit or loss progressively over the period during which the property sold is transferred to the customer as the Group expects to recover these costs.

A1. Basis of Preparation (continued)

The financial impacts to the Interim Financial Statements of the Group arising from the adoption of MFRS 15 are disclosed as follows:

Condensed Consolidated Statement of Financial Position
As at 1 November 2017

	As previously reported RM'000	Effect of MFRS 15 RM'000	As restated RM'000
ASSETS			
Non-current assets			
Plant and equipment	7,169	-	7,169
Goodwill	126,302	(21,104)	105,198
Investment in a joint venture	104,907	35,758	140,665
Amount owing by a joint venture	1,089,481	-	1,089,481
Deferred tax assets	19,316	-	19,316
	1,347,175	14,654	1,361,829
Current assets			
Inventories - properties development costs	366,717	(1,579)	365,138
Trade and other receivables	5,400	19,631	25,031
Current tax assets	682	-	682
Cash, bank balances and deposits	992,388	-	992,388
	1,365,187	18,052	1,383,239
TOTAL ASSETS	**2,712,362**	**32,706**	**2,745,068**
EQUITY AND LIABILITIES			
Equity			
Share capital	2,592,451	-	2,592,451
Warrant reserve	276,418	-	276,418
Exchange translation reserve	17,644	(963)	16,681
Accumulated losses	(341,637)	33,041	(308,596)
Equity attributable to owners of the Company	**2,544,876**	**32,078**	**2,576,954**
Non-controlling interests	2,768	628	3,396
Total equity	**2,547,644**	**32,706**	**2,580,350**
Non-current liabilities			
Borrowings	48,684	-	48,684
Deferred tax liabilities	1,944	-	1,944
	50,628	-	50,628
Current liabilities			
Trade and other payables	16,067	-	16,067
Amount owing to a corporate shareholder of a subsidiary	16,340	-	16,340
Borrowings	79,913	-	79,913
Current tax liabilities	1,770	-	1,770
	114,090	-	114,090
Total liabilities	**164,718**	**-**	**164,718**
TOTAL EQUITY AND LIABILITIES	**2,712,362**	**32,706**	**2,745,068**

A1. Basis of Preparation (continued)

Condensed Consolidated Statement of Financial Position
As at 31 October 2018

	As previously reported RM'000	Effect of MFRS 15 RM'000	As restated RM'000
ASSETS			
Non-current assets			
Plant and equipment	6,366	-	6,366
Goodwill	126,302	(21,104)	105,198
Investment in joint ventures	209,012	(16,162)	192,850
Amounts owing by joint ventures	2,116,983	-	2,116,983
Deferred tax assets	25,787	-	25,787
	2,484,450	(37,266)	2,447,184
Current assets			
Inventories - properties development costs	461,836	(1,505)	460,331
Trade and other receivables	20,972	22,577	43,549
Current tax assets	1,188	-	1,188
Derivative financial assets	2,004	-	2,004
Cash, bank balances and deposits	436,960	-	436,960
	922,960	21,072	944,032
TOTAL ASSETS	**3,407,410**	**(16,194)**	**3,391,216**
EQUITY AND LIABILITIES			
Equity			
Share capital	2,592,451	-	2,592,451
Warrant reserve	276,418	-	276,418
Cash flow hedge reserve	(10)	-	(10)
Exchange translation reserve	(68,851)	(4,144)	(72,995)
Accumulated losses	(306,399)	(13,376)	(319,775)
Equity attributable to owners of the Company	**2,493,609**	**(17,520)**	**2,476,089**
Non-controlling interests	15,873	1,326	17,199
Total equity	**2,509,482**	**(16,194)**	**2,493,288**
Non-current liabilities			
Borrowings	605,440	-	605,440
Hire purchase liability	134	-	134
Deferred tax liabilities	1,883	-	1,883
	607,457	-	607,457
Current liabilities			
Trade and other payables	43,473	-	43,473
Amount owing to a corporate shareholder of a subsidiary	15,465	-	15,465
Borrowings	230,638	-	230,638
Hire purchase liability	48	-	48
Current tax liabilities	847	-	847
	290,471	-	290,471
Total liabilities	**897,928**	**-**	**897,928**
TOTAL EQUITY AND LIABILITIES	**3,407,410**	**(16,194)**	**3,391,216**

A1. Basis of Preparation (continued)

Condensed Consolidated Statement of Comprehensive Income
For the 3 months ended 31 January 2018

	As previously reported RM'000	**Effect of MFRS 15 RM'000**	**As restated RM'000**
Revenue	18	(18)	-
Direct expenses	(1,668)	-	(1,668)
Gross loss	(1,650)	(18)	(1,668)
Other income	6,939	-	6,939
Marketing expenses	(3,099)	1,715	(1,384)
Administrative and general expenses	(17,192)	-	(17,192)
Unrealised gain on foreign exchange	4,878	-	4,878
Share of results in joint ventures	(8,631)	4,546	(4,085)
Loss before tax	**(18,755)**	**6,243**	**(12,512)**
Taxation	2,337	-	2,337
Loss for the period	(16,418)	6,243	(10,175)
Other comprehensive loss, net of tax			
Item that may be reclassified to profit or loss subsequently:			
Exchange differences on translation of foreign operations	(36,832)	(1,321)	(38,153)
Total comprehensive loss for the period	**(53,250)**	**4,922**	**(48,328)**
Loss for the period attributable to:			
Owners of the Company	(16,205)	6,032	(10,173)
Non-controlling interests	(213)	211	(2)
	(16,418)	**6,243**	**(10,175)**
Total comprehensive (loss)/income for the period attributable to:			
Owners of the Company	(53,516)	4,674	(48,842)
Non-controlling interests	266	248	514
	(53,250)	**4,922**	**(48,328)**
Loss per share attributable to owners of the Company:			
Basic loss per share (sen)	(0.68)	0.25	(0.42)
Diluted loss per share (sen)	(0.68)	0.25	(0.42)

A1. Basis of Preparation (continued)

Condensed Consolidated Statement of Cash Flows
For the 3 months ended 31 January 2018

	As previously reported RM'000	Effect of MFRS 15 RM'000	As restated RM'000
Net cash used in operating activities	(37,138)	-	(37,138)
Net cash used in investing activities	(156,622)	-	(156,622)
Net cash used in financing activities	(1,705)	-	(1,705)

A2. Seasonal or Cyclical Factors

The business operations of the Group during the 3 months ended 31 January 2019 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 3 months ended 31 January 2019.

A4. Changes in Estimates

There were no material changes in estimates during the 3 months ended 31 January 2019.

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 3 months ended 31 January 2019.

A6. Dividends Paid

There was no payment of dividend during the 3 months ended 31 January 2019.

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 property development activities and provision of advisory and project monitoring services;
(ii) Australia - the area of operation is principally property 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 3 months ended 31 January 2019 is as follows:

	United Kingdom RM'000	Australia RM'000	Malaysia RM'000	Eliminations RM'000	Total RM'000
Revenue					
Inter-segment revenue	4,990	-	48	(5,038)	-
Total revenue	4,990	-	48	(5,038)	-
Segment results	(5,115)	(3,117)	(5,588)	-	(13,820)
Share of results in joint ventures	46,654	-	-	-	46,654
Depreciation	(71)	(171)	(303)	-	(545)
Unrealised loss on foreign exchange	1	2,190	(535)	-	1,656
Other income	10	54	2,965	-	3,029
Finance costs	-	(5)	(12,850)	-	(12,855)
Profit/(Loss) before tax	41,479	(1,049)	(16,311)	-	24,119
Taxation	(252)	374	103	-	225
Profit/(Loss) for the year	41,227	(675)	(16,208)	-	24,344
Main foreign currency	*GBP*	*AUD*	*RM*		
Exchange ratio of 1 unit of foreign currency to RM (1)	*5.3326*	*2.9859*	*1.0000*		

	United Kingdom RM'000	Australia RM'000	Malaysia RM'000	Eliminations RM'000	Total RM'000
Segment assets	2,614,061	717,399	226,346	-	3,557,806
Segment liabilities	4,324	160,507	864,584	-	1,029,415
Main foreign currency	*GBP*	*AUD*	*RM*		
Exchange ratio of 1 unit of foreign currency to RM (2)	*5.3690*	*2.9722*	*1.0000*		

Note:
(1) *Average rates for the 3 months ended 31 January 2019.*
(2) *Closing rates as at 31 January 2019.*

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

There were no significant events after 31 January 2019 till 21 March 2019, the latest practicable date from the date of issue of this interim financial report other than as disclosed in Note B6(a).

A9. Changes in the Composition of the Group

(a) There were no changes in the composition of the Group during the 3 months ended 31 January 2019.

(b) There were no changes in the composition of the Group during the period between 1 February 2019 until 21 March 2019, being the latest practicable date from the date of issue of this interim financial report.

A10. Fair Value of Financial Instruments

(a) Details of derivative financial instruments outstanding as at 31 January 2019 are as follows:

	Notional Amount RM'000	Fair Value Assets/ (Liabilities) RM'000
Cross currency swaps		
- Less than 1 year	122,715	(1,217)
- Between 1 to 5 years	211,003	(1,713)
	333,718	(2,930)

(b) Fair value of financial liabilities

The carrying amounts of the Group's financial liabilities at amortised cost are reasonable approximations of fair values.

A11. Commitments and Contingencies

	As at 31/01/2019 RM'000
Approved and contracted for:	
- Commitment to fund joint ventures	
(i) Eco World-Ballymore Holding Company Limited ("EW-Ballymore Holding") by way of share subscription and shareholder's loans (*Note a*)	158,641
(ii) EcoWorld London by way of shareholder's loan *(Note b)*	48,198
(iii) EcoWorld London DMCo by way of shareholder's loan *(Note b)*	1,766

Note a

The Group and the other joint venture partner are jointly committed to provide additional funding into EW-Ballymore Holding in the event that EW-Ballymore Holding is unable, on its own, to repay its banking facilities when due ("Increased Commitments"). The Increased Commitments shall be in the ratio of 75:25 based on the current proportion of the joint venture partners' existing equity interests in EW-Ballymore Holding.

The Group's share of the Increased Commitments is GBP90 million (equivalent to approximately RM483.21 million based on the exchange rate of GBP1.00 : RM5.3690 as at 31 January 2019). If funding in excess of the Increased Commitments is required to satisfy any claims from the banking facilities, the Company shall have the obligation to fund the excess amount should the other joint venture partner not fund its proportionate share. Any funding provided in excess of the Increased Commitments by one partner will result in a corresponding adjustment to the equity interest in the joint venture.

A11. Commitments and Contingencies (continued)

Note b

The Group and the other joint venture partner are jointly committed to provide additional funding into EcoWorld London or EcoWorld London DMCo to prevent a breach of a covenant or undertaking by the EcoWorld London group of companies or EcoWorld London DMCo under any 3rd party finance agreement ("Additional Funding"). Any Additional Funding 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.

If a joint venture partner ("Funding Shareholder") funds the other partner's ("Non-Funding Shareholder") share of the Additional Funding ("Shortfall") and the Non-Funding Shareholder does not fund the Shortfall within the stipulated timeframe, the Funding Shareholder has an option to acquire all of the shares held by the Non-Defaulting Shareholder in EcoWorld London group of companies or EcoWorld London DMCo, as the case may be, at a discount or a portion of such shares at a nominal price.

A12. Significant Related Party Transactions

		3 MONTHS ENDED 31/01/2019 RM'000
(i)	Transactions with joint ventures	
	- Advances to joint ventures	95,707
	- Interest receivable	15,403
	- Sales commission	1,602
(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	317
	- Support service fees paid or payable	22
(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	268
(iv)	Transaction with a company where a director has interest	
	- Rental paid or payable	45
(v)	Transaction with a company where a subsidiary director has interest	
	- Consultancy fee paid or payable	293
(vi)	Transaction with a corporate shareholder of a subsidiary	
	- Interest receivable	691

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

B1. Review of Group Performance

	3 MONTHS ENDED		
	31/01/2019	31/01/2018 (RESTATED)	CHANGES
	RM'000	RM'000	RM'000
Gross loss	(878)	(1,668)	790
Share of results in joint ventures	46,654	(4,085)	50,739
Profit/(Loss) before interest and tax	36,974	(12,512)	49,486
Profit/(Loss) before tax	24,119	(12,512)	36,631
Profit/(Loss) for the period	24,344	(10,175)	34,519
Profit/(Loss) for the period attributable to owners of the Company	22,758	(10,173)	32,931

Gross loss recorded by the Group for 1Q 2019 was RM0.88 million, which was lower than RM1.67 million reported in 1Q 2018. The gross loss arose from the direct expenses incurred in connection with the marketing services rendered by a subsidiary to the Group's subsidiaries and joint ventures in respect of property sales of their projects in Australia and United Kingdom.

During the current quarter, the Group recorded a profit before tax ("PBT") of RM24.12 million compared to the loss before tax ("LBT") of RM12.51 million reported for 1Q 2018.

The PBT reported in 1Q 2019 was mainly due to recognition of revenue and profit by its joint venture projects in the United Kingdom following completion and commencement of handover of units sold to customers. This enabled the Group to recognise RM46.65 million as its attributable share of profit from its joint ventures as opposed to the share of loss of RM4.09 million taken up in the previous year.

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

	3 MONTHS ENDED		
	31/01/2019	31/10/2018 (RESTATED)	CHANGES
	RM'000	RM'000	RM'000
Gross loss	(878)	(1,032)	154
Share of results in joint ventures	46,654	41,393	5,261
Profit before interest and tax	36,974	16,935	20,039
Profit before tax	24,119	12,606	11,513
Profit for the period	24,344	13,118	11,226
Profit for the period attributable to owners of the Company	22,758	12,599	10,159

The Group's current quarter PBT was RM24.12 million, which was RM11.51 million higher than the PBT recorded in preceding quarter ended 31 October 2018.

The higher PBT recorded in the current quarter was mainly due to the reason mentioned in Note B1 above.

B3. Sales Achieved and Prospects for the Current Financial Year

PROJECTS	LANDBANK AS AT 28/2/2019	4 MONTHS ENDED 28/2/2019			CUMULATIVE SALES	FUTURE REVENUE(1)
	Total (Acres)	Units launched	Units sold	Sales value RM'mil(2)	Total achieved RM'mil(3)	Effective stake RM'mil(4)
London	50.3	96	48	137	9,731	5,415
Sydney	1.9	-	-	-	855	853
Melbourne	0.5	-	3	9	397	315
Total	**52.7**	**96**	**51**	**146**	**10,983**	**6,583**

Against the backdrop of challenging market conditions in London coupled with the political uncertainties surrounding Brexit causing potential homebuyers to defer their purchases, the Group's projects in London recorded a total of RM137 million sales in the first four months of FY2019. Likewise, the challenging market conditions in Australia continue to weigh on homebuyers' sentiment, hence the sales from Australia for the same period came to RM9 million. Collectively, the Group secured a total of RM146 million sales in the first four months of FY2019.

Despite these challenges, the fundamentals of residential property markets in London, Sydney and Melbourne are strong, underpinned by growing populations and their status as global cities. In London, the Group is seeing strong occupier demand for its completed units as London City Island and Embassy Gardens have achieved occupancy rates of more than 90% in the first quarter of the current financial year. In Sydney and Melbourne, the overall rental vacancy rates of apartments are low, at just 2-3%(5).

The Board is pleased to share that the construction works of EcoWorld International's projects are progressing well. London City Island is expected to hand over units in its remaining residential blocks starting mid-FY2019 while Embassy Gardens is expected to deliver Block A05 in the second half of the same financial year. Several projects that are developed by EcoWorld London, including Kensal Rise Phase 1, Millbrook Park Phase 1, Aberfeldy Village Phase 3A and Nantly House, are also scheduled for completion in FY2019. Beyond the current financial year, the Group expects to deliver Wardian, West Village and Yarra One in the next financial year. A substantial percentage of the Group's RM6.6 billion future revenue are therefore anticipated to be translated into earnings in FY2019 and FY2020.

The Group has also taken advantage of the relatively muted property market scene to enhance awareness of its brand amongst locals living in London and expand its market share. In the first quarter of FY2019, EcoWorld London previewed Verdo, a residential apartment block that targets the Open Market Sales segment in London. Other apartment blocks are being planned for launch in the remaining part of FY2019 and all these new developments will be priced within the GBP500-800 psf bracket, catering to a highly resilient segment with strong occupier demand and shortage of supply.

Riding on the success of GBP389 million deal with Invesco Real Estate last year, EcoWorld London is pursuing new Build-to-rent (BtR) deals to tap into the growing institutional demand for purpose-built BtR developments in the UK. Several sites in EcoWorld London's existing portfolio have been identified for BtR development and the Group is working towards closing the sales of these BtR developments through forward-funding agreements within this or the next financial year. In this regard, the Board has announced a sales target of RM6 billion to be achieved over FY2019 and FY2020 to provide management with the requisite time to negotiate the best possible terms on potential en-bloc BtR sales to institutional investors.

On the corporate front, EcoWorld International successfully acquired 25 apartment units in Macquarie Park, Sydney, in November 2018 and negotiations with owners of the remaining 5 units to acquire the site in its entirety are progressing well. Accordingly, the Group's plans to launch Macquarie Park in FY2020 remains on track.

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

Notes:
(1) *Based on sales achieved.*
(2) *Based on the exchange rate of GBP1.00 : RM5.369 and AUD1.00 : RM2.9722 as at 31 January 2019.*
(3) *Cumulative sales as at 28 February 2019 represent contracts exchanged of RM10.853 billion and reserved units of RM131 million.*
(4) *Share of future revenue based on effective stake in joint venture and subsidiaries as at 28 February 2019 and excludes reserved units.*
(5) *Source: JLL Australia, SQM Research*

B4. Variance of Actual Profit from Forecast Profit

There was no profit forecast published as at 31 January 2019.

B5. Taxation

Taxation comprises:

	3 MONTHS ENDED	
	31/01/2019	**31/01/2018 (RESTATED)**
	RM'000	**RM'000**
Current tax		
Malaysian tax		
- current quarter/year	-	6
Foreign tax		
- current quarter/year	264	540
- in respect of prior years	-	(1)
Deferred tax		
Malaysian tax		
- current quarter/year	(103)	(422)
Foreign tax		
- current quarter/year	(368)	(2,460)
- in respect of prior years	(18)	-
	(225)	(2,337)

The Group's effective tax rate for the current quarter is lower than the statutory tax rate of 24% mainly due to the inclusion of certain non-taxable items in the income statement. Correspondingly, expenditure which relates to the derivation of non-taxable income by the Group has been treated as permanent losses for tax purposes.

B6. Status of Corporate Proposals

(a) Save and except for the following corporate proposal, there are no other corporate proposals that have been announced by the Company which are not yet completed as at 21 March 2019:

<u>Acquisition of 70% equity interest in 12 development projects and a development management entity in UK</u>

On 8 November 2017, the Company has announced a joint venture in UK with Be Living Holdings Limited. The joint venture contemplates the proposed acquisition of a 70% equity interest in 12 development projects in Greater London and the South East of England which slated to be carried out in two stages as well as a development management entity.

The stage one acquisition involved 6 out of the 12 development projects has been completed on 19 March 2018. Acquisitions of Kew Bridge project and Aberfeldy Village project were the first stage two projects which have been completed on 30 May 2018 and 20 August 2018, respectively whilst the remaining stage 2 sites are proposed to be completed subject to satisfactory planning consents meeting pre-agreed minimum criteria being obtained from the respective local councils.

<u>Acquisition of apartment units to be developed as "Macquarie Park Project" in Sydney, Australia</u>

On 24 November 2017, EcoWorld Macquarie, an indirect wholly-owned subsidiary of the Company, entered into a conditional put and call option agreement ("Option Agreement") with the owners of 25 apartment units ("Vendors") in respect of the acquisition of such units in the strata scheme comprised by Strata Plan 6481 ("Strata Scheme"), located at 1-3 Lachlan Avenue, Macquarie Park, Sydney, NSW 2113, Australia ("Properties").

On 5 February 2018, the Option Agreement has become unconditional. EcoWorld Macquarie had subsequently entered into a definitive sale and purchase agreement with each of the Vendors to acquire the Properties. The acquisition of the Properties was completed on 9 November 2018 following the full settlement of the total purchase consideration of AUD33.8 million (equivalent to RM102.45 million[(a)]).

EcoWorld Macquarie has commenced the strata renewal process to acquire the remaining 5 apartment units and is running this process in tandem with negotiation with the owners of the remaining 5 apartment units. The estimated total purchase consideration for all apartment units in the Strata Scheme is AUD40.0 million (equivalent to RM121.26 million[(a)]).

Following acquisition of all apartment units in the Strata Scheme, EcoWorld Macquarie proposes to redevelop the land into a residential-led with a small commercial component development to be known as the "Macquarie Park Project".

Note:
(a) Based on the exchange rate of AUD1.00 : RM3.0315 as at 8 November 2018, being the last full market day prior to the announcement dated 9 November 2018.

B6. Status of Corporate Proposals (continued)

(b) Utilisation of IPO Proceeds as at 31 January 2019 are as follows:

Gross proceeds totalling RM2,584 million were raised from the IPO which was completed on 3 April 2017. The status of the utilisation of these proceeds is as set out below:

Purpose	**Proposed utilisation RM'mil**	**Actual utilisation RM'mil**	**Re-allocation RM'mil**	**Balance unutilised RM'mil**	**Intended timeframe for utilisation from completed date**
Debt repayment					
- Repayment of bank borrowings	1,211	(1,159)	(52)	-	Within 6 months
- Repayment of advances	156	(143)	(13)	-	Within 6 months
Subtotal	**1,367**	**(1,302)**	**(65)**	**-**	
Settlement of the acquisition of EW Investment	38	(38)	-	-	Within 1 month
Working capital and/or future land acquisition(s)	1,126	(1,185)	76	17	Within 36 months
Estimated listing expenses	53	(42)	(11)	-	Within 3 months
Total	**2,584**	**(2,567)**	**-**	**17**	

B7. Group Borrowings and Debt Securities

The total group borrowings and debt securities as at 31 January 2019 were as follows:

	As at 31/01/2019				As at 31/10/2018 (RESTATED)
	Secured/ Unsecured	**Foreign Currency ’000**		**RM Equivalent ’000**	**RM Equivalent ’000**
Short term borrowings					
- Term loan	Unsecured	GBP	19,875	106,710	105,668
- Revolving credit	Unsecured	USD	29,906	122,330	124,970
				229,040	230,638
Long term borrowings					
- Term loans	Secured	AUD	40,650	120,819	78,216
- Term loan	Unsecured	AUD	29,644	88,109	-
- Medium term notes	Unsecured	RM	-	527,343	527,224
				736,271	605,440
Total borrowings					
- Term loans	Secured	AUD	70,294	208,928	78,216
- Term loan	Unsecured	GBP	19,875	106,710	105,668
- Revolving credit	Unsecured	USD	29,906	122,330	124,970
- Medium term notes	Unsecured	RM	-	527,343	527,224
				965,311	836,078

As at 31 January 2019, the Group’s medium term notes, term loans and revolving credit comprise facilities based on fixed and floating rates to finance the projects in United Kingdom and Australia and are denominated in RM, GBP, AUD and USD.

B8. Material Litigation

The Group was not engaged in any material litigation as at 21 March 2019, 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 3 months ended 31 January 2019.

B10. Earnings/(Loss) Per Share Attributable to Owners of the Company

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

Basic earnings/(loss) per share has been calculated by dividing the Group's profit/(loss) 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	
	31/01/2019	**31/01/2018 (RESTATED)**
Profit/(Loss) for the period attributable to owners of the Company (RM'000)	22,758	(10,173)
Weighted average number of ordinary shares ('000)	2,400,000	2,400,000
Basic Earnings/(Loss) Per Ordinary Share (sen)	0.95	(0.42)

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

Diluted earnings/(loss) per share has been calculated by dividing the Group's profit/(loss) for the period attributable to owners of the Company by the weighted average number of ordinary shares that would have been in issue upon full exercise of the Warrants, adjusted for the number of such shares that would have been issued at fair value.

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

	3 MONTHS ENDED	
	31/01/2019	**31/01/2018 (RESTATED)**
Profit/(Loss) for the period attributable to owners of the Company (RM'000)	22,758	(10,173)
Weighted average number of ordinary shares for Basic Earnings/(Loss) Per Ordinary Share ('000)	2,400,000	2,400,000
Effect of potential exercise of Warrants ('000)	#	#
Weighted average number of ordinary shares ('000)	2,400,000	2,400,000
Diluted Earnings/(Loss) Per Ordinary Share (sen) *	0.95	(0.42)

Notes:

\# *The calculation of diluted earnings/(loss) per ordinary share does not assume the potential exercise of Warrants as the effect on profit/(loss) per ordinary share is anti-dilutive*

* *Anti-dilutive*

B11. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the year ended 31 October 2018 were unqualified.

B12. Notes to the Statement of Comprehensive Income

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

	3 MONTHS ENDED 31/01/2019 RM'000
Interest income	3,029
Other income including investment income	-
Interest expense	(12,855)
Depreciation and amortisation	(545)
Provision for write off of receivables	-
Provision for and write off of inventories	-
Gain or loss on disposal of quoted or unquoted investments or properties	-
Impairment of assets	-
Foreign exchange gain	1,656
Gain or loss on derivatives	-
Exceptional items	-

By order of the Board
Tan Ai Ning
Company Secretary
28 March 2019