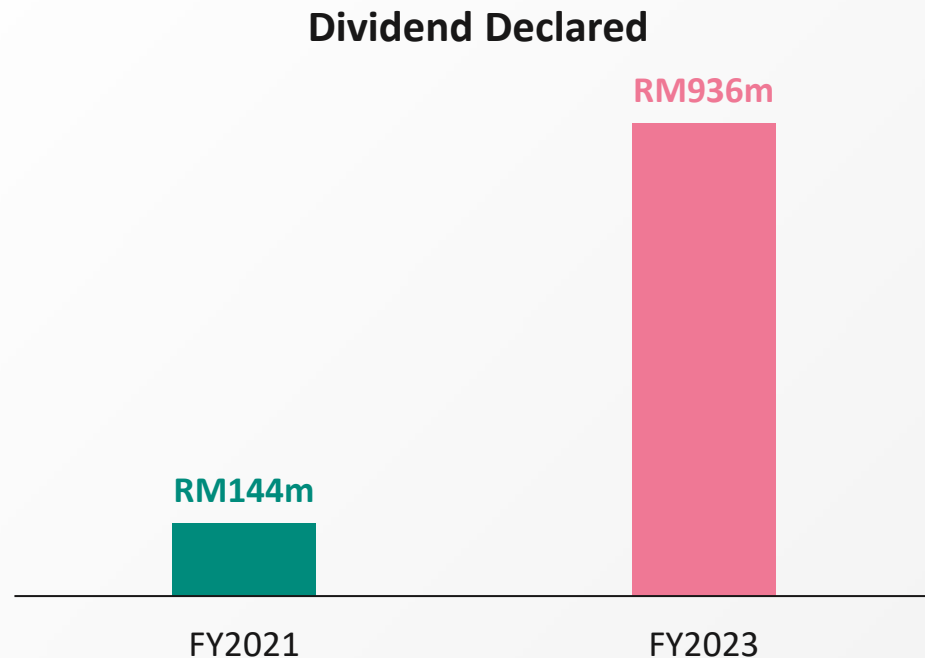


# ECO WORLD INTERNATIONAL BHD

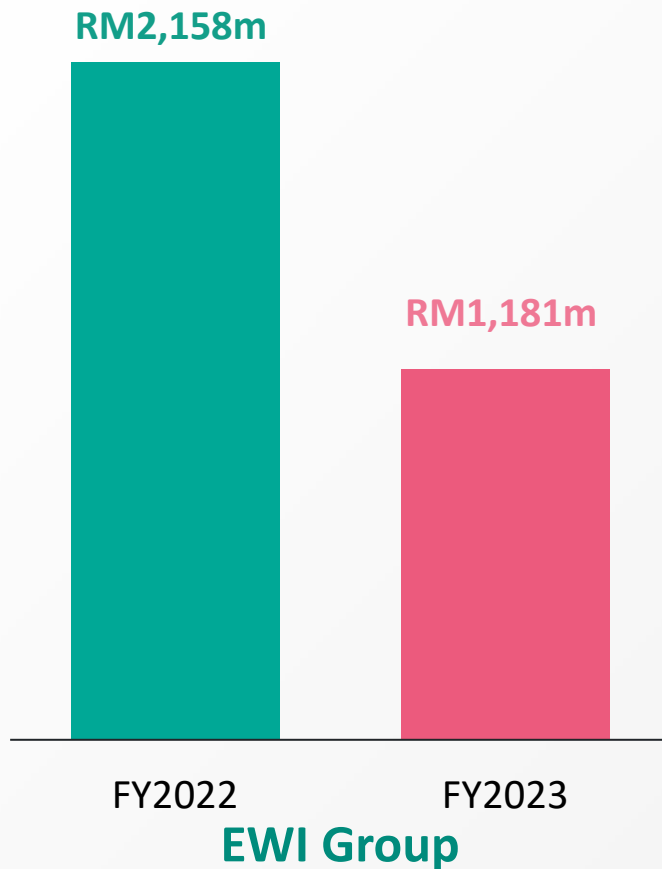
10<sup>th</sup> ANNUAL GENERAL MEETING

# DISTRIBUTIONS TO SHAREHOLDERS

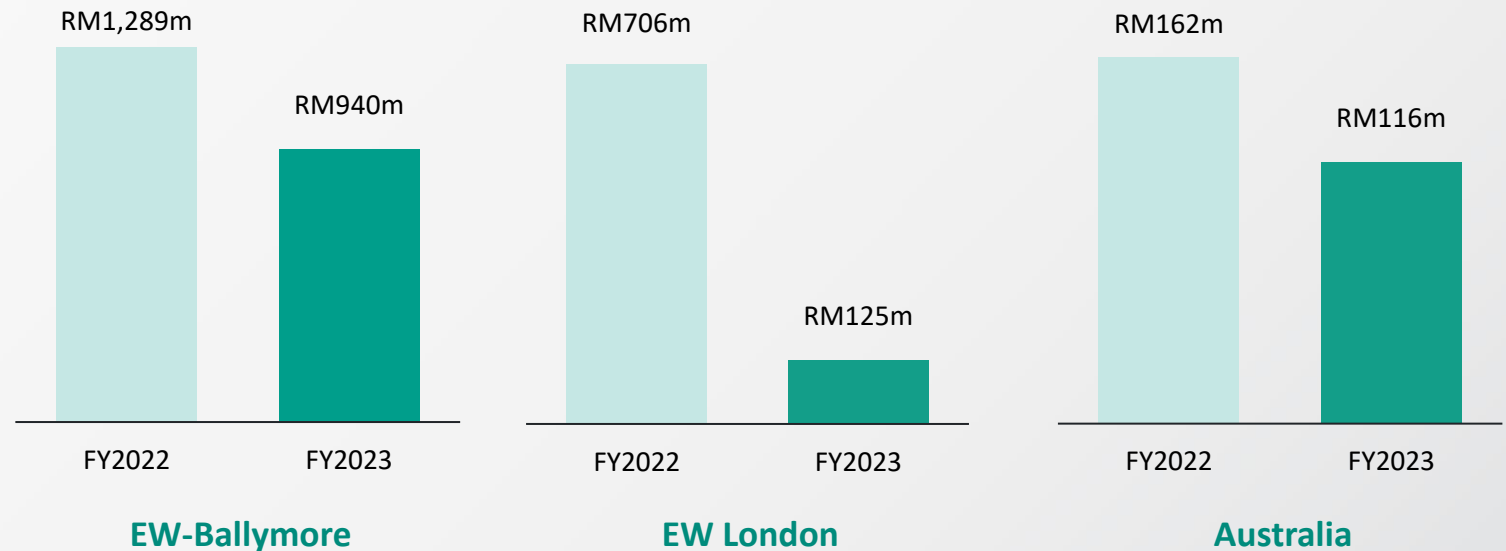


- The Group successfully distributed RM936 million dividends to shareholders for FY2023, slightly surpassing the targeted RM900 million excess cash distribution set last year.
- RM1.08 billion has been distributed as dividends since FY2021.

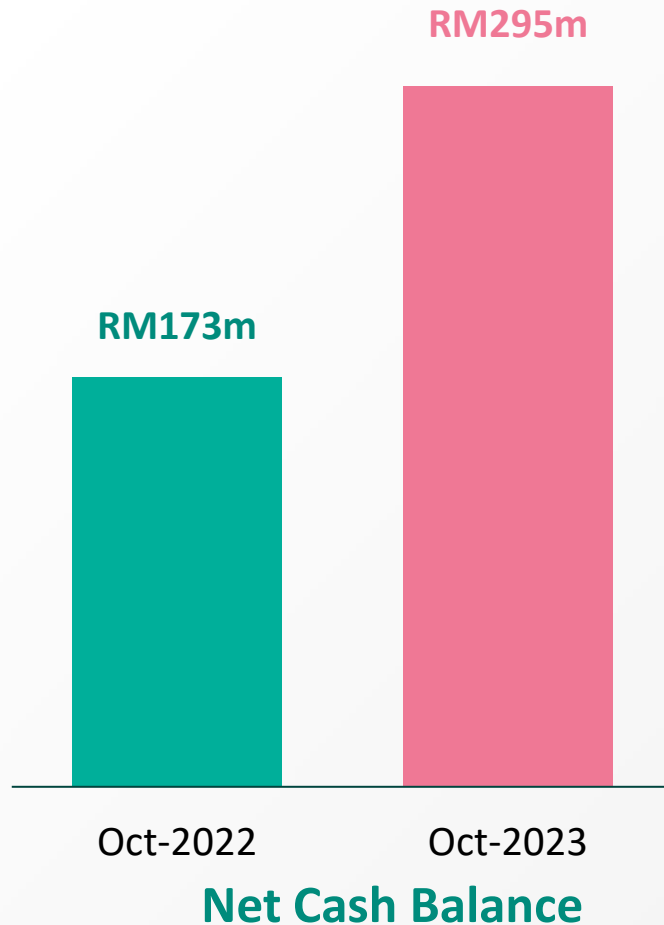
# SALES PERFORMANCE



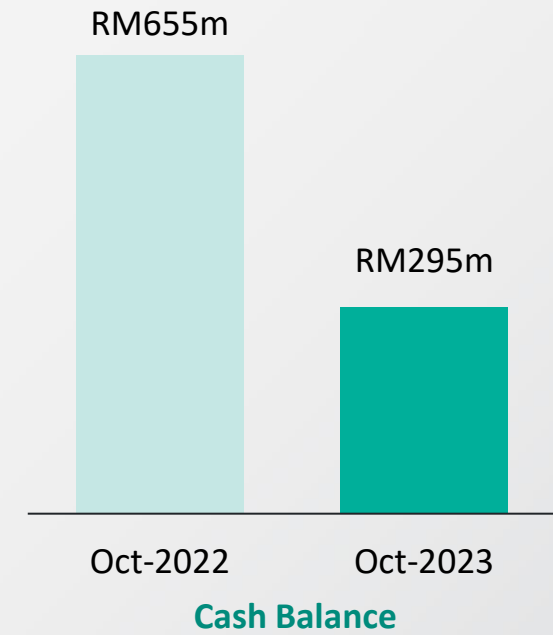
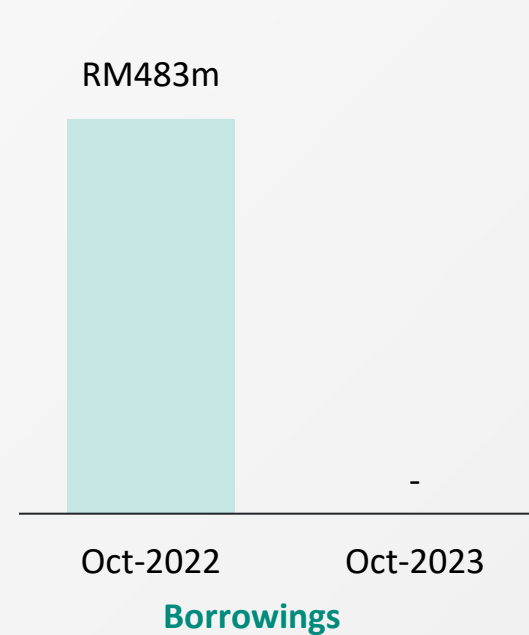
- RM1,181 million exchanged sales (RM1,295 million including reservations) achieved for FY2023.
- The Group has been focusing on monetising completed stocks.
- No new launches undertaken in FY2023.



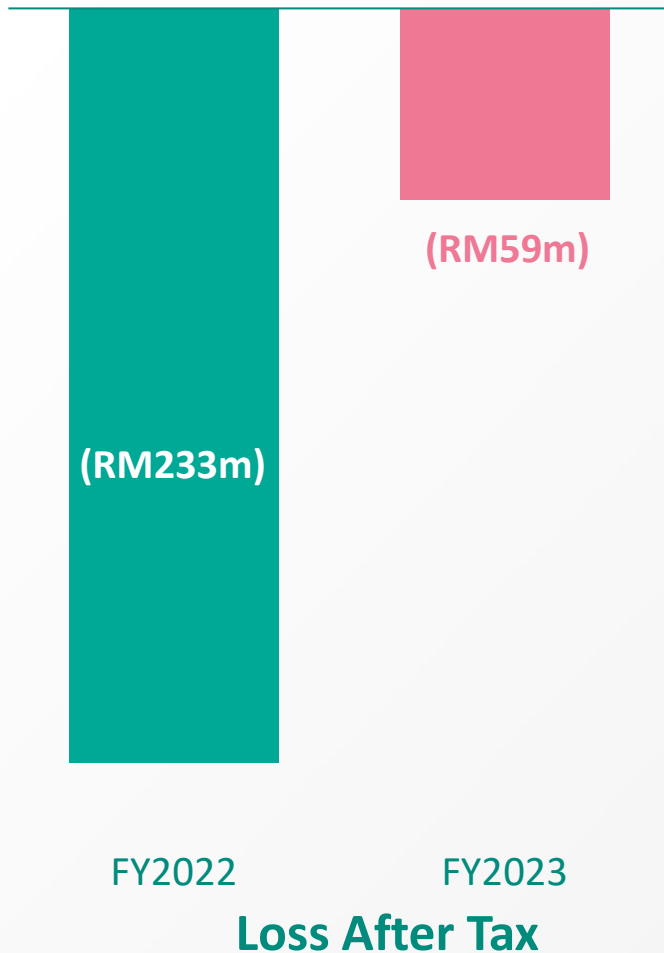
# EWI GROUP BALANCE SHEET



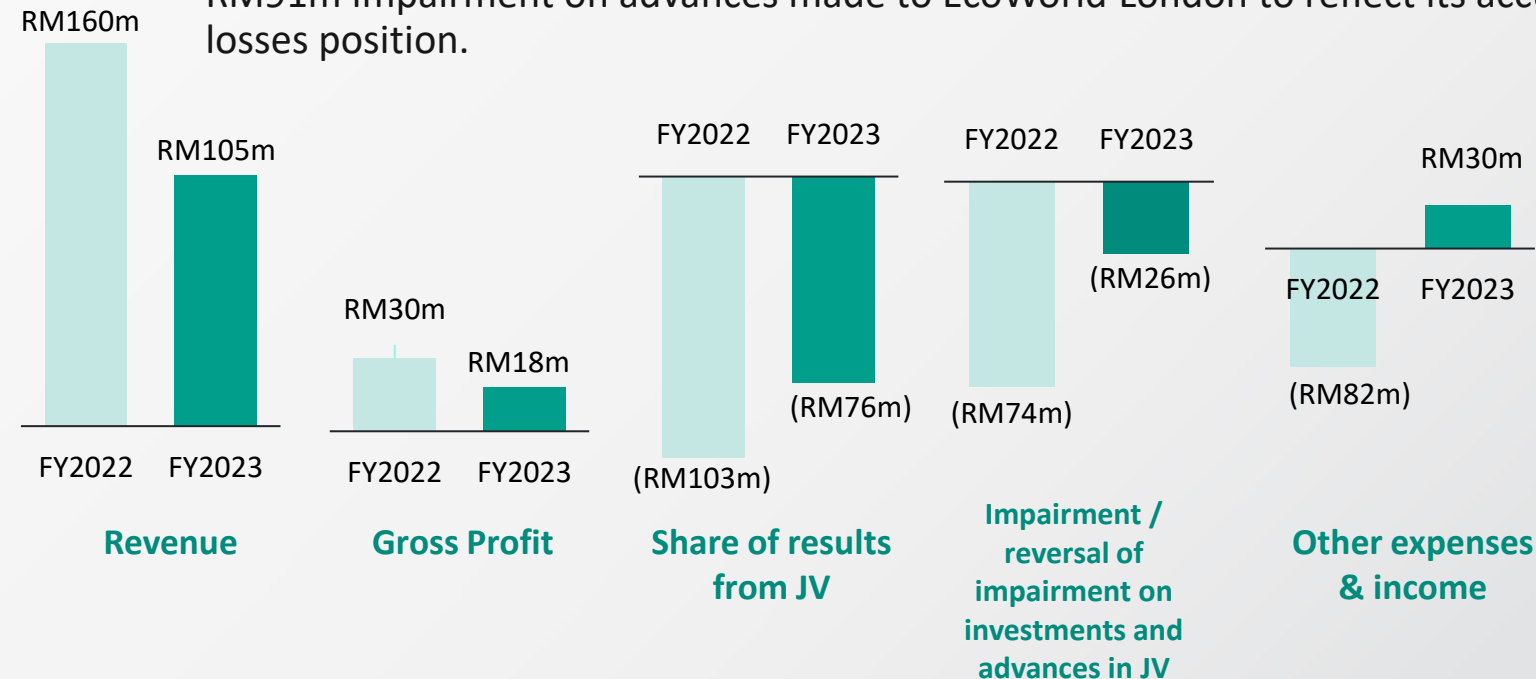
- All bank borrowings at the group level has been full repaid.
- RM295m cash balances as at 31 Oct 2023 after distributing RM792m dividend in the FY2023.



# EWI GROUP PROFIT & LOSS

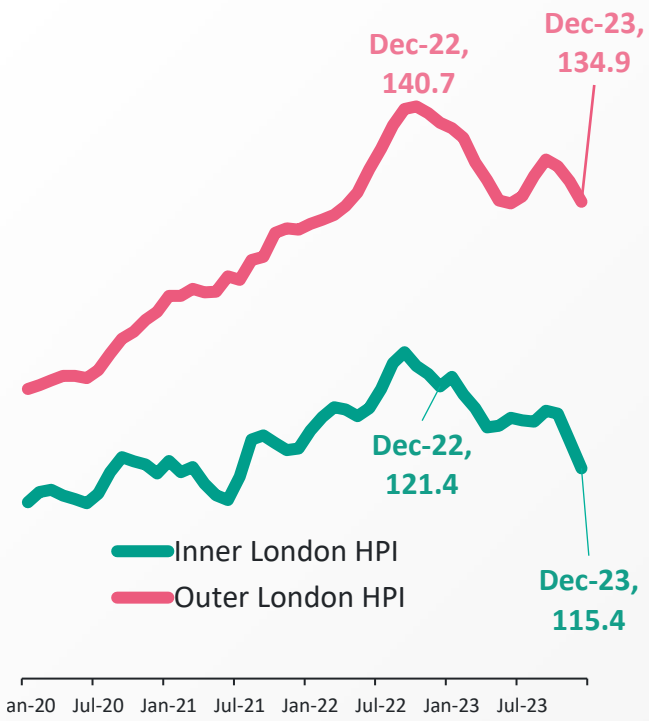


- Loss after tax narrowed in FY2024 as a result of higher interest income, lower finance cost, foreign exchange gain and reversal of impairment on investment in EcoWorld-Ballymore.
- Revenue and gross profit were lower due to fewer handovers by Australian projects
- Losses in the JV caused mainly by write-off of planning costs, holding costs of unsold units and administrative expenses.
- Reversal of impairment on investment in EcoWorld-Ballymore of RM65m offset by a RM91m impairment on advances made to EcoWorld London to reflect its accumulated losses position.

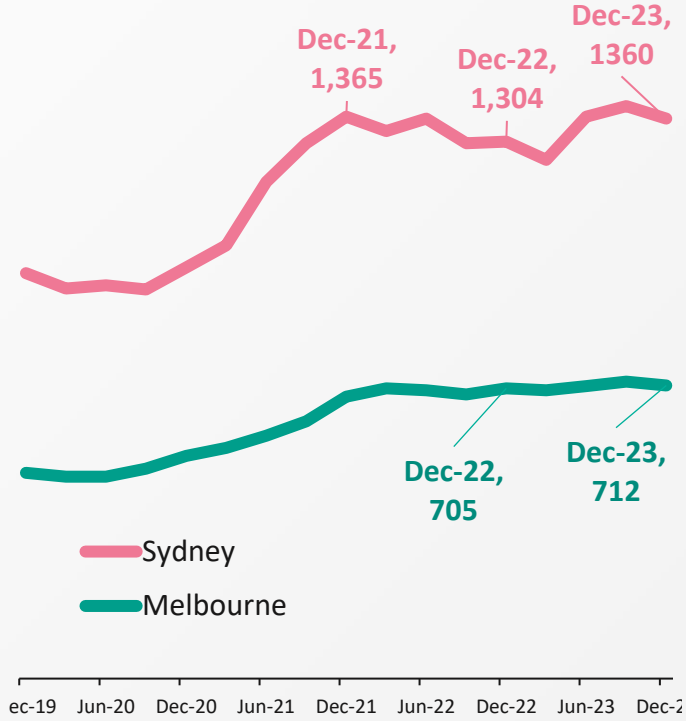


# MARKET UPDATES

London House Price Index



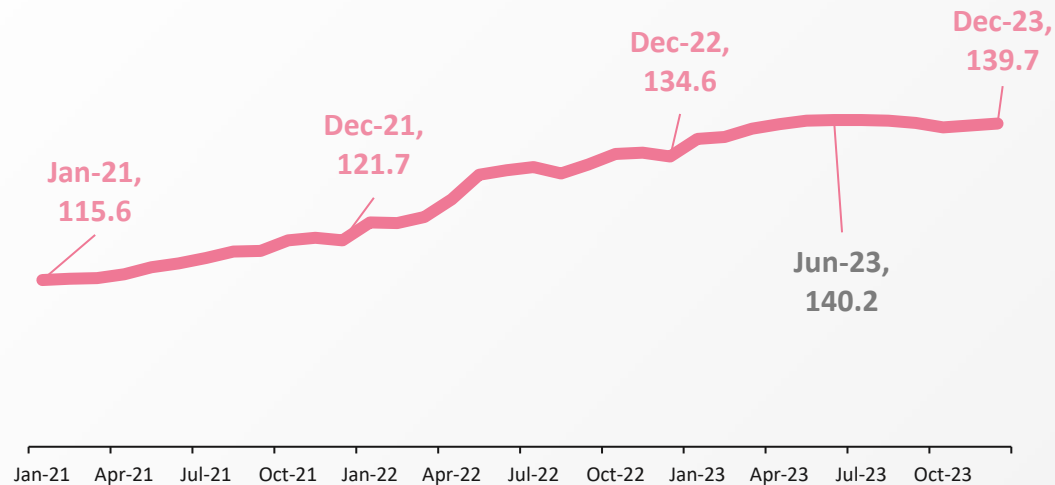
Median Transacted Price of House Transfer (in AUD '000)



- Home prices in London and Melbourne fell in 2023:
  - Inner London: ↓4.9% in Jan-Dec 2023
  - Outer London: ↓4.1% in Jan-Dec 2023
  - Melbourne: ↓4.0% in Jan-Dec 2023
- Home prices in Sydney rose 4.3% in 2023 but remained below the peak achieved in Dec 2021.

# MARKET UPDATES

## UK construction output price index for new housing (2015 =100)



- UK construction cost index as at December 2023 has declined by 0.4% from the record-high level in June 2023.
- However, it remained 3.8% higher than a year ago.
- Construction costs have increased by 15% over 2022 and 2023.

# STRATEGIC FOCUS FOR FY2024

## WEAK SENTIMENT

High cost of living and elevated interest rates have led to weak sentiment among potential homebuyers.

## DEFERRING LAUNCHES/ACQUISITIONS

It remains uncondusive for the Group to undertake any new launches or acquisitions in the near term.

## MONETISING COMPLETED STOCKS

The focus for FY2024 will remain on monetising our completed stocks for cash generation.

## TARGETED RM500 MILLION EXCESS CASH

Sales of completed stocks are estimated to generate excess cash up to RM500 million for the Group over 2024 and 2025.

## CAPITAL REDUCTION

Second capital reduction exercise of RM500 million with the intention of distributing the excess cash to shareholders over 2024 and 2025.



# CONCLUSION



The Group successfully distributed RM936 million dividends to shareholders for FY2023.



RM1.18 billion sales were achieved in FY2023, with approximately RM850 million worth of stocks to be sold by end of FY2024.



The Group targets to sell out all these stocks in FY2024 and return the excess cash to shareholders.



Current market conditions remain unconducive to undertake any new launches and land acquisitions.



The Group is progressing the planning for its 5 remaining projects in EcoWorld London and will consider launching them only when market conditions are more conducive.

# QUESTIONS FROM MSWG

1. The Group did not record any sales of completed properties for projects located in Lampton and minimum sales in Moberley & Jubilee and Millbrook Park in FY 2023 respectively. (Page 11 of IAR)
  - a) Please explain why there was no sales for Lampton and minimum sales in Moberley & Jubilee and Millbrook Park respectively.
  - b) What were the challenges faced by the Group in selling the completed properties located in Lampton, Millbrook Park and Moberley & Jubilee, respectively.
  - c) What measures the Group has taken to improve the sales of completed properties in the locations mentioned above.
  - d) What are the expected sales of completed properties in Lampton, Millbrook Park and Moberley & Jubilee respectively in FY 2024.

## QUESTIONS FROM MSWG

2. The Group's gross profit margin reduced to 17% in FY2023 from 19% in FY2022 due to additional incentives provided to purchasers of Australian projects to stimulate sales. (Page 11 of IAR)
  - a) What were the additional incentives given to the Australian purchasers to purchase the properties. What measures the Group has taken to improve the sales of completed properties in the locations mentioned above.
  - b) Please provide the respective number of incentives given in both FYs 2023 and 2022.

## QUESTIONS FROM MSWG

3. During the current financial year, the Group intends to dispose of its land held in Eco World (Macquarie) Pty. Ltd. (“EW Macquarie”). (Page 77 of IAR)
  - a) Why the Group decided to sell the land held in EW Macquarie?
  - b) What will be the financial impact to the Group’s result resulting from the disposal of land held in EW Macquarie.
  - c) Has the Group found any buyer of the land? If yes, please name the buyer.

## QUESTIONS FROM MSWG

4. The Group's developed properties reduced from RM114.4 million in FY 2022 to RM31.37 million in FY 2023, a reduction of RM83.03 million or 72.6%. (Page 113 of IAR)
  - a) How the Group managed to sell RM83.03 million of developed properties in FY 2023.
  - b) Did the Group sacrifice the gross profit margin when selling the developed properties in FY 2023 as this is evidenced by the lower gross profit margin reported by the Group in FY 2023?
  - c) Is the Company confident that it will be able to sell the remaining developed properties by FY 2024? If yes, how it will be able to do it.

THANK YOU