

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 197401000725 (17777 – V))
(Incorporated in Malaysia)

Interim Financial Report
31 October 2021

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(Incorporated in Malaysia)

Interim Financial Report - 31 October 2021

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ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 197401000725 (17777 – V))
(Incorporated in Malaysia)

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2021
(The figures have not been audited)

| | 3 MONTHS ENDED | | 12 MONTHS ENDED | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 31 OCTOBER 2021 | 31 OCTOBER 2020 | 31 OCTOBER 2021 | 31 OCTOBER 2020 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | RESTATE | | RESTATE |
| Revenue | 666,050 | 635,466 | 2,042,767 | 1,996,681 |
| Cost of sales | (504,778) | (572,180) | (1,619,505) | (1,665,220) |
| Gross profit | 161,272 | 63,286 | 423,262 | 331,461 |
| Other income | 25,724 | 14,760 | 67,184 | 63,022 |
| Selling and marketing expenses | (16,083) | (13,169) | (41,677) | (39,032) |
| Administrative expenses | (53,874) | (40,501) | (182,791) | (173,876) |
| Impairment loss on investment in a joint venture | (57,300) | - | (57,300) | - |
| Finance costs | (22,976) | (31,027) | (112,049) | (138,665) |
| Share of results in joint ventures, net of tax | 37,803 | 86,723 | 145,007 | 154,842 |
| Share of results in associates, net of tax | (1,268) | (377) | (2,320) | (1,330) |
| Profit before tax | 73,298 | 79,695 | 239,316 | 196,422 |
| Income tax expense | (30,460) | (7,426) | (56,576) | (36,272) |
| Profit net of tax | 42,838 | 72,269 | 182,740 | 160,150 |
| Other comprehensive income, net of tax | | | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | | |
| Exchange differences on translation of foreign operations | 124 | 96 | (77) | 38 |
| Share of other comprehensive income/(loss) of a joint venture | (30,410) | (24,388) | 55,264 | (2,288) |
| Total comprehensive income for the period | 12,552 | 47,977 | 237,927 | 157,900 |
| Profit net of tax attributable to: | | | | |
| Owners of the Company | 42,838 | 72,269 | 182,740 | 160,150 |
| Non-controlling interests | - | - | - | - |
| | 42,838 | 72,269 | 182,740 | 160,150 |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | 12,552 | 47,977 | 237,927 | 157,900 |
| Non-controlling interests | - | - | - | - |
| | 12,552 | 47,977 | 237,927 | 157,900 |
| Earnings per share attributable to owners of the Company: | | | | |
| Basic earnings per share (sen) | 1.45 | 2.45 | 6.21 | 5.44 |
| Diluted earnings per share (sen) * | 1.45 | 2.45 | 6.21 | 5.44 |

* Anti-dilutive

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 October 2020 and the accompanying explanatory notes.)

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 197401000725 (17777 – V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2021
(The figures have not been audited)

| | As At 31 OCTOBER 2021 RM'000 | As At 31 OCTOBER 2020 RM'000 RESTATED | As At 1 NOVEMBER 2019 RM'000 RESTATED |
|--|------------------------------------|--|--|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant & equipment | 166,454 | 184,953 | 229,622 |
| Investment properties | 19,740 | 19,641 | 19,510 |
| Inventories - land held for property development | 4,168,395 | 4,243,824 | 3,965,190 |
| Investment in associates | 96,158 | 58,242 | 54,769 |
| Investment in joint ventures | 1,373,089 | 1,305,644 | 1,206,837 |
| Trade receivables | 90,244 | 119,374 | 112,171 |
| Lease receivables | 2,631 | 3,739 | - |
| Amount due from joint ventures | 904,937 | 870,654 | 760,099 |
| Deferred tax assets | 108,207 | 110,269 | 104,573 |
| | <u>6,929,855</u> | <u>6,916,340</u> | <u>6,452,771</u> |
| Current assets | | | |
| Inventories - property under development | 665,854 | 1,293,981 | 2,024,886 |
| Inventories - completed properties | 608,971 | 710,226 | 583,588 |
| Trade and other receivables | 631,717 | 849,615 | 870,224 |
| Lease receivables | 1,108 | 1,065 | - |
| Contract assets | 78,844 | 56,506 | 68,545 |
| Current tax assets | 48,189 | 42,360 | 40,197 |
| Deposits | 314,405 | 202,303 | 221,973 |
| Cash and bank balances | 470,319 | 254,134 | 378,566 |
| | <u>2,819,407</u> | <u>3,410,190</u> | <u>4,187,979</u> |
| TOTAL ASSETS | <u>9,749,262</u> | <u>10,326,530</u> | <u>10,640,750</u> |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to owners of the Company | | | |
| Share capital | 3,614,865 | 3,614,865 | 3,614,865 |
| Warrants reserve | 194,395 | 194,395 | 194,395 |
| Foreign currency translation reserve | 36,966 | (18,487) | (15,783) |
| Cash flow hedge reserve | (355) | (89) | (543) |
| Retained earnings | 919,433 | 854,467 | 694,317 |
| Total equity | <u>4,765,304</u> | <u>4,645,151</u> | <u>4,487,251</u> |
| Non-current liabilities | | | |
| Long term borrowings | 1,313,219 | 1,266,000 | 1,803,825 |
| Other payables | 313,160 | 319,684 | - |
| Lease liabilities | 8,595 | 12,314 | 226 |
| Deferred tax liabilities | 41,296 | 40,956 | 29,298 |
| | <u>1,676,270</u> | <u>1,638,954</u> | <u>1,833,349</u> |
| Current liabilities | | | |
| Trade and other payables | 975,045 | 1,041,139 | 1,168,422 |
| Contract liabilities | 754,006 | 945,799 | 1,173,894 |
| Bank overdrafts | 24,018 | 25,323 | 26,330 |
| Short term borrowings | 1,542,795 | 2,025,084 | 1,949,253 |
| Lease liabilities | 4,066 | 3,905 | 81 |
| Current tax liabilities | 7,758 | 1,175 | 2,170 |
| | <u>3,307,688</u> | <u>4,042,425</u> | <u>4,320,150</u> |
| Total liabilities | <u>4,983,958</u> | <u>5,681,379</u> | <u>6,153,499</u> |
| TOTAL EQUITY AND LIABILITIES | <u>9,749,262</u> | <u>10,326,530</u> | <u>10,640,750</u> |
| Net Assets Per Share Attributable to Owners of the Company (RM) | <u>1.62</u> | <u>1.58</u> | <u>1.52</u> |

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 October 2020 and the accompanying explanatory notes.)

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No: 197401000725 (17777 – V))
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2021
(The figures have not been audited)

| | Share capital RM'000 | Warrants reserve RM'000 | Foreign currency translation reserve RM'000 | Cash flow hedge reserve RM'000 | Retained earnings RM'000 | Total Equity RM'000 |
|--|-------------------------|-------------------------------|---|--------------------------------------|--------------------------------|---------------------------|
| At 1 November 2020 | 3,614,865 | 194,395 | (18,487) | (89) | 880,253 | 4,670,937 |
| Effects of adoption of the Agenda Decision | - | - | - | - | (25,786) | (25,786) |
| At 1 November 2020 (restated) | 3,614,865 | 194,395 | (18,487) | (89) | 854,467 | 4,645,151 |
| Profit for the year | - | - | - | - | 182,740 | 182,740 |
| Other comprehensive income/(loss) | - | - | 55,453 | (266) | - | 55,187 |
| Transactions with owners: | | | | | | |
| - Dividends paid | - | - | - | - | (117,774) | (117,774) |
| At 31 October 2021 | 3,614,865 | 194,395 | 36,966 | (355) | 919,433 | 4,765,304 |
| At 1 November 2019 | 3,614,865 | 194,395 | (15,783) | (543) | 745,082 | 4,538,016 |
| Effects of adoption of the Agenda Decision | - | - | - | - | (50,765) | (50,765) |
| At 1 November 2019 (restated) | 3,614,865 | 194,395 | (15,783) | (543) | 694,317 | 4,487,251 |
| Profit for the year | - | - | - | - | 160,150 | 160,150 |
| Other comprehensive (loss)/income | - | - | (2,704) | 454 | - | (2,250) |
| At 31 October 2020 | 3,614,865 | 194,395 | (18,487) | (89) | 854,467 | 4,645,151 |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 October 2020 and the accompanying explanatory notes.)

ECO WORLD DEVELOPMENT GROUP BERHAD

(Company No: 197401000725 (17777 – V))

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2021

(The figures have not been audited)

| | 12 MONTHS ENDED | |
|--|------------------------|------------------------|
| | 31 OCTOBER 2021 | 31 OCTOBER 2020 |
| | RM'000 | RM'000 |
| | | RESTATED |
| Operating activities | | |
| Profit before tax | 239,316 | 196,422 |
| Adjustments for : | | |
| Non-cash items | (73,475) | (50,824) |
| Non-operating items | 55,796 | 86,703 |
| Operating cash flows before changes in working capital | 221,637 | 232,301 |
| Changes in inventories - property under development | 474,874 | 430,019 |
| Changes in inventories- completed properties | 485,679 | 336,244 |
| Changes in contract assets/contract liabilities | (214,131) | (216,056) |
| Changes in receivables | 274,831 | 42,703 |
| Changes in payables | (79,005) | (116,918) |
| Cash flows generated from operations | 1,163,885 | 708,293 |
| Interest received | 2,689 | 5,385 |
| Interest paid | (139,577) | (159,512) |
| Income tax paid net of refunds | (56,064) | (35,655) |
| Net cash flows generated from operating activities | 970,933 | 518,511 |
| Investing activities | | |
| Additions to inventories - land held for property development | (96,341) | (139,759) |
| Purchase of property, plant and equipment and investment properties | (5,465) | (24,131) |
| Proceeds from disposal of property, plant and equipment | 396 | 50,042 |
| Net cash inflow from liquidation of an associate | 33 | - |
| Acquisition/Subscription of shares in associates | (39,645) | (4,800) |
| Advances to joint ventures | (68,000) | (110,000) |
| Repayment of interest by joint ventures | 92,344 | 56,641 |
| (Placement)/Withdrawal of redemption and debt service reserve accounts | (79,414) | 21,236 |
| Dividends received from joint ventures | 48,880 | - |
| Interest received from deposits | 4,672 | 4,430 |
| Net cash flows used in investing activities | (142,540) | (146,341) |
| Financing activities | | |
| Drawdown of bank borrowings | 324,362 | 171,682 |
| Repayment of bank borrowings and lease liabilities | (766,004) | (639,875) |
| Interest paid | (18,802) | (25,828) |
| Dividends paid on ordinary shares | (117,774) | - |
| Net cash flows used in financing activities | (578,218) | (494,021) |
| Net increase in cash and cash equivalents | 250,175 | (121,851) |
| Effect of exchange rate changes | 3 | (8) |
| Cash and cash equivalents at 1 November 2020 / 2019 | 264,314 | 386,173 |
| Cash and cash equivalents at 31 October 2021 / 2020 | 514,492 | 264,314 |
| Cash and cash equivalents comprise the following: | | |
| Deposits | 314,405 | 202,303 |
| Cash and bank balances | 470,319 | 254,134 |
| Bank overdrafts | (24,018) | (25,323) |
| | 760,706 | 431,114 |
| Less: Deposit pledged, Debt Service Reserve, Redemption Accounts and Escrow Accounts | (246,214) | (166,800) |
| | 514,492 | 264,314 |

(The Condensed Consolidated Statements of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 October 2020 and the accompanying explanatory notes.)

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report has been prepared in accordance with Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”), International Accounting Standard (“IAS”) 34: Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 October 2020.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the financial year ended 31 October 2020 except for the adoption of the IFRS Interpretations Committee (“IFRIC”)’s Agenda Decision on IAS 23 Borrowing Costs (“the Agenda Decision”) and the following new amendments/improvements to MFRSs which are relevant and mandatory for the current financial year:-

| | |
|--|---|
| Amendments/Improvements to MFRS 3 | Business Combinations |
| Amendments/Improvements to MFRS 7 | Financial Instruments: Disclosures |
| Amendments/Improvements to MFRS 9 | Financial Instruments |
| Amendments/Improvements to MFRS 16 | Leases |
| Amendments/Improvements to MFRS 101 | Presentation of Financial Statements |
| Amendments/Improvements to MFRS 108 | Accounting Policies, Changes in Accounting Estimates and Errors |
| Amendments/Improvements to MFRS 139 | Financial Instruments: Recognition and Measurement |
| IFRS Interpretations Committee (“IFRIC”)’s Agenda Decision on IAS 23 Borrowing Costs (“Agenda Decision”) | Borrowing Costs |

The adoption of the above amendments/improvements to MFRSs do not have any material financial impact to the Group. The financial impact arising from the adoption of the Agenda Decision is discussed below.

In March 2019, IFRIC concluded that inventories, once made available for intended sale, are not qualifying assets even though they are still under construction. Accordingly, an entity should not capitalise borrowing costs on these inventories in accordance to the principles and requirements in IAS 23 (MFRS 123).

In previous financial years, borrowing costs incurred were capitalised in inventory – property under development until the physical completion of the units. On 1 November 2020, the Group changed its accounting policy as a result of the Agenda Decision and accordingly, applied the new policy retrospectively according to the guidance set out therein.

1. Basis of Preparation (continued)

The effects of the adoption of the Agenda Decision on the consolidated statement of financial position are as follows:

| Consolidated Statement of Financial Position At 31 October 2020 | As previously reported (audited) RM'000 | Effects of the Agenda Decision RM'000 | As restated RM'000 |
|--|--|--|-------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant & equipment | 184,953 | - | 184,953 |
| Investment properties | 19,641 | - | 19,641 |
| Inventories - land held for property development | 4,243,824 | - | 4,243,824 |
| Investment in associates | 58,242 | - | 58,242 |
| Investment in joint ventures | 1,305,460 | 184 | 1,305,644 |
| Trade receivables | 119,374 | - | 119,374 |
| Lease receivables | 3,739 | - | 3,739 |
| Amount due from joint ventures | 870,654 | - | 870,654 |
| Deferred tax assets | 103,639 | 6,630 | 110,269 |
| | <u>6,909,526</u> | <u>6,814</u> | <u>6,916,340</u> |
| Current Assets | | | |
| Inventories - properties under development | 1,311,502 | (17,521) | 1,293,981 |
| Inventories - completed properties | 726,387 | (16,161) | 710,226 |
| Trade and other receivables | 849,615 | - | 849,615 |
| Lease receivables | 1,065 | - | 1,065 |
| Contract assets | 56,506 | - | 56,506 |
| Current tax assets | 42,360 | - | 42,360 |
| Deposits | 202,303 | - | 202,303 |
| Cash and bank balances | 254,134 | - | 254,134 |
| | <u>3,443,872</u> | <u>(33,682)</u> | <u>3,410,190</u> |
| TOTAL ASSETS | <u>10,353,398</u> | <u>(26,868)</u> | <u>10,326,530</u> |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Share Capital | 3,614,865 | - | 3,614,865 |
| Warrant Reserve | 194,395 | - | 194,395 |
| Foreign currency translation reserve | (18,487) | - | (18,487) |
| Cash flow hedge reserve | (89) | - | (89) |
| Retained Earnings | 880,253 | (25,786) | 854,467 |
| Total Equity | <u>4,670,937</u> | <u>(25,786)</u> | <u>4,645,151</u> |
| Non-Current Liabilities | | | |
| Long term borrowings | 1,266,000 | - | 1,266,000 |
| Other payables | 319,684 | - | 319,684 |
| Lease liabilities | 12,314 | - | 12,314 |
| Deferred tax liabilities | 40,982 | (26) | 40,956 |
| | <u>1,638,980</u> | <u>(26)</u> | <u>1,638,954</u> |
| Current Liabilities | | | |
| Trade and other payables | 1,042,195 | (1,056) | 1,041,139 |
| Contract liabilities | 945,799 | - | 945,799 |
| Bank overdrafts | 25,323 | - | 25,323 |
| Short term borrowings | 2,025,084 | - | 2,025,084 |
| Lease liabilities | 3,905 | - | 3,905 |
| Current tax liabilities | 1,175 | - | 1,175 |
| | <u>4,043,481</u> | <u>(1,056)</u> | <u>4,042,425</u> |
| Total Liabilities | <u>5,682,461</u> | <u>(1,082)</u> | <u>5,681,379</u> |
| TOTAL EQUITY AND LIABILITIES | <u>10,353,398</u> | <u>(26,868)</u> | <u>10,326,530</u> |

1. Basis of Preparation (continued)

The effects of the adoption of the Agenda Decision on the consolidated statement of financial position are as follows: (continued)

| | As previously reported (audited) RM'000 | Effects of the Agenda Decision RM'000 | As restated RM'000 |
|---|--|---|-----------------------|
| Consolidated Statement of Financial Position | | | |
| At 1 November 2019 | | | |
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant & equipment | 229,622 | - | 229,622 |
| Investment properties | 19,510 | - | 19,510 |
| Inventories - land held for property development | 3,965,190 | - | 3,965,190 |
| Investment in associates | 54,769 | - | 54,769 |
| Investment in joint ventures | 1,208,494 | (1,657) | 1,206,837 |
| Trade receivables | 112,171 | - | 112,171 |
| Amount due from joint ventures | 760,099 | - | 760,099 |
| Deferred tax assets | 99,088 | 5,485 | 104,573 |
| | <u>6,448,943</u> | <u>3,828</u> | <u>6,452,771</u> |
| Current Assets | | | |
| Inventories - properties under development | 2,062,916 | (38,030) | 2,024,886 |
| Inventories - completed properties | 597,090 | (13,502) | 583,588 |
| Trade and other receivables | 870,224 | - | 870,224 |
| Contract assets | 68,545 | - | 68,545 |
| Current tax assets | 40,197 | - | 40,197 |
| Deposits | 221,973 | - | 221,973 |
| Cash and bank balances | 378,566 | - | 378,566 |
| | <u>4,239,511</u> | <u>(51,532)</u> | <u>4,187,979</u> |
| TOTAL ASSETS | 10,688,454 | (47,704) | 10,640,750 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Share Capital | 3,614,865 | - | 3,614,865 |
| Warrant Reserve | 194,395 | - | 194,395 |
| Foreign currency translation reserve | (15,783) | - | (15,783) |
| Cash flow hedge reserve | (543) | - | (543) |
| Retained Earnings | 745,082 | (50,765) | 694,317 |
| Total Equity | 4,538,016 | (50,765) | 4,487,251 |
| Non-Current Liabilities | | | |
| Long term borrowings | 1,803,825 | - | 1,803,825 |
| Finance lease obligations | 226 | - | 226 |
| Deferred tax liabilities | 31,748 | (2,450) | 29,298 |
| | <u>1,835,799</u> | <u>(2,450)</u> | <u>1,833,349</u> |
| Current Liabilities | | | |
| Trade and other payables | 1,162,911 | 5,511 | 1,168,422 |
| Contract liabilities | 1,173,894 | - | 1,173,894 |
| Bank overdrafts | 26,330 | - | 26,330 |
| Short term borrowings | 1,949,253 | - | 1,949,253 |
| Finance lease obligations | 81 | - | 81 |
| Current tax liabilities | 2,170 | - | 2,170 |
| | <u>4,314,639</u> | <u>5,511</u> | <u>4,320,150</u> |
| Total Liabilities | 6,150,438 | 3,061 | 6,153,499 |
| TOTAL EQUITY AND LIABILITIES | 10,688,454 | (47,704) | 10,640,750 |

1. Basis of preparation (continued)

The effects of the transition to the Agenda Decision on the consolidated statement of comprehensive income are as follows: (continued)

| | As previously reported RM'000 | Effects of the Agenda Decision RM'000 | As restated RM'000 |
|--|-------------------------------------|---|-----------------------|
| Statement of Comprehensive Income | | | |
| 12 months ended 31 October 2020 | | | |
| Revenue | 1,996,681 | - | 1,996,681 |
| Cost of sales | (1,729,211) | 63,991 | (1,665,220) |
| Gross profit | 267,470 | 63,991 | 331,461 |
| Other income | 58,067 | 4,955 | 63,022 |
| Selling and marketing expenses | (39,032) | - | (39,032) |
| Administrative expenses | (173,876) | - | (173,876) |
| Finance costs | (93,505) | (45,160) | (138,665) |
| Share of results in joint ventures, net of tax | 151,252 | 3,590 | 154,842 |
| Share of results in associates, net of tax | (1,330) | - | (1,330) |
| Profit before taxation | 169,046 | 27,376 | 196,422 |
| Income tax expense | (33,875) | (2,397) | (36,272) |
| Profit net of tax | 135,171 | 24,979 | 160,150 |
| Other comprehensive income, net of tax: | | | |
| Exchange differences on translation of foreign operation | 38 | - | 38 |
| Share of other comprehensive losses of joint venture | (2,288) | - | (2,288) |
| Total comprehensive income for the period | 132,921 | 24,979 | 157,900 |
| Earnings per share attributable to owners of the company: | | | |
| - Basic earnings per share (sen) | 4.59 | | 5.44 |
| - Diluted earning per share (sen) # | 4.59 | | 5.44 |

* *Anti-dilutive*

1. Basis of preparation (continued)

The effects of the transition to the Agenda Decision on the consolidated statement of comprehensive income are as follows: (continued)

| | As previously reported RM'000 | Effects of the Agenda Decision RM'000 | As restated RM'000 |
|--|-------------------------------------|---|-----------------------|
| Statement of Comprehensive Income | | | |
| 3 months ended 31 October 2020 | | | |
| Revenue | 635,466 | - | 635,466 |
| Cost of sales | (583,567) | 11,387 | (572,180) |
| Gross profit | 51,899 | 11,387 | 63,286 |
| Other income | 13,581 | 1,179 | 14,760 |
| Selling and marketing expenses | (13,169) | - | (13,169) |
| Administrative expenses | (40,501) | - | (40,501) |
| Finance costs | (18,512) | (12,515) | (31,027) |
| Share of results in joint ventures, net of tax | 81,053 | 5,670 | 86,723 |
| Share of results in associates, net of tax | (377) | - | (377) |
| Profit before taxation | 73,974 | 5,721 | 79,695 |
| Income tax expense | (7,516) | 90 | (7,426) |
| Profit net of tax | 66,458 | 5,811 | 72,269 |
| Other comprehensive income, net of tax: | | | |
| Exchange differences on translation of foreign operation | 96 | - | 96 |
| Share of other comprehensive losses of joint venture | (24,388) | - | (24,388) |
| Total comprehensive income for the period | 42,166 | 5,811 | 47,977 |
| Earnings per share attributable to owners of the company: | | | |
| - Basic earnings per share (sen) | 2.26 | | 2.45 |
| - Diluted earning per share (sen) # | 2.26 | | 2.45 |

* *Anti-dilutive*

The adoption of the Agenda Decision did not have any financial impact on the consolidated statement of cash flows for the 12 months ended 31 October 2020.

2. Seasonal or Cyclical Factors

The business operations of the Group during the 12 months ended 31 October 2021 were not materially affected by any seasonal or cyclical factors.

3. 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 12 months ended 31 October 2021.

4. Changes in Estimates

There were no material changes in estimates for the 12 months ended 31 October 2021.

5. Debts 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 12 months ended 31 October 2021, except for the issuance of Sukuk Wakalah under a Sukuk Wakalah Programme with a nominal value of RM180 million by Eco World Capital Services Berhad (formerly known as EF Development Sdn Bhd), a wholly owned subsidiary, on 24 March 2021.

6. Dividends Paid

On 10 February 2021, the Group paid a single tier interim dividend of 2 sen per ordinary share amounting to RM58,887,368 in respect of the financial year ended 31 October 2020.

On 23 July 2021, the Group paid a single tier interim dividend of 2 sen per ordinary share amounting to RM58,887,368 in respect of the financial year ended 31 October 2021.

7. Segmental Reporting

No segmental reporting is presented as the Group is primarily engaged in the business of property development in Malaysia.

8. Events after the End of the Interim Financial Period

There were no significant events after 31 October 2021 till 9 December 2021 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report).

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial year ended 31 October 2021 except for the acquisition of 2 ordinary shares of RM1.00 each in Hasrat Budi Sdn Bhd (“HBSB”) on 23 August 2021, resulting in HBSB becoming a wholly-owned subsidiary of the Company.

10. Contingent Liabilities

There were no contingent liabilities that has arisen since the date of the latest audited financial statements.

11. Fair value of Financial Instruments

- (a) There were no derivative financial instruments as at 31 October 2021.
- (b) The carrying amounts of the Group's financial assets and financial liabilities at amortised cost are reasonable approximations of fair values.

12. Disaggregation of revenue

The Group's revenue is disaggregated by primary geographical market as follows:-

| Location | 12 MONTHS ENDED | |
|-------------------|------------------------|-------------------|
| | 31/10/2021 | 31/10/2020 |
| | RM'000 | RM'000 |
| Klang Valley | 902,398 | 1,046,415 |
| Iskandar Malaysia | 979,782 | 852,663 |
| Penang | 160,587 | 97,603 |
| | <u>2,042,767</u> | <u>1,996,681</u> |

13. Commitments

| | As at |
|---|-------------------|
| | 31/10/2021 |
| | RM'000 |
| Approved and contracted for:- | |
| Commitment to subscribe/acquire additional shares in associates | 36,552 |
| Commitment to acquire property, plant and equipment | 2,745 |
| Commitment to fund development costs of joint ventures | <u>161,069</u> |

14. Significant Related Party Transactions

**12 MONTHS
ENDED
31/10/2021
RM'000**

| | |
|---|--------------|
| (i) Transactions with shareholders/directors of the Company and its subsidiary companies, and with companies in which they have interests | |
| - Stay2Own rental received from directors of subsidiary companies | 108 |
| - Sales of development properties to a director of a subsidiary company and her family member | |
| | <u>2,466</u> |
| (ii) Transactions with joint ventures | |
| - Net advances given | 68,000 |
| - Dividends received | 48,880 |
| - Interest received and receivable | 58,627 |
| - Development management fees received and receivable | 69,722 |
| - Other resources fees received and receivable | 20,197 |
| - Brand licensing fees received and receivable | 6,837 |
| - Commission received and receivable | 1,653 |
| - Disposal of motor vehicles | 199 |
| - Rental received and receivable | 180 |
| - Support service fees received and receivable | 143 |
| - Advisory fees received and receivable | 103 |
| - Property management appointment fees received and receivable | 101 |
| - Purchase of motor vehicles | 24 |
| | <u>24</u> |
| (iii) Transactions with an associate | |
| - Secondment fees paid and payable | 163 |
| - Support service fees received and receivable | 110 |
| - Disposal of office equipment, furniture & fitting and computer equipment | 34 |
| | <u>34</u> |

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

1. Review of Group Performance

| | 3 MONTHS ENDED | | | 12 MONTHS ENDED | | |
|--|----------------------|----------------------------------|-------------------|----------------------|----------------------------------|-------------------|
| | 31/10/2021 RM'000 | 31/10/2020 RM'000 Restated | Changes RM'000 | 31/10/2021 RM'000 | 31/10/2020 RM'000 Restated | Changes RM'000 |
| Revenue | 666,050 | 635,466 | 30,584 | 2,042,767 | 1,996,681 | 46,086 |
| Gross profit | 161,272 | 63,286 | 97,986 | 423,262 | 331,461 | 91,801 |
| Share of results of joint ventures | | | | | | |
| - Malaysia | 47,243 | 50,692 | (3,449) | 117,738 | 100,860 | 16,878 |
| - International | (9,440) | 36,031 | (45,471) | 27,269 | 53,982 | (26,713) |
| | 37,803 | 86,723 | (48,920) | 145,007 | 154,842 | (9,835) |
| Profit before interest and tax | 96,274 | 110,722 | (14,448) | 351,365 | 335,087 | 16,278 |
| Profit before tax (PBT) | 73,298 | 79,695 | (6,397) | 239,316 | 196,422 | 42,894 |
| Profit after tax | 42,838 | 72,269 | (29,431) | 182,740 | 160,150 | 22,590 |
| Profit attributable to owners of the Company | 42,838 | 72,269 | (29,431) | 182,740 | 160,150 | 22,590 |

(a) 4Q 2021 vs 4Q 2020

The main projects which contributed to revenue and gross profit in 4Q 2021 were *Eco Majestic*, *Eco Forest*, *Eco Sanctuary* and *Eco Sky* in the Klang Valley, *Eco Botanic*, *Eco Botanic 2*, *Eco Spring*, *Eco Summer*, *Eco Business Park I*, *Eco Business Park II*, *Eco Tropics* and *Eco Business Park III* in Iskandar Malaysia and *Eco Terraces* and *Eco Meadows* in Penang.

Revenue in 4Q 2021 was higher than 4Q 2020 by 4.8%, whilst gross profit in 4Q 2021 was higher than in 4Q 2020 by 154.8%. After adjusting for the impact of a RM33 million write down of inventories in 4Q 2020, gross profit in 4Q 2021 was still 67.5% higher mainly due to the realisation of cost savings for certain completed phases during the quarter.

The Group's share of the results of its Malaysian joint ventures came from *Eco Grandeur*, *Eco Business Park V*, *Eco Horizon*, *Eco Ardence* and *Bukit Bintang City Centre (BBCC)*. Total contributions were 6.8% lower in 4Q 2021 compared to 4Q 2020 as progress on construction site was able to fully resume only in September following the transition into Phase Two of the National Recovery Plan (NRP) for most states within the country. The results of *Eco Ardence* were however higher in 4Q2020 due to the handover of its first phase of shop offices, *Ardence Crest* in that quarter.

EcoWorld International Berhad (*EcoWorld International*) recorded a loss in the current quarter due to:

- Additional incentives given to purchasers of properties developed by the EcoWorld Ballymore joint venture and higher commissions paid to agents to accelerate sales;
- An impairment of £3.6m (approx. RM20.2 million) on inventories based on net selling prices reduced by the additional incentives and commissions mentioned above; and
- Write-off of £4.6m (approx. RM26.2 million) in abortive planning costs following a decision by EcoWorld International to not proceed with the acquisition of a development project under the EcoWorld London portfolio.

1. Review of Group Performance (continued)

(a) 4Q 2021 vs 4Q 2020 (continued)

As a consequence of the above indicators of impairment, the Group reassessed the carrying value of its investment in EcoWorld International. Based on the reassessment, the Group recognised an impairment of RM57.3 million (which does not involve a cash outflow) on its investment in EcoWorld International.

Administrative expenses in 4Q2021 were RM53.9 million as compared to RM40.5 million in 4Q2020. The increase was mainly due to performance incentives and bonuses to reward staff for outperforming the Group's targets, in particular the sales target for FY2021.

Arising from the matters discussed above, both profit before tax and profit after tax in 4Q2021 were lower than in 4Q2020.

(b) 4Q YTD 2021 vs 4Q YTD 2020

Revenue and gross profit for 4Q YTD 2021 were both higher than 4Q YTD 2020. The higher gross profit margin was attributable to cost savings realised on completed phases in 4Q 2021 as mentioned above. The gross profit for 4Q YTD 2020 was also impacted by the write down in inventories in 3Q 2020 of RM35 million and 4Q 2020 of RM33 million.

The share of profits from the Malaysian joint ventures in 4Q YTD 2021 was 16.7% higher than in 4Q YTD 2020 bolstered by strong sales and good progress on site notwithstanding several periods of restrictions imposed by the Government during the financial year due to Covid-19. Collectively, the Malaysian joint ventures recorded a total of RM1,457.6 million in revenue in 4Q YTD 2021 of which the Group's effective share, based on its equity stakes in the respective joint ventures, amounted to RM749.8 million.

The Group's share of results from EcoWorld International was lower for the reasons stated above. Despite the loss in the final quarter, a profit was still recorded for the whole financial year as a result of higher profits contributed by the Australian projects and UK joint ventures in 1H 2021.

Excluding the impact of the impairment of inventories last year and the impairment of the investment in EcoWorld International this year, the profit before tax from Malaysian operations this year is still 28% higher than 4Q YTD 2020. This is reflective of substantially higher sales and margins achieved, continued financial discipline which contained selling and administrative costs, and lower finance costs following a reduction in borrowings during the financial year.

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

| | 3 MONTHS ENDED | | Changes RM'000 |
|--|----------------------|----------------------|-------------------|
| | 31/10/2021 RM'000 | 31/07/2021 RM'000 | |
| Revenue | 666,050 | 448,909 | 217,141 |
| Gross profit | 161,272 | 85,426 | 75,846 |
| Share of results of joint ventures | | | |
| - Malaysia | 47,243 | 12,184 | 35,059 |
| - International | (9,440) | 5,335 | (14,775) |
| | <u>37,803</u> | <u>17,519</u> | <u>20,284</u> |
| Profit before interest and tax | 96,274 | 65,795 | 30,479 |
| Profit before tax (PBT) | 73,298 | 35,723 | 37,575 |
| Profit after tax | 42,838 | 35,147 | 7,691 |
| Profit attributable to owners of the Company | 42,838 | 35,147 | 7,691 |

The Group's revenue and gross profit for 4Q 2021 were higher as compared 3Q 2021. This was due to higher sales of completed and nearly completed products in 4Q 2021 (thus enabling a higher revenue and gross profit to be recognised in the current quarter). Additionally, the gross profit also increased due to the cost savings realised as mentioned.

The share of results of the Malaysian joint ventures and of EcoWorld International were higher and lower, respectively, than in 3Q 2021 due to the reasons stated above.

3. Prospects for the Next Financial Year

| Location of projects | No. of launched projects ² | 12 months ended 31.10.2021 | | | Cumulative sales ^{1,2} RM'mil | As at |
|----------------------|---------------------------------------|-----------------------------|---------------------------|------------------------------------|---|---|
| | | Units launched ² | Units sold ^{1,2} | Sales value ² RM'mil | | 31.10.2021 Future revenue ³ RM'mil |
| Klang Valley | 8 | 960 | 3,070 | 2,105 | 14,870 | 2,082.7 |
| Iskandar Malaysia | 8 | 1,352 | 1,411 | 1,109 | 8,025 | 963.9 |
| Penang | 3 | 224 | 503 | 308 | 1,520 | 150.1 |
| Malaysia | 19 | 2,536 | 4,984 | 3,522 | 24,415 | 3,196.7 |

| Location of projects | Land Bank Acres ² | 12 months ended 31.10.2021 | | | Cumulative sales ^{1,2} RM'mil | As at |
|----------------------|------------------------------|----------------------------|------------------------------------|---|---|-------|
| | | Units sold ^{1,2} | Sales value ² RM'mil | 31.10.2021 Future revenue ³ RM'mil | | |
| United Kingdom | 50.7 | 268 | 1,277 | 13,821 | 313.5 | |
| Australia | 2.4 | 31 | 99 | 1,428 | 4.1 | |
| Overseas | 53.1 | 299 | 1,376 | 15,249 | 317.6 | |

Total future revenue attributable to EcoWorld Malaysia

| |
|----------------|
| 3,514.3 |
|----------------|

¹ Includes sales of units from prior year launches

² Includes projects and sales of joint ventures

³ Represents revenue expected to be recognised in the future from secured sales of subsidiaries and joint ventures based on EcoWorld Malaysia's equity interest

3. Prospects for the Next Financial Year (continued)

The Group's Malaysian operations recorded sales of RM3.522 billion in FY2021, which is 53% higher than in FY2020 and 23% higher than the target of RM2.875 billion set for the year.

Sales achieved in FY2021 is the highest since FY2017. This is testament to the Group's tenacity and agility in overcoming the challenges of the pandemic and in reinventing its business model to suit the times by:

- Expanding the EcoWorld brand's product mix to offer a wide range of residential, commercial and industrial products that meet and anticipate the specific needs of each target market;
- Reaching out beyond its traditional customer base to gain a multi-generational and multi-ethnic following for the Group's landed and high-rise homes spread throughout the Klang Valley, Iskandar Malaysia and Penang; and
- Engaging closely with business owners, entrepreneurs and investors to understand their needs and develop innovative shops, offices, retail spaces and business parks that will support the growth of their businesses.

Underpinning the above efforts is the Group's digital transformation journey which began in 2017. EcoWorld Malaysia's systematic and comprehensive digitalisation of both frontline and support functions over the years have resulted in significantly increased lead generation, faster sales conversion and highly efficient billing processes enabling accelerated cash recovery from sales whilst reducing overhead costs.

Moving ahead, the Group has set a sales target of RM3.5 billion for its Malaysian operations in FY2022. The focus in the coming year is on enhancing value with the aim of further improving profitability by introducing products with higher margins commensurate with the increasing maturity of its landbank and projects.

On the customer front, the Group's unwavering commitment to ongoing value creation is reflected in its latest campaign "Together We Create". In line with its vision of Creating Tomorrow and Beyond and the belief that this requires a collective effort, the campaign emphasises EcoWorld's readiness to take every step of the journey with its customers to co-create the lifestyle, business and community that match their aspirations.

In addition to building homes and spaces, EcoWorld aims to complete the lifestyles of its customers by nurturing thriving and sustainable communities. Through co-creation, EcoWorld provides design concepts and green innovations based on customers' wants and needs to create a place that will serve them, their loved ones and their businesses for generations.

EcoWorld Malaysia's progressive efforts on sustainability and commitment to excellence were rewarded with several accolades in FY2021:

- In December 2020 the Company was included in the FTSE4Good Bursa Malaysia (F4GBM) Index in recognition of the Group's good Economic, Social and Governance practices;
- In April 2021, EcoWorld Malaysia was conferred the EdgeProp Malaysia's Responsible Developer: Building Sustainable Development Award 2021;
- On 1 December 2021 EcoWorld Malaysia was recognised by LinkedIn Learning Talent Award Malaysia with the "Best Culture of Learning 2021" award which recognises companies that have invested in the learning and development of their employees by connecting them to relevant and applicable skills; and

3. Prospects for the Next Financial Year (continued)

- On 9 December 2021 EcoWorld Malaysia won the SDG Ambition Benchmark 2: Net-Positive Water Impacts in Water-Stressed Basins Award at the United Nations Global Compact Malaysia & Brunei's (UNGCMYB) inaugural Sustainability Performance Awards 2021.

The Group's future revenue from locked in sales (including its share of the future revenue of Malaysian joint ventures and EcoWorld International, based on its equity interest) remains high at RM3.514 billion as at 31 October 2021, providing continued clear earnings visibility.

As at 31 October 2021, the Group's land bank is as follows:-

| Location of projects | No of projects | Land bank (acres) | |
|----------------------|----------------|--------------------|----------------|
| | | Original land size | Undeveloped |
| Klang Valley | 8 | 4,735.3 | 2,445.0 |
| Iskandar Malaysia | 8 | 3,119.1 | 1,553.3 |
| Penang | 4 | 463.9 | 297.8 |
| The Group | 20 | 8,318.3 | 4,296.1 |

The Group's balance sheet has also continued to strengthen in FY2021 as illustrated by the table below:

| | 31 October | | | |
|---------------------------------|---------------------------------------|-------------|-------------|--------------|
| | 2018 | 2019 | 2020 | 2021 |
| | Based on audited financial statements | | | Unaudited |
| Total borrowings (RM mil) | 3,831 | 3,780 | 3,317 | 2,880 |
| Cash and bank balances (RM mil) | 510 | 601 | 456 | 785 |
| Net borrowings (RM mil) | 3,321 | 3,179 | 2,861 | 2,095 |
| Net assets (RM mil) | 4,408 | 4,538 | 4,671 | 4,765 |
| Net gearing | 0.75 | 0.70 | 0.61 | 0.44 |
| Net assets per share (RM) | 1.50 | 1.54 | 1.59 | 1.62 |

This places the Group on a strong footing to take its value creation pledge to another level in FY2022 in pursuit of the Group's goal of Enhancing Value.

EcoWorld International

FY2021 has been challenging for EcoWorld International as protracted lockdowns, border closures and the imposition of stamp duties following the expiry of the UK stamp duty holiday in June 2021 severely impacted demand for property. Under these conditions, EcoWorld International introduced attractive incentives to purchasers and higher commissions to agents in order to stimulate sales of its properties. This enabled EcoWorld International to achieve full year sales of RM1.38 billion.

Given the challenging conditions, EcoWorld International shifted its focus onto cashflow generation. This will continue in FY2022 with an increased sales target of RM2 billion mainly from its development projects in the UK. Together with an effective future revenue of RM1.176 billion as at 31 October 2021, the bulk of which is expected to be realised in FY2022, coupled with continued financial discipline to contain operating costs, EcoWorld International expects to further generate cash so as to be in the position:

- to capitalise on new opportunities for growth when the market recovers, cross-border restrictions are relaxed and economic conditions improve; and
- to make distributions to shareholders after setting aside capital to be reinvested for future growth.

In FY2021, EcoWorld International paid an interim dividend and a special dividend totalling 6 sen per share of which the amount received by the Group was RM38.88 million.

4. Variance of Actual Profit from Forecast Profit

There were no profit forecast published as at 31 October 2021.

5. Income Tax

Income Tax comprises:-

| | 3 MONTHS ENDED | | 12 MONTHS ENDED | |
|-----------------------------|----------------|--------------|-----------------|---------------|
| | 31/10/2021 | 31/10/2020 | 31/10/2021 | 31/10/2020 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Current tax | | | | |
| - for current quarter | 654 | 3,189 | 48,465 | 28,051 |
| - in respect of prior years | (1,734) | (2,633) | 8,353 | 4,446 |
| Deferred tax | | | | |
| - for current quarter | 26,592 | 6,042 | 7,557 | 12,628 |
| - in respect of prior years | 4,948 | 828 | (7,799) | (8,853) |
| | <u>30,460</u> | <u>7,426</u> | <u>56,576</u> | <u>36,272</u> |

The Group's effective tax rate for the current quarter is higher than the statutory tax rate mainly due to certain non-tax deductible expenses.

6. Status of Corporate Proposals

There were no corporate proposal previously announced by the Company that remained uncompleted as at 9 December 2021, the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report.

7. Group Borrowings and Debt Securities

Total group borrowings and debt securities as at 31 October 2021 and 31 October 2020 were as follows:-

| | As at 31 October 2021 | | |
|---|-----------------------|----------------------|----------------------------|
| | Long term RM'000 | Short term RM'000 | Total borrowings RM'000 |
| Secured | | | |
| Revolving credits | 132,018 | 395,239 | 527,257 |
| Term loans | 404,069 | 171,644 | 575,713 |
| Bridging loans | 259,376 | 9,767 | 269,143 |
| Medium term notes | 268,529 | - | 268,529 |
| Hire purchase (included in lease liabilities) | 48 | 92 | 140 |
| | <u>1,064,040</u> | <u>576,742</u> | <u>1,640,782</u> |
| Unsecured | | | |
| Revolving credits | - | 716,232 | 716,232 |
| Medium term notes | 249,227 | 249,913 | 499,140 |
| Overdraft | - | 24,018 | 24,018 |
| | <u>249,227</u> | <u>990,163</u> | <u>1,239,390</u> |
| | <u>1,313,267</u> | <u>1,566,905</u> | <u>2,880,172</u> |
| As at 31 October 2020 | | | |
| | Long term RM'000 | Short term RM'000 | Total borrowings RM'000 |
| Secured | | | |
| Revolving credits | 118,159 | 607,257 | 725,416 |
| Term loans | 328,800 | 541,096 | 869,896 |
| Bridging loans | 230,544 | 52,850 | 283,394 |
| Medium term notes | 89,745 | 99,863 | 189,608 |
| Hire purchase (included in lease liabilities) | 139 | 86 | 225 |
| | <u>767,387</u> | <u>1,301,152</u> | <u>2,068,539</u> |
| Unsecured | | | |
| Revolving credits | - | 724,018 | 724,018 |
| Medium term notes | 498,752 | - | 498,752 |
| Overdraft | - | 25,323 | 25,323 |
| | <u>498,752</u> | <u>749,341</u> | <u>1,248,093</u> |
| | <u>1,266,139</u> | <u>2,050,493</u> | <u>3,316,632</u> |

The weighted average effective interest rate at the end of the reporting year were as follows:

| | As at 31 October 2021 | As at 31 October 2020 |
|-----------------------------------|-----------------------|-----------------------|
| | % | % |
| Floating interest rate borrowings | 4.21 | 4.24 |
| Fixed interest rate borrowings | 6.22 | 6.50 |

There were no bank borrowings denominated in foreign currencies as at the reporting date.

The decrease in borrowings is mainly due to repayments during the 12 months ended 31 October 2021.

The Group's gearing ratios are as follows:

| | As at 31 October 2021 | As at 31 October 2020 |
|---------------|-----------------------|-----------------------|
| Gross Gearing | 0.60 | 0.71 |
| Net Gearing | 0.44 | 0.62 |

8. Material Litigation

The Group was not engaged in any material litigation as at 9 December 2021 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report).

9. Dividend Declared

(a) The Board of Directors has declared a second interim dividend in respect of the financial year ended 31 October 2021:

- (i) Amount per share : Single tier dividend of 2 sen per share
- (ii) Previous corresponding financial period : Single tier dividend of 2 sen per share
- (iii) Date payable : To be determined later
- (iv) In respect of deposited securities, entitlement to dividends will be determined on the basis of record of depositors as at a date to be determined later.

(b) Total dividend for the current financial year: Single tier dividend of 4 sen per share

10. Earnings Per Share Attributable To Owners of The Company

Earnings per share has been calculated by dividing the Group's profit after tax attributable to owners of the Company by the weighted average number of shares in issue. The weighted average number of shares in issue is calculated as follows:

| | 3 MONTHS ENDED | | 12 MONTHS ENDED | |
|--|-----------------------|--------------------------------------|------------------------|--------------------------------------|
| | 31/10/2021 | 31/10/2020 Restated | 31/10/2021 | 31/10/2020 Restated |
| Profit for the period attributable to owners of the Company (RM'000) | <u>42,838</u> | <u>72,269</u> | <u>182,740</u> | <u>160,150</u> |
| Weighted average number of ordinary shares ('000) | <u>2,944,369</u> | <u>2,944,369</u> | <u>2,944,369</u> | <u>2,944,369</u> |
| Basic Earnings Per Ordinary Share (sen) | <u>1.45</u> | <u>2.45</u> | <u>6.21</u> | <u>5.44</u> |

Diluted earnings per share has been calculated by dividing the Group's profit after tax attributable to owners of the Company by the weighted average number of 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.

10. Earnings Per Share Attributable To Owners of The Company (continued)

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

| | 3 MONTHS ENDED | | 12 MONTHS ENDED | |
|---|------------------|------------------------|------------------|------------------------|
| | 31/10/2021 | 31/10/2020 Restated | 31/10/2021 | 31/10/2020 Restated |
| Profit for the period attributable to owners of the Company (RM'000) | <u>42,838</u> | <u>72,269</u> | <u>182,740</u> | <u>160,150</u> |
| Weighted average number of ordinary shares for basic Earnings Per Ordinary Share ('000) | 2,944,369 | 2,944,369 | 2,944,369 | 2,944,369 |
| Effect of potential exercise of Warrants ('000) | <u>#</u> | <u>#</u> | <u>#</u> | <u>#</u> |
| Weighted average number of ordinary shares ('000) | <u>2,944,369</u> | <u>2,944,369</u> | <u>2,944,369</u> | <u>2,944,369</u> |
| Diluted Earnings Per Ordinary Share (sen) * | <u>1.45</u> | <u>2.45</u> | <u>6.21</u> | <u>5.44</u> |

The calculation of diluted earnings per share does not assume the potential exercise of Warrants as the effect on earnings per share is anti-dilutive

* Anti-dilutive

11. Auditors' Report on Preceding Annual Financial Statements

The preceding audited financial statements for the financial year ended 31 October 2020 were unqualified.

12. Provision of Financial Assistance

| | 12 MONTHS ENDED |
|--|-------------------------|
| | 31/10/2021 |
| | RM'000 |
| i) Net advances provided to: | |
| - BBCC Development Sdn Bhd | 38,000 |
| - Eco Horizon Sdn Bhd (“Eco Horizon”) | 30,000 |
| ii) Guarantees given by the Company to secure the bank borrowings of: | |
| - Paragon Pinnacle Sdn Bhd (“Paragon Pinnacle”) | 115,100 |
| - Eco Horizon | 62,065 |
| | ===== |
| | As at 31/10/2021 |
| | RM'000 |
| iii) Guarantees given by the Company to secure the repayment by the following joint venture companies of all sums of monies due, owing, unpaid or outstanding to Tanjung Wibawa Sdn Bhd: | |
| - Paragon Pinnacle | 438,605 |
| - Eco Horizon | 318,357 |
| | ===== |

There has been no material impact on the earnings and net tangible assets of the Group for the 12 months ended 31 October 2021 arising from the above-mentioned guarantees.

13. Notes to the Statement of Comprehensive Income

Comprehensive Income has been arrived at after crediting/(charging):-

| | 3 MONTHS | 12 MONTHS |
|--|-----------------------------|-----------------------------|
| | ENDED | ENDED |
| | 31/10/2021 | 31/10/2021 |
| | RM'000 | RM'000 |
| Interest income | 21,285 | 54,665 |
| Other income including investment income | 4,439 | 12,519 |
| Interest expense | (22,976) | (112,049) |
| Depreciation and amortisation | (5,689) | (23,595) |
| Allowance for impairment of receivables | (4,156) | (4,156) |
| Reversal of write down of inventories | 2,186 | 13,115 |
| Gain or loss on disposal of quoted or unquoted investments or properties | - | - |
| Impairment of investment in a joint venture | (57,300) | (57,300) |
| Foreign exchange gain or (loss) | (183) | 20 |
| Gain or loss on derivatives | - | - |
| Exceptional items | - | - |
| | <u> </u> | <u> </u> |

By order of the Board
 Chua Siew Chuan
 Company Secretary
 16 December 2021