

**PRESS RELEASE**  
**For Immediate Release**

**24 June 2021**

**EcoWorld Malaysia achieves 88% of FY2021 sales target in 7 months;  
declares 2 sen interim dividend for 2Q 2021**  
**EcoWorld International achieves 1<sup>st</sup> repatriation of profits from UK joint-venture;  
declares special dividend of 5 sen per share for 2Q 2021**

**KUALA LUMPUR:** Eco World Development Group Berhad (EcoWorld Malaysia) and Eco World International Berhad (EcoWorld International) announced their results for 2Q 2021 today.

Key highlights include the following:

***EcoWorld Malaysia***

- EcoWorld Malaysia recorded RM1.32 billion sales in 2Q 2021, which is almost double the sales of RM706 million achieved in 1Q 2021.
- As at 31 May 2021 (7 months into the current financial year), total year-to-date sales has reached RM2.53 billion, which is 10% higher than the RM2.30 billion sales achieved in FY2020. It has also reached 88% of EcoWorld Malaysia's full year FY2021 sales target of RM2.875 billion.
- Future revenue from Malaysian projects alone increased substantially from RM2.99 billion as at 28 February 2021 to RM3.77 billion as at 31 May 2021. Including EcoWorld Malaysia's share of future revenue from EcoWorld International, total future revenue from projects undertaken in Malaysia and overseas stands at RM4.21 billion as at 31 May 2021.
- The Group recorded Profit After Tax (PAT) of RM42.32 million for 2Q 2021 which is 172.2% higher than 2Q 2020.
- Share of results of its joint-ventures increased by 227.4% in 2Q 2021 compared to 2Q 2020, in keeping with the high sales achieved by its Malaysian joint-ventures over the last 4 quarters as well as good work progress on site in 2Q 2021 vs 2Q 2020 which had been affected by MCO 1.0. Contributions from EcoWorld International was also higher in the current quarter vs 2Q 2020.
- The Group's balance sheet continues to improve with gross gearing levels reduced from 0.70 times in 1Q 2021 to 0.67 times in 2Q 2021. Net gearing also remains healthy at 0.55 times.
- Based on its improving financial position, EcoWorld Malaysia has declared an interim dividend of 2 sen per share in 2Q 2021.

***EcoWorld International***

- EcoWorld International recorded RM283 million sales in 2Q 2021 followed by a further RM117 million in May, bringing the year-to-date value of sales contracts exchanged to RM753 million. Including reserves of RM259 million, this adds up to total sales of RM1.01 billion as at 31 May 2021.
- The Group recorded PAT of RM11.95 million in 2Q 2021 which is lower than 2Q 2020 as a lesser number of units sold to customers were handed over in the current quarter.

- EcoWorld International achieved its first repatriation of profits from its EcoWorld-Ballymore joint venture in April 2021 based on which the Board has declared a special dividend of 5 sen per share for 2Q 2021.

***Comments on EcoWorld Malaysia’s performance in 2Q 2021 and prospects for FY2021***

“The continued strong sales momentum we have been experiencing since the middle of last year is very heartening indeed. We are particularly encouraged by the fact that recovery has been broad-based with our projects in every single region performing well,” said Dato’ Chang Khim Wah, President & CEO of EcoWorld Malaysia.

The following table illustrates EcoWorld Malaysia’s sales performance as at 31 May 2021 vs FY2020 by geographic region:

<b>Region</b>	<b>As at 31 May 2021 (7 months) RM’mil</b>	<b>As at 31 Oct 2020 (12 months) RM’mil</b>	<b>7 mths FY2021 YTD as a % of FY2020 sales</b>
Klang Valley	1,541	1,555	99%
Iskandar Malaysia	718	608	118%
Penang	271	139	195%
<b>Total Malaysia</b>	<b>2,530</b>	<b>2,302</b>	<b>110%</b>

Chang attributed the strong rebound experienced by the Group to the following factors:

- Strong take-ups on all the new projects and products launched in 2Q 2021, namely *Eco Botanic 2* in Iskandar Malaysia, *Co-Home* at *Eco Horizon* and *Eco Grandeur* and the second phase of *ErgoHomes & Garden Homes* at *Eco Forest*.
- Steady sales recorded by nearly all of EcoWorld Malaysia’s ongoing township developments in the Klang Valley, Iskandar Malaysia and Penang as homeowners are increasingly drawn to the many unique selling points of EcoWorld’s Signature DNA and the comprehensive lifestyle amenities available within a 10 km radius of each project.
- Continued strong demand for the Group’s industrial business parks. As at 31 May 2021, total sales achieved by the Group’s four Eco Business Park Projects amounted to RM227 million which is already higher than RM220 million achieved for the full financial year 2020. This encouraging result, currently driven mostly by local business owners and industrialists, suggests that there are sectors of the Malaysian economy that are continuing to grow even amidst the challenges posed by Covid-19.

“We are very grateful that we have managed to secure 88% of our sales target within the first 7 months of the financial year. This is especially so in the light of the ongoing Full Movement Control Order (FMCO) imposed by the Government to combat the Covid-19 pandemic, which we are fully supportive of,” said Chang.

“Accordingly, even though there will be some unavoidable delays in EcoWorld Malaysia’s earnings recognition over the upcoming quarters as we adhere to the reduced levels of business and site operations permitted during the FMCO, this should not be any cause for concern as it is merely a timing issue. Thanks to the high level of sales already locked in, our future revenue position as at 31 May 2021 is very healthy at RM4.21 billion which provides us with both near-term cashflow as well as earnings visibility,” he continued.

Chang expressed his confidence that once the FMCO is lifted and travelling restrictions are relaxed, both consumer and business confidence will recover strongly. When that happens, the positive sales momentum which EcoWorld Malaysia has been able to sustain over the last four consecutive quarters, notwithstanding various repeated MCO restrictions, will certainly receive a further boost leading to improved prospects for the Group going forward.

“Over the next few months, given that many of our staff are working from home, we also intend to concentrate our energies on further digitalising our operations to drive greater cost efficiencies and improve our operating processes.

Our focus since 2017 on engaging with our customers via digital platforms has convinced us of the benefits of being a data-driven company. Apart from delivering sales, the extensive use of data intelligence and analytics enabled us to better understand our customers’ specific needs and requirements. This greatly enhanced EcoWorld’s new product development process and contributed in no small measure to the product innovations we were able to introduce which has translated into the strong take-up rates achieved with our latest launches.

As we broaden and deepen our digitalisation efforts to cover not only front office but also many of our support processes, we believe it will further improve our team’s agility and competitiveness as well as strengthen our resilience so that we can emerge much stronger post-pandemic.

Meanwhile, the Group is actively pursuing the establishment of a corporate vaccination programme, based on the available options announced to date by the Federal and State Government, to help accelerate vaccination for Team EcoWorld. This will boost our ability to be able to operate safely not just for our staff but also all our customers, contractors, suppliers and everyone else dealing with us. We also hope that this effort on our part will contribute towards the Government’s efforts to reach the target of having 80% of the nation’s population immunised faster, in order for economic activities to be able to fully resume as soon as possible,” Chang said.

### ***Comments on EcoWorld International’s performance in 2Q 2021 and prospects for FY2021***

“The Group has witnessed a recovery in local demand across the UK and Australia property markets in the second quarter of FY2021. Sales of EcoWorld London, our joint-venture that focuses on the outer zones of London, has seen a substantial increase in sales (from £9 million to £24 million) in the second quarter of FY2021 compared to the same quarter in FY2020. In Australia, our West Village project has also seen a marked increase in sales (from A\$1 million to A\$15 million) over the same period.

Apart from an increase in contracts exchanged (SPAs signed), the reservation pipeline has also been growing, a sign of markedly improved sentiment. This enabled our total sales and reservations up to 31 May 2021 to exceed the RM1 billion mark,” said Dato’ Teow Leong Seng, President & CEO of EcoWorld International.

Teow attributed the positive turn of events to the reopening of economic sectors following mass vaccinations in the UK and the effective containment of the pandemic in Australia which has boosted confidence among consumers and homebuyers. The improved sales performance is also a clear indicator that the property markets are beginning to recover following the slump induced by Covid-19.

However, international borders remain closed for the vast majority of global populations which affected sales of projects that traditionally receive strong demand from overseas buyers. Accordingly, sales performance of the Group’s projects in inner London, developed through the EcoWorld-Ballymore joint-venture, was relatively muted due to postponement of international marketing events.

“Looking ahead, we believe that sales performance will improve in the coming quarters as rollout of vaccination programmes continue in many of our global customer markets – this should enable physical marketing activities to be carried out once again in international locations. Further, the return of office workers should also lift demand for our projects that are located close to major employment centres. This includes London City Island and Wardian London, which are near Canary Wharf. Similarly, Yarra One, which is just 5km away from Melbourne CBD should also experience an uplift in demand as economic activities resume with greater strength.

The improving Covid-19 situations in these and other key markets will also allow the Group to launch more marketing events to capture the seasonally stronger demand during summer months in the northern hemisphere. Accordingly, we should be on track to achieve our FY2021 sales target of RM2.2 billion by the end of the financial year.

For 2Q 2021, we are pleased to announce that EcoWorld International has achieved our first repatriation of profits from our EcoWorld-Ballymore joint-venture in April 2021. Accordingly, and consistent with the Board’s stated intention to reward shareholders for their investment in the Company, we have declared a special dividend of 5 sen per share for 2Q 2021 which will be paid in July 2021,” said Teow.

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#### **About Eco World Development Group Berhad (EcoWorld Malaysia)**

EcoWorld Malaysia is a public listed Malaysian company involved mainly in property development. The Group is led by some of the most well-known and respected players in the property industry.

It has secured approximately 8,325.3 acres of land bank with a total gross development value (GDV) of RM86.9 billion. Currently, EcoWorld Malaysia has a presence in the Klang Valley, Iskandar Malaysia and Penang with 20 projects in total comprising a product range that includes affordable, upgrader and luxury homes, integrated high-rise developments and green business parks.

Through Eco World International Berhad (EcoWorld International), the brand has also extended its reach to the United Kingdom and Australia.

EcoWorld Malaysia is honoured to be one of the Top 10 Developers at The Edge Malaysia Property Excellence Awards since 2016 and also proud to be named ‘Best of the Best Employers - Malaysia’ in AON’s Best Employer Studies in 2016 and 2017.

In December 2020, EcoWorld Malaysia was included in the FTSE4Good Bursa Malaysia (F4GBM) Index in recognition of the Group's efforts on Sustainability and good Economic, Social and Governance practices. Thereafter in April 2021, EcoWorld Malaysia was conferred the EdgeProp Malaysia’s Responsible Developer: Building Sustainable Development Award 2021 and also accepted as a participant of the United Nations Global Compact (UNGC) based on our commitment to making the UNGC’s principles part of the strategy, culture and day-to-day operations of our company.

#### **About Eco World International Berhad (EcoWorld International)**

EcoWorld International is a public company listed on the Main Market of Bursa Malaysia Securities Berhad on 3 April 2017. Its core business involves property development outside Malaysia.

It has 18 existing and upcoming projects in the United Kingdom and Australia with total gross development value of GBP4.8 billion and AUD716 million respectively. Major shareholders in EcoWorld International are Eco World Development Group Berhad – a well-known Malaysian property developer and GuocoLand Limited – a public company listed on the Singapore Exchange.

EcoWorld International’s entry into UK began with the EcoWorld-Ballymore joint-venture that is currently developing three prime waterside residential projects in London. In 2018, EcoWorld London

was launched giving EcoWorld an immediate presence in the highly resilient UK mid-mainstream market and the fast-growing Build-to-Rent sub-sector.

The Company has two active projects in Australia, namely West Village in Sydney's second central business district of Parramatta and Yarra One in Melbourne's charming South Yarra neighbourhood.

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