ECOWORLD
INTERNATIONAL
CREATING TOMORROW & BEYOND

ANNUAL REPORT **2021**

VISION

The brand is about the pursuit of better, greater ways to complete people's living experience. We want to be thought leaders and innovators – a non-traditional business with positive economic, social and environmental impact. We push boundaries in our vision of Creating Tomorrow & Beyond.

MISSION

- Create world-class eco-living by providing products and services that continue to exceed expectations
- Generate and initiate ideas that disrupt the status quo and inspire people
- Continuously raise the bar of excellence, through borderless teamwork across EcoWorld
- Unleash, support and grow everyone's potential in Team EcoWorld
- Commit 2x2x5x5 = 100% energy, focus & passion in everything we do

Spreading our wings across a global market, EcoWorld International has harnessed growing value even amidst the pandemic. This year's cover concept features two butterflies drawn to the national flowers of EcoWorld International's key markets – the Tudor Rose for United Kingdom, and the Golden Wattle of Australia. This symbolises our ability to identify and harvest value with the right development projects in foreign shores. The image is encircled within a vibrant splash of watercolour effect to highlight our growing presence. The cover is anchored by a line illustration of key landmarks of UK and Australia to further reflect the markets served.

Go paperless to help our environment. Instantly access an online copy of this Annual Report through your mobile device by scanning this QR code.

ABOUT THIS REPORT

GUIDING FRAMEWORK

This Annual Report ("**AR**") is guided by the requirements of the Malaysian Code on Corporate Governance 2017, Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Global Reporting Initiative Standards. Our Group adheres to the principles of good governance, such as ensuring the reliability and completeness of the information presented in this AR. We are committed towards adopting the International Integrated Reporting Framework for our next AR.

ASSURANCE

This AR was reviewed by the Audit Committee and Risk Management Committee to ensure that it complies with the requirements and fairly represents our Group's performance. This report was subsequently approved by the Board and the External Auditors expressed an unqualified opinion on the financial report and statements.

REPORTING SCOPE AND BOUNDARIES

The information in this AR covers the 2021 financial year (1 November 2019 to 31 October 2021) and encompasses all business operations of Eco World International Berhad, over which we have full control, and annual performance of our subsidiaries, unless stated otherwise. All significant items have been reported on a like-for-like basis; no major restatements were performed. This AR should be read together with the information available on our website www.ecoworldinternational.com for a comprehensive overview of the Group.

USE OF FORWARD LOOKING STATEMENTS

Throughout this AR, we have used forward-looking statements that relate to the plans, objectives, goals, strategies, future operations and performance of our Group. Such statements usually contain words like 'anticipates', 'believes', 'estimates', 'expects', 'intends', 'may', 'plans', 'projects', 'should', 'would' and 'will', amongst others. Our Group makes no express or implied representation or warranty that the results anticipated by these forward-looking statements will be achieved. We are under no obligation to update either these forward-looking statements or the historical information presented in this AR.

HOW WE CAN FURTHER IMPROVE

We believe in maintaining meaningful and frequent discourses with our stakeholders throughout the year. Such engagements not only serve to build trust, but also improve the effectiveness of our strategy development with timely and relevant adjustments as required in response to new developments in our operating environment. As such, we greatly value feedback and would welcome your enquiries on our reporting. Please contact Communications team at ewi@ecoworldinternational.com.

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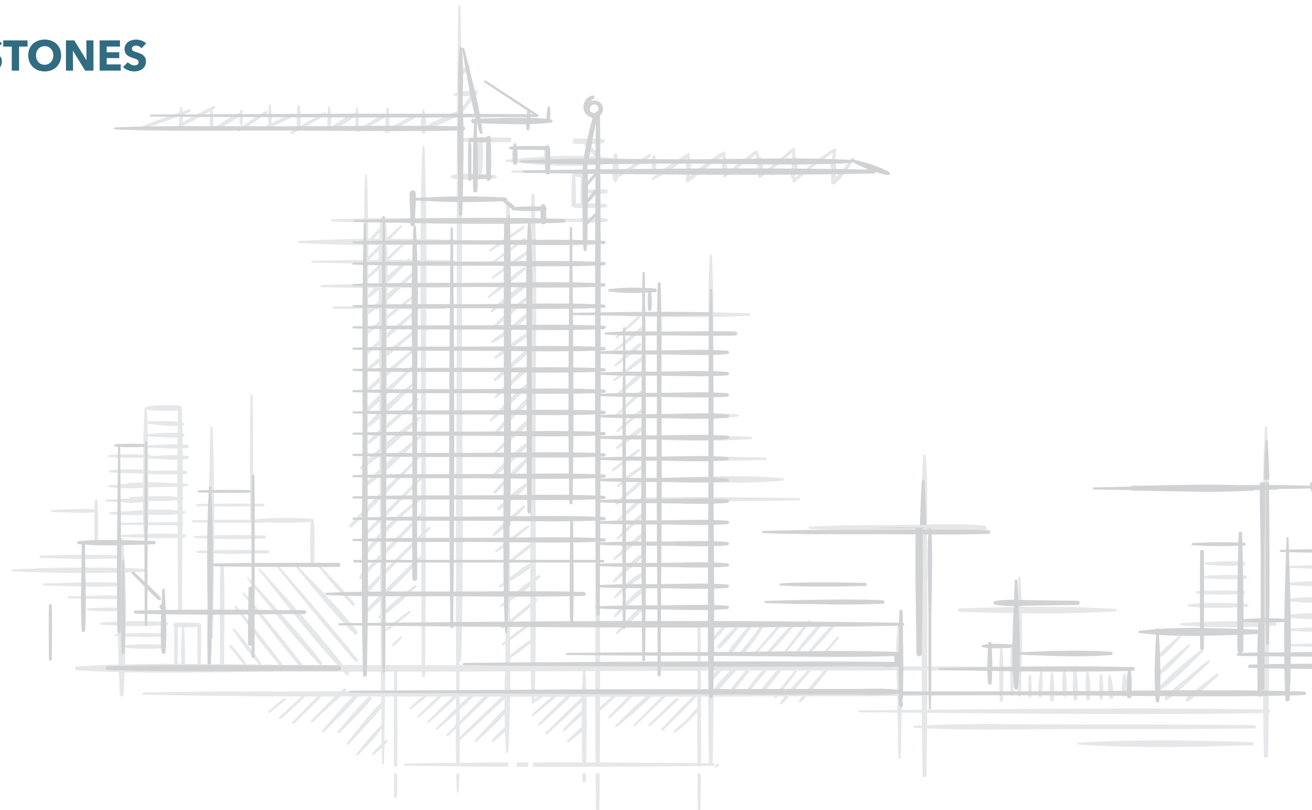
Printed on environmentally friendly paper

MILESTONES

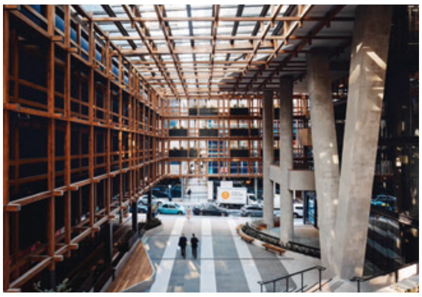


MARCH 2021
EWI declared maiden dividend of 1 sen per share

APRIL 2021
UK imposed 2% stamp duty surcharge on foreign buyers

DECEMBER 2020
Strict lockdown imposed in London a week before Christmas

MAY 2021
Melbourne entered into a series of short lockdowns starting May 2021



DECEMBER 2020
Yarra One commenced handover

NOVEMBER 2020
First Build-to-Rent block of Barking Wharf achieved practical completions

JUNE 2021
UK Stamp Duty Holiday that reduced stamp duty up to £15,000 expired

JUNE 2021
EWI declared special dividend of 5 sen per share

OCTOBER 2021
Embassy Gardens's The Modern commenced handover

JUNE 2021
Second phase of Embassy Gardens's The Modern (Block A03) launched

MAY 2021
Final apartment unit in Wardian achieved practical completion

JUNE 2021
Sky Pool at Embassy Gardens launched

MAY 2021
Townhouses in Third & Caird launched

PROJECT OVERVIEW

1
THE CLAVES
The Claves in Millbrook Park, North London

2
PRIME PLACE KENSAL RISE W10
Kensal Rise in North West London

3
BARKING WHARF
Barking Wharf in East London

4
Quayside Barking in East London

5
NANTLY HOUSE
Nantly House in Hounslow, West London

6
OXBOW
Oxbow (Aberfeldy Village) in East London

7
VERDO
Verdo-Kew Bridge in Brentford, West London

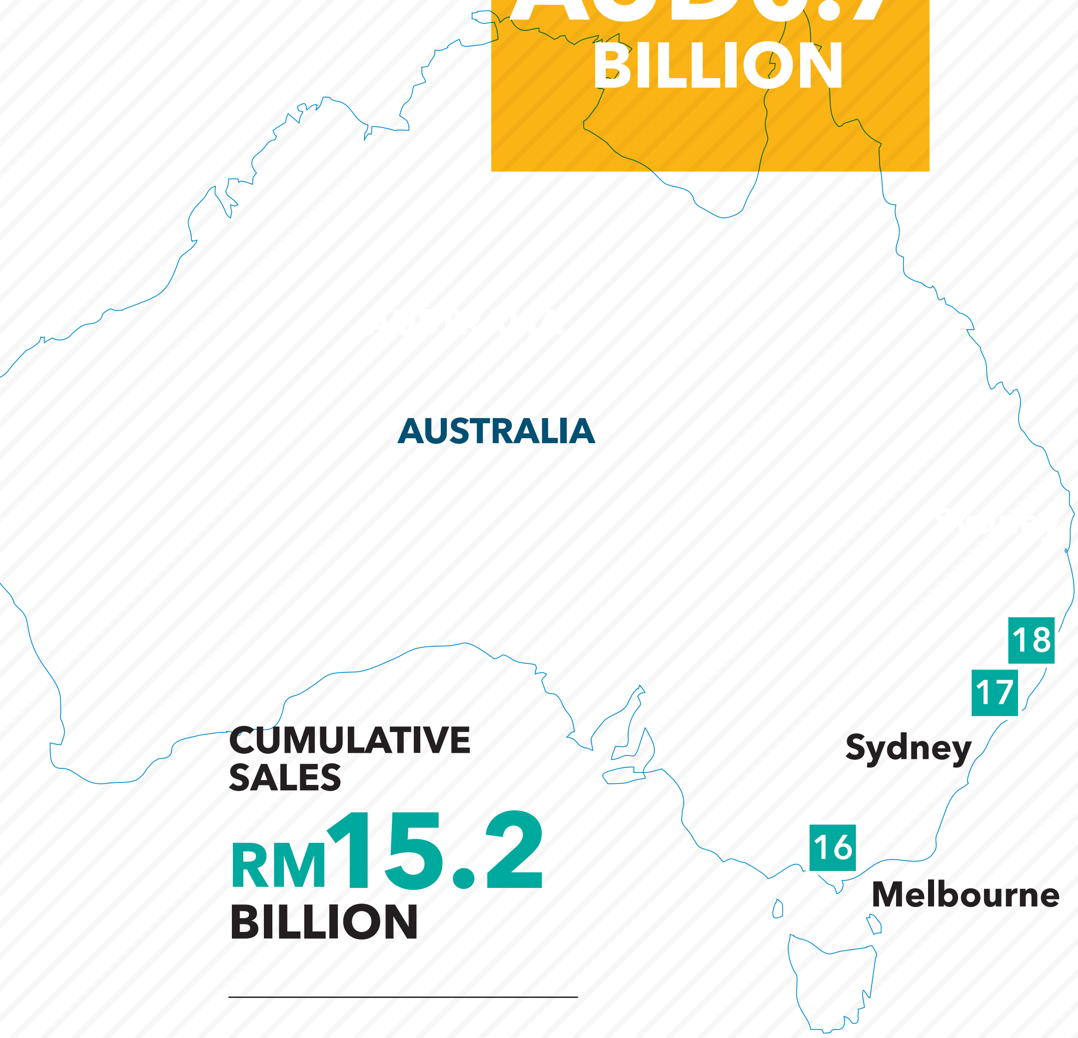
8
WOKING
Woking in Surrey, South East England

9
TULSE HILL
Tulse Hill in Lambeth, South London#

GDV GBP4.7 BILLION*

* Total GDV of projects already acquired is GBP4.4 billion
\# Site yet to be acquired

GDV
AUD0.7
BILLION



CUMULATIVE SALES
RM15.2 BILLION

EFFECTIVE FUTURE REVENUE
RM1.2 BILLION

10
ACTON LODGE
Acton Lodge in Hounslow, West London

11
TWO BRIDGES
Two Bridges in Hounslow, West London

12
Third & Caird in Westminster, London

13
London City Island on the Leamouth Peninsula, East London

14
Wardian London situated next to Canary Wharf, East London

15
Embassy Gardens in Nine Elms, South West London

16
Yarra One in South Yarra, Melbourne

17
West Village in Parramatta, Greater Sydney

18
MACQUARIE PARK
Macquarie Park in North Sydney

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman/Independent Non-Executive Director
Tan Sri Azlan Bin Mohd Zainol

Executive Vice Chairman/Executive Director
Tan Sri Dato' Sri Liew Kee Sin

President & Chief Executive Officer/Executive Director
Dato' Teow Leong Seng

Senior Independent Non-Executive Director
Cheah Tek Kuang

Non-Independent Non-Executive Directors
Dato' Chang Khim Wah
Choong Yee How
Cheng Hsing Yao (Alternate: Wong Hock Chuan)

Independent Non-Executive Directors
Tan Sri Datuk Dr Rebecca Fatima Sta Maria
Dato' Siow Kim Lun
Dato' Kong Sooi Lin
Pauline Wong Wan Voon

AUDIT COMMITTEE

Dato' Siow Kim Lun (Chairman)

Dato' Kong Sooi Lin

Pauline Wong Wan Voon
(Appointed on 16 December 2021)

Tan Sri Azlan Bin Mohd Zainol
(Resigned on 16 December 2021)

NOMINATION & REMUNERATION COMMITTEE

Cheah Tek Kuang (Chairman)

Tan Sri Datuk Dr Rebecca Fatima Sta Maria

Dato' Siow Kim Lun

Tan Sri Azlan Bin Mohd Zainol
(Resigned on 16 December 2021)

RISK MANAGEMENT COMMITTEE

Cheah Tek Kuang (Chairman)

Tan Sri Azlan Bin Mohd Zainol

Dato' Teow Leong Seng

Pauline Wong Wan Voon

WHISTLEBLOWING COMMITTEE

Dato' Kong Sooi Lin (Chairperson)

Cheah Tek Kuang

Dato' Siow Kim Lun

COMPANY SECRETARIES

Tai Yit Chan (SSM PC No. 202008001023)
(MAICSA 7009143)

Tan Ai Ning (SSM PC No. 202008000067)
(MAICSA 7015852)

REGISTERED OFFICE

Suite 59, Setia Avenue
No. 2, Jalan Setia Prima S U13/S
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan
Malaysia
Tel : +603-3361 2552
Fax : +603-3341 3530

INVESTOR RELATIONS

Saw Xiao Jun
Email : media@ecoworldinternational.com

REGISTRAR

Boardroom Share Registrars Sdn Bhd
(Registration No. 199601006647 (378993-D))
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel : +603-7890 4700
Fax : +603-7890 4670
Email : bsr.helpdesk@boardroomlimited.com

AUDITORS

KPMG PLT
(LLP0010081-LCA & AF 0758)
(Chartered Accountants)
Level 10, KPMG Tower
No. 8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel : +603-7721 3388
Fax : +603-7721 3399

PRINCIPAL BANKERS

Bangkok Bank Berhad

CIMB Bank Berhad

Malayan Banking Berhad

Standard Chartered Bank (Malaysia) Berhad

United Overseas Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad (Main Market)

WEBSITE

www.ecoworldinternational.com

STOCK NAME

EWINT (Ordinary Shares) : 5283
EWINT-WA (Warrants) : 5283WA

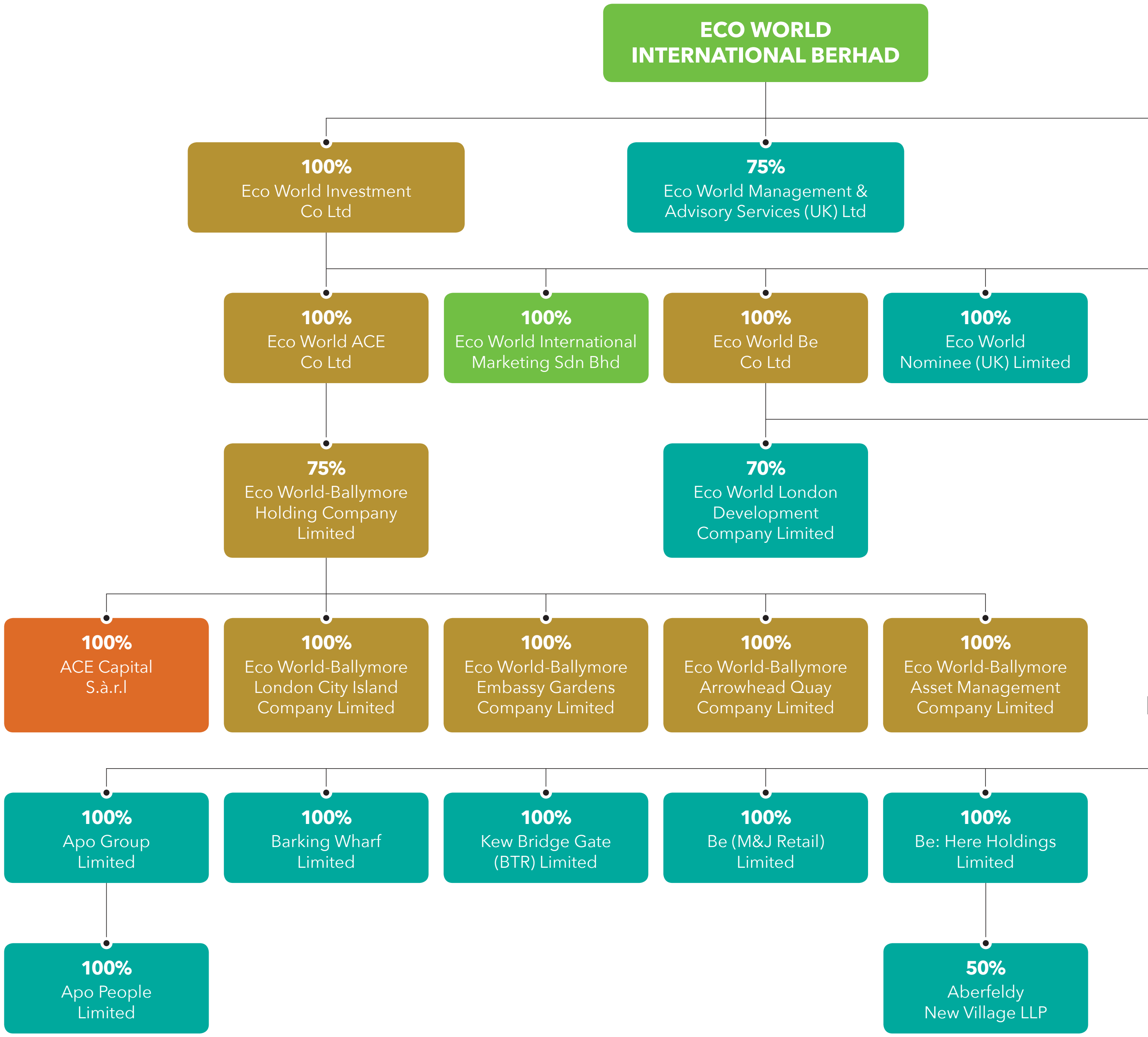
FINANCIAL HIGHLIGHTS

Year Ended	Audited 31 October 2021	Audited 31 October 2020	Audited 31 October 2019	Audited 31 October 2018 Restated	Audited 31 October 2017 Restated
FINANCIAL RESULTS (RM'000)					
Revenue	**572,712**	672,985	478	1,303	-
Profit/(Loss) before taxation	**50,802**	113,891	190,305	(15,303)	(68,024)
Profit/(Loss) attributable to owners of the Company	**13,570**	80,326	187,004	(11,230)	(69,808)
FINANCIAL POSITION (RM'000)					
Total cash, bank balances and deposits	**336,115**	284,014	439,995	436,960	992,388
Total assets	**3,748,269**	4,067,462	4,362,843	3,389,756	2,743,335
Total borrowings	**900,538**	1,228,359	1,463,745	836,078	128,597
Total net tangible assets	**2,816,579**	2,737,477	2,585,010	2,382,301	2,469,090
Share capital	**2,592,451**	2,592,451	2,592,451	2,592,451	2,592,451
Equity attributable to owners of the Company	**2,815,298**	2,739,072	2,685,641	2,475,021	2,575,407
FINANCIAL RATIOS					
Basic earnings/(loss) per share (sen)	**0.57**	3.35	7.79	(0.47)	(4.59)
Net assets per share attributable to owners of the Company (RM)	**1.17**	1.14	1.12	1.03	1.07
Return on equity (%)	**0.5**	2.9	7.0	(0.5)	(2.7)
Net gearing ratio (times)	**0.20**	0.35	0.38	0.16	-
Share price - High (RM)	**0.62**	1.04	0.92	1.15	1.36
- Low (RM)	**0.36**	0.32	0.61	0.88	1.00

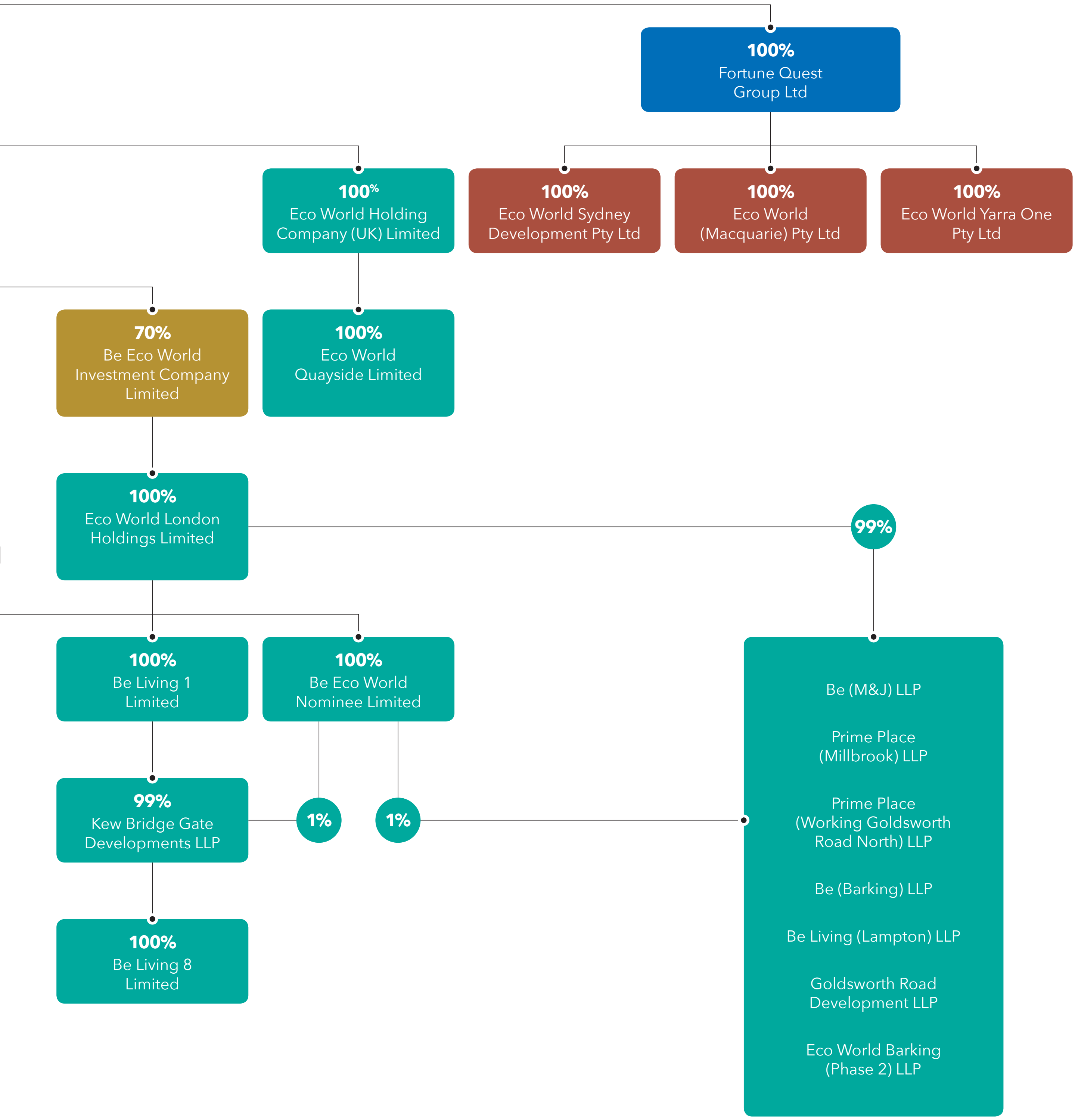
GROUP 2021 SUMMARY

	3 months ended 31 October 2021	3 months ended 31 July 2021	3 months ended 30 April 2021	3 months ended 31 January 2021
(RM'000)				
Revenue	**34,746**	127,134	107,556	303,276
(Loss)/Profit before tax	**(55,523)**	10,332	18,523	77,470
(Loss)/Profit attributable to owners of the Company	**(56,256)**	2,489	11,303	56,034
Share capital	**2,592,451**	2,592,451	2,592,451	2,592,451
Equity attributable to owners of the Company	**2,815,298**	2,984,812	3,006,308	2,910,726
Total assets	**3,748,269**	4,103,256	3,930,905	4,301,327
Total net tangible assets	**2,816,579**	2,988,654	3,009,065	2,914,152
Basic (loss)/earnings per share (sen)	**(2.34)**	0.10	0.47	2.33
Net assets per share attributable to owners of the Company (RM)	**1.17**	1.24	1.25	1.21

CORPORATE STRUCTURE



- Incorporated in Malaysia
- Incorporated in Australia
- Incorporated in United Kingdom
- Incorporated in Jersey
- Incorporated in Luxembourg
- Incorporated in British Virgin Islands


100%
Fortune Quest Group Ltd
100%
Eco World Holding Company (UK) Limited
100%
Eco World Sydney Development Pty Ltd
100%
Eco World (Macquarie) Pty Ltd
100%
Eco World Yarra One Pty Ltd
70%
Be Eco World Investment Company Limited
100%
Eco World Quayside Limited
100%
Eco World London Holdings Limited
99%
100%
Be Living 1 Limited
100%
Be Eco World Nominee Limited
99%
Kew Bridge Gate Developments LLP
1%
1%
100%
Be Living 8 Limited
Be (M&J) LLP
Prime Place (Millbrook) LLP
Prime Place (Working Goldsworth Road North) LLP
Be (Barking) LLP
Be Living (Lampton) LLP
Goldsworth Road Development LLP
Eco World Barking (Phase 2) LLP

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present to you Eco World International Berhad's ("**EcoWorld International**") Annual Report for the financial year ended 31 October 2021 ("**FY2021**").

TAN SRI AZLAN BIN MOHD ZAINOL
Chairman/
Independent Non-Executive Director

OUR OPERATING ENVIRONMENT

Without a doubt, the COVID-19 pandemic had led to an unprecedented crisis never experienced before, with three national lockdowns in the UK since March 2020 and Melbourne having an extended lockdown in 2021, severely curtailing business activities. Adding to the pandemic, major geopolitical events, including Brexit, the US Presidential Elections and the US-China trade war, caused global uncertainties with widespread repercussions. Disentangling the economic impact of Brexit from that of the COVID-19 pandemic is not straightforward and UK's final exit from its transitional membership of the European Single Market and Customs Union finally occurred in January 2021.

Despite the extreme challenges maneuvering around Brexit and the prolonged impact of COVID-19 on the global economy, EcoWorld International achieved sales of RM1.4 billion sales in FY2021, consistent with sales achieved in FY2020. The stable sales performance is attributable to the Group's placemaking efforts that have differentiated its projects from the competition. The launch of the Sky Pool, suspended between two residential towers in Embassy Gardens, generated wide news coverage which in turn attracted strong interest from many buyers. Embassy Gardens, strategically located along Nine Elms, accounted for more than half of FY2021 sales.

Our placemaking efforts were recognised in FY2021 as Embassy Gardens was announced as one of the winners for The Edge Malaysia's Outstanding Overseas Project Award in December 2021. Oxbow also won the Best Housing Partnership by British Homes Awards 2020.

On top of that, our Build-to-Rent ("**BtR**") business achieved a significant milestone in FY2021 following the successful handover of BtR units in Barking Wharf to the investor. As at 31 December 2021, handover of BtR units in Barking Wharf has been completed while handover of BtR units in Kew Bridge has commenced.

In Australia, the Group commenced handover of Yarra One in December 2020 and managed to deliver 164 keys to purchasers by end FY2021. This was achieved amidst border closure and various lockdown measures implemented in Sydney and Melbourne throughout the year.

RM1.4
Billion

Sales achieved in FY2021.
This is consistent with sales achieved in FY2020.

"In Australia, the Group commenced handover of Yarra One in December 2020 and managed to deliver 164 keys to purchasers by end FY2021. This was achieved amidst border closure and various lockdown measures implemented in Sydney and Melbourne throughout the year."

STRATEGIC BUSINESS PLAN

In FY2020, the Group undertook a strategic review of its operations and business model in response to COVID-19. The Group had anticipated that the pandemic would have some lasting changes on the way our customers live, work and travel. These changes became more apparent in FY2021. Mass adoption of work-from-home practices shifted demand for properties from inner parts of cities to the fringe of cities. Rental demand in the former suffered as being able to work from home meant lesser need to stay close to employment centres. Commitment levels of overseas investor-buyers, who traditionally preferred apartment units that are close to employment centres, also took a hit as they reassessed the financial payoff of their investments.

The change in buyers' preferences was reflected in the movement of home prices. In London, there was a decoupling of home prices in Outer London and Inner London where prices in the former rose by 8% in the 12 months to October 2021 while those in Inner London increased by only 1% in the same period[1]. In Australia, prices of landed houses were rising at a much faster pace than those of apartment units[2].

Source:
1) *Source: UK Office of National Statistics*
2) *Source: CoreLogic Home Property Value Index (as at 31 December 2021)*

CHAIRMAN'S STATEMENT

Brentford Football Club stadium sits within EcoWorld London's Kew Bridge development

These trends have not been favourable to the Group's initial projects in the UK and Australia, which are all located at inner parts of cities and comprise mostly apartment units. The change in market dynamics also means that, as compared to a few years ago, the same marketing efforts are now generating fewer sales. Taking into account the uncertainties in relation to the timing of price recoveries and holding costs of retaining unsold units, the Board decided to accelerate the sales of these projects and repatriation of capital invested - with a key goal of distributing excess cash to shareholders. Additional incentives given to purchasers to accelerate sales in pursuit of this objective were a key reason for the lower profitability in FY2021 compared to FY2020.

I am pleased to report that this strategy has borne fruit which enabled EcoWorld International to repatriate a net sum of RM602 million from our joint ventures and subsidiaries in FY2021. This in turn enabled the Group to declare total dividends of 6 sen per share (RM144 million) during the financial year. Following the repatriation of funds, the Group's net gearing further improved from 0.35x as at October 2020 to 0.20x as at October 2021. Barring any major acquisition, the Group's gearing will continue to improve in the medium term as we focus on the strategy of selling off the completed units in the UK and Australia over the next two years.

With this in mind, the Board has set a sales target of RM2.0 billion for FY2022, and we expect the projects under EcoWorld-Ballymore and those in Australia to be the major contributors to the sales in FY2022.

SUSTAINABILITY

Since our inaugural sustainability statement in 2017, the Group has achieved considerable progress on our sustainability journey. We recognise the importance of understanding stakeholder concerns and incorporating principles of sustainability in our business strategies for shared value creation. With green consumerism and corporate sustainability on the rise, our strategy emphasises three aspects of our business: **E**nvironment, **C**ommunity and **O**rganisation. Our projects in the UK have been assessed under the Considerate Constructor Scheme to demonstrate that best practices have been applied to minimise adverse impacts to the surrounding environment and community. Across the Group, our business units have implemented remote working measures by leveraging new cloud technology and digital platforms to maintain work productivity and connectivity between employees while striking a work-life balance for all employees.

FUTURE GROWTH & OUTLOOK

The Group remains committed to grow its presence in the local UK mid-market segment and BtR sector through our EcoWorld London joint venture. Acquired in 2018, EcoWorld London has built a strong reputation over the years among the key stakeholders in the London property scene. With our own development team on the ground, a stronger balance sheet at EcoWorld International will allow our UK business to select and evaluate new opportunities for growth as the market recovers.

Supply chains are the area where we see some of the biggest interplays between Brexit and COVID-19. We envisage that the UK's housing market is likely to return to more normal levels of activity in 2022 with strong buyer demand and a rebound in the number of transactions due to pent-up demand. The market is also supported by a range of factors including government guarantees for mortgages and a pandemic-fuelled desire for a new lifestyle that has led many buyers to prioritise properties with bigger gardens and more rooms for working from home. London's fundamental appeal and unique selling points, which include its connectivity, global language, a first-class education (and large student market) along with its rich culture of history and tourism, will remain unchanged in the long term.

RM602
Million

Repatriation from our joint ventures and subsidiaries in FY2021.

6 sen Per Share
(RM144 Million)

Total dividends for FY2021.

Penthouse unit in Yarra One

NOTE OF APPRECIATION

To overcome these temporary headwinds, we will need continuous support from our stakeholders, and I would like to take this opportunity to express my heartfelt gratitude to those who have been instrumental to EcoWorld International's achievements to date. The list includes our shareholders, business partners and associates, financiers, suppliers, customers and our dedicated team of employees. To every one of you, let me express my appreciation for standing together with us in these turbulent times.

On a more positive note, FY2021 has also seen some notable achievements - the Group managed to declare and pay its maiden dividend plus a special dividend to shareholders, improve its balance sheet and sustain its sales level. All of the Group's initial projects have also entered a highly cash generative phase of the development lifecycle. As such I look forward to a better year in FY2022 as we steadfastly pursue the Group's objective of realising the full value of our completed projects within the next two years, thus positioning ourselves to be able to continue rewarding shareholders with further distributions in the near to mid-term. Thank you and stay safe.

TAN SRI AZLAN BIN MOHD ZAINOL
Chairman/Independent Non-Executive Director

PRESIDENT'S MANAGEMENT DISCUSSION & ANALYSIS

"In FY2021, EcoWorld International reacted agilely in a climate of changing trends balancing cashflow and liquidity with profitability in a manner that benefits our stakeholders and promotes long-term growth sustainability."

DATO' TEOW LEONG SENG
President & Chief Executive Officer/
Executive Director

SUMMARY

EcoWorld International reported RM572 million revenue and RM16 million Profit After Tax

Revenue

RM572 million

Profit after Tax

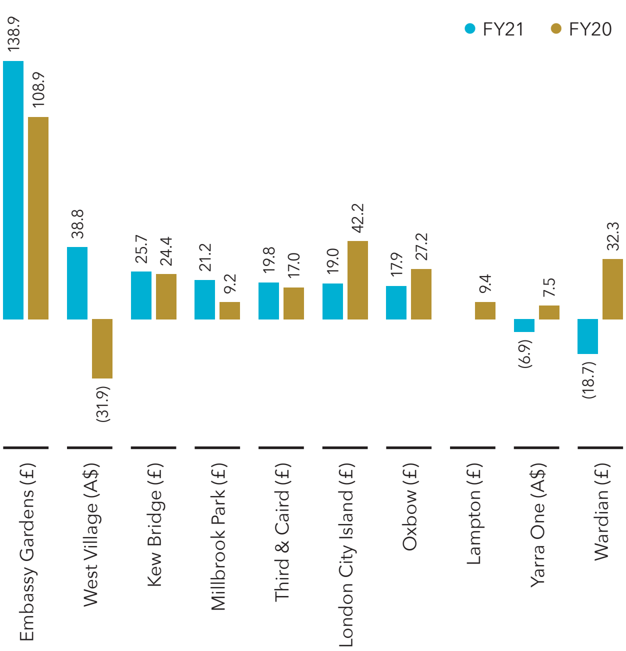
RM16 million

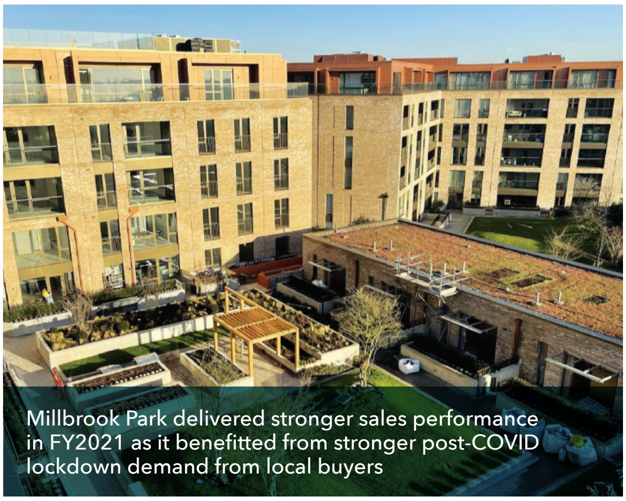
for FY2021, driven mainly by handover of units in Yarra One and Wardian. Annual sales stood at RM1.4 billion, similar to the achievement in FY2020. Net gearing ratio improved to 0.20x as at October 2021 as the Group pared down its borrowings with the cash generated from handovers. The Group also declared a total of 6 sen per share dividends during FY2021.

SALES

EcoWorld International's RM1.4 billion sales in FY2021 was consistent with the achievement in FY2020. While sales of its UK projects were lower in local currency terms, it was offset by a stronger pound sterling ("**GBP**") against Ringgit. Among the Group's seven active Open Market Sales ("**OMS**") projects in the UK, Embassy Gardens, Millbrook Park, Third & Caird and Kew Bridge delivered stronger sales performance in FY2021.

Sales in Local Currency (million)




Millbrook Park delivered stronger sales performance in FY2021 as it benefitted from stronger post-COVID lockdown demand from local buyers

Embassy Gardens attracted strong interest from overseas buyers following the launch of its iconic Sky Pool in summer 2021. Sales performance of Millbrook Park, Third & Caird and Kew Bridge benefitted from stronger post-COVID lockdown demand from local buyers.

Wardian recorded net rescissions in FY2021 as some buyers were not able to complete their sales contracts following the commencement of handover in late FY2020. Wardian's proximity to the Canary Wharf estate, a major employment centre in London that was deserted at the height of COVID-19 crisis, caused a temporary drop in demand for residential properties in that locality. London City Island and Oxbow were also not spared as they are located less than 3 km away from Canary Wharf.

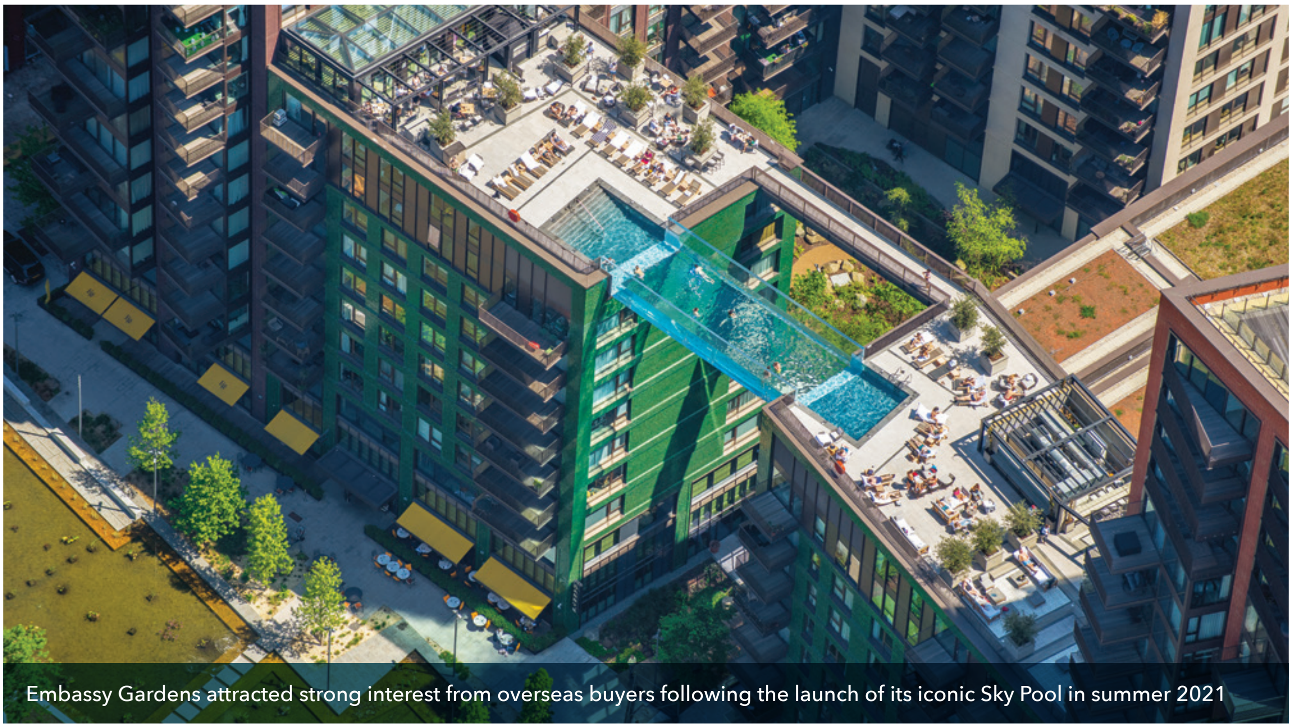
In Australia, West Village witnessed a strong recovery in sales on the back of good demand from local homebuyers. Yarra One, however, recorded net rescissions following the commencement of handover in early FY2021.

GROUP FINANCIAL PERFORMANCE

The Group recorded RM572 million revenue in FY2021, 15% lower than in FY2020. The lower revenue was a result of fewer handovers by the Australian projects in the year under review. Yarra One and West Village collectively handed over 211 private apartments to purchasers in FY2021, compared with 326 units in FY2020.

Direct expenses comprise mostly the cost of sales of Australian units that were handed over during the financial year. Direct expenses were 21% lower in FY2021 than FY2020, at RM453 million in line with fewer number of units handed over in Australia.

PRESIDENT'S MANAGEMENT DISCUSSION & ANALYSIS



Embassy Gardens attracted strong interest from overseas buyers following the launch of its iconic Sky Pool in summer 2021

Gross profit margin improved from 15% in FY2020 to 21% in FY2021 primarily due to better margin of Yarra One relative to West Village. 78% of FY2021 revenue was generated by Yarra One while 100% of FY2020 revenue was generated by West Village.

Other income rose 32% year-on-year to RM35 million due mainly to realisation of forex gains. The Group recognised RM10 million forex gains in FY2021 arising mainly from repayment of capital by Australian projects and the strengthening of the Australian Dollar ("**AUD**") against Ringgit.

Marketing expenses reduced to RM22 million in FY2021 from RM26 million in FY2020. Lower sales commissions were recognised in relation to projects in Australia in line with the lower revenue recognised.

Administrative and general expenses reduced to RM66 million in FY2020 from RM122 million in FY2021 on the back of lower impairment of goodwill. The Group recognised RM83 million of impairment of goodwill in FY2020 and only RM10 million in FY2021. The goodwill was in relation to the Group's investments in EcoWorld-Ballymore and the West Village project. As these projects approached completion and their Gross Development Values ("**GDV**") have been substantially realised, the goodwill was expensed off in accordance with the relevant accounting standard. This impairment did not have any impact on the Group's cash flows.

Included in FY2021 administrative and general expenses are RM12 million of salaries, wages, bonuses and allowances. Excluding over provision of prior year bonus, total employee benefits expense for FY2021 was RM14 million, lower than FY2020's RM16 million and FY2019's RM24 million due to a major cost reduction exercise undertaken by the Group.

Finance costs were higher, at RM59 million in FY2021, compared to RM41 million in FY2020, following cessation of capitalisation of finance cost on general borrowings in tandem with the completion and handover of units in Yarra One.

Total share of results in joint ventures reduced to RM47 million in FY2021 from RM177 million in FY2020. Both the EcoWorld-Ballymore and EcoWorld London joint ventures recorded lower profits because of lower revenue and weaker profit margins in FY2021.

FINANCIAL PERFORMANCE OF JOINT VENTURES

The Group has two business units in the UK. The first is held through the 75%-owned EcoWorld-Ballymore Holding Company Limited ("**EW-Ballymore**") while the second is held through two separate 70%-owned entities – Be Eco World Investment Company Limited ("**Be EW Investment**") and Eco World London Development Company Limited ("**EW London DMCo**"). The main entity, Be EW Investment holds the ownership and development rights of projects while EW London DMCo houses the development management team that manages the projects in Be EW Investment. These two entities are collectively referred to as "EcoWorld London".

EW-Ballymore

EW-Ballymore P&L		
£ mil	**FY21**	**FY20**
Revenue	407.4	399.0
Gross profit	21.4	53.9
Other income	3.4	5.7
Operating expenses	(11.3)	(9.2)
Net finance expenses	(5.4)	(13.4)
Profit before tax	8.1	37.0
Tax expenses	(2.6)	(8.7)
Profit after tax	5.4	28.3

EW-Ballymore recorded increased revenue of £407.4 million in FY2021, compared to £399 million in FY2020, as higher number of units in Wardian and Embassy Gardens were handed over in FY2021 than in FY2020.

Gross profit margin, however, reduced to 5% in FY2021 from 14% in FY2020 due to higher incentives given to purchasers and different product mix. This resulted in lower gross profit of £21.4 million for FY2021. EW-Ballymore's cost of sales also included a £3.6 million impairment of inventories following management's decision to provide additional incentives to purchasers to spur sales.

Other income was lower at £3.4 million in FY2021 due mainly to lower revaluation gains on investment properties recognised. These properties refer to the commercial spaces that are currently being leased to long-term tenants. EW-Ballymore intends to sell these assets when the projects are fully completed.

Operating expenses increased to £11.3 million in FY2021 mainly because of higher holding costs in relation to maintenance of unsold units following the phased completion of Wardian starting late FY2020.

EW-Ballymore recorded lower net finance costs of £5.4 million in FY2021, against £13.4 million in FY2020, following prepayment of bank loans. EW-Ballymore's bank loans have been substantially reduced from £430 million as at October 2020 to £193 million as at October 2021. The loans were prepaid with sales proceeds generated from handovers.

Arising from the lower profit before tax, tax expenses reduced to £2.6 million in FY2021 from £8.7 million in FY2020. During FY2021, EW-Ballymore also distributed £70 million to its shareholders, of which 75% or £52.5 million was received by EcoWorld International as dividend.

Be EW Investment

Be EW Investment P&L		
£ mil	**FY21**	**FY20**
Revenue	101.5	158.8
Gross profit	23.4	20.4
Other income	0.2	0.1
Operating expenses	(19.1)	(6.1)
Net finance expenses	(0.5)	(0.3)
Share of profit/(loss) of joint ventures	0.3	(0.5)
Profit before tax	4.4	13.7
Tax expenses	(0.9)	(2.8)
Profit after tax	3.5	10.9

Be EW Investment's revenue decreased 36% to £101.5 million in FY2021 from £158.8 million in FY2020 due to lower revenue contributed by the Build-to-Rent ("**BtR**") projects, namely Kew Bridge and Barking Wharf. Construction progress of BtR units in these two projects had progressed substantially by end-FY2020. As such, lower construction revenue was recorded in FY2021 as the projects approached completion.

The lower BtR revenue was partially offset by higher revenue from Millbrook Park, which commenced handover of its Phase 2 units. Third & Caird also generated higher revenue arising from higher construction progress of its affordable housing units.

Gross margin improved to 23% in FY2021 from 13% in FY2020 as a result of the change in product mix. OMS projects such as Millbrook Park and Third & Caird generally command better profit margins than BtR projects.

Operating expenses increased to £19.1 million in FY2021 from £6.1 million in FY2020 due to lower overhead expenditure being capitalised as a majority of active phases of projects approached completion.

Be EW Investment also wrote off £4.6 million worth of planning costs in FY2021 following management's decision not to proceed with the development of the Gurnell project as changes in planning conditions affected the viability of the project.

Share of results from joint ventures were £0.3 million in FY2021, against a loss of £0.5 million in FY2020, due to higher number of units handed over by Oxbow.

Arising from the lower profits, tax expenses reduced to £0.9 million in FY2021 from £2.8 million in FY2020 accordingly.

Note: Please refer to Note 7 of Financial Statements for the financial performance and position of the Group's joint ventures.

PRESIDENT'S MANAGEMENT DISCUSSION & ANALYSIS

CASHFLOWS

EcoWorld International generated RM467 million of cash from operating activities in FY2021. Cash generation was driven mainly from receipt of sales proceeds following handover of units in Yarra One and West Village.

The Group also generated net cash of RM136 million from investing activities in FY2021. The key drivers for the investing cashflows are i) RM299 million dividend income received from EW-Ballymore and ii) RM163 million net advances provided to EcoWorld London ("**EW London**") to fund its development costs.

The Group recorded a net cash outflow of RM574 million in relation to its financing activities. The key drivers for the financing cashflows are i) net repayment of borrowings of RM358 million, ii) distribution of dividend to the Group's shareholders of RM144 million and iii) payment of finance costs of RM62 million.

BALANCE SHEET

Compared against October 2020, the Group's total assets as at October 2021 reduced 8% to RM3,748 million as the Group utilised sales proceeds generated and dividend income from EW-Ballymore for loan repayment and distribution of dividend to EcoWorld International's shareholders.

Inventories under current assets reduced by 62% to RM250 million as more completed units in Yarra One and West Village were sold during the year.

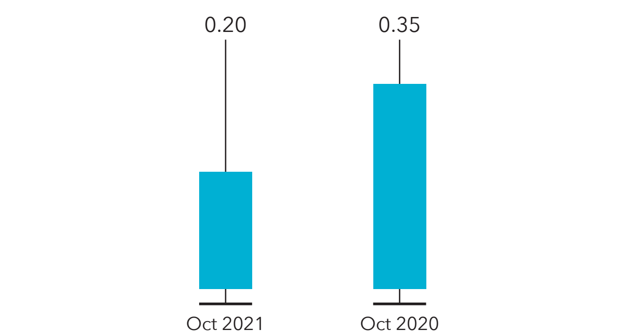
Inventories under non-current assets refer to historical costs incurred for the Macquarie Park land. The value increased to RM144 million as at October 2021 from RM132 million as at October 2020 as the group capitalised additional costs incurred to obtain planning permission for the site. A strengthening of the AUD against Ringgit also contributed to the higher value as the historical costs are denominated in AUD.

Investment in joint ventures reduced to RM464 million as at October 2021 from RM673 million as at October 2020 following receipt of RM299 million dividends from EW-Ballymore during the year under review.

The amounts owing by joint ventures increased to RM2,532 million as at October 2021 from RM2,232 million as at October 2020 as the Group injected additional capital into EW London to finance its development expenditures. As EW-Ballymore and EW London have positive net assets (see Note 7 of the financial statement), the entire amount owing by joint ventures should be fully recoverable. RM1,137 million out of the RM2,532 million amount owing by joint ventures is expected to be repayable within FY2022 and are therefore classified as current assets.

Total liabilities reduced to RM931 million as at October 2021 from RM1,319 million as at October 2020. The Group managed to reduce its borrowings by RM328 million to RM901 million during the financial year under review. With a net debt of RM564 million, the Group's net gearing ratio stood at 0.20x as at October 2021, a further improvement from 0.35x a year ago. The Group expects significant repayment of advances provided to its joint ventures in FY2022 and FY2023. This, plus the sales proceeds generated from sales of Australia projects, will be the key sources of repayment for the Group's borrowings.

Net Gearing Ratio



Handover of Wardian in FY2021 generated significant cashflow for the Group which enabled EcoWorld International to receive RM299 million dividend income from EW-Ballymore

REVIEW OF OPERATIONS

The outbreak of COVID-19 continued to affect the construction supply chain in the UK in FY2021. Construction progress of all the Group's active projects is largely on track, except for the BtR units in Kew Bridge and Barking Wharf where the full completion dates have been rescheduled from late FY2021 to FY2022. The status and anticipated completion of the Group's active projects are included in table below.

Project	Current Construction Status (as at 31 October 2021)	Anticipated Full Completion (active phases)
London City Island	All residential blocks have been completed. Block I (office block) is approaching completion.	FY2022
Embassy Gardens	Block A04 & A05 have been completed. Block A03 has commenced phased handover in FY2021 while construction works are approaching completion.	FY2022
Wardian	Completed	Completed
Millbrook Park	• Phase 1 is completed • Phase 2 is expected to commence phased handover in FY2022. Full completion expected by early FY2023	FY2023
Moberly & Jubilee	• Phase 1 is completed • Phase 2 (Third & Caird) is approaching completion	FY2022
Lampton	Lampton is a joint venture with the local council. It has so far developed three projects: • Nantly House - completed • Acton Lodge - completed • Two Bridges - approaching completion	FY2022
Kew Bridge	• Phase 1 (BtR) - the BtR blocks are expected to be completed by FY2022 • Phase 2 (Verdo) - expected to be completed by early FY2023	FY2023
Oxbow	• Phase 3A - completed • Phase 3B - under construction and expected to be completed in FY2022	FY2022
Barking Wharf	Phased handover commenced in FY2021 while full completion is expected by early FY2022	FY2022
West Village	Completed	Completed
Yarra One	Completed	Completed

PRESIDENT'S MANAGEMENT DISCUSSION & ANALYSIS

HOW WE CREATE VALUE

Value creation through the six capitals

FINANCIAL CAPITAL

The Group relies on equity capital provided by shareholders and debt capital provided by banking institutions and the bond market to finance its operations. Real estate development is capital intensive. Debts are employed to reduce the equity requirement and also to enable more projects to be undertaken concurrently with the same pool of equity capital. As the Group's initial projects approach completions, it is expected that more debt capital will be repaid.

As at 31 October 2021, the Group's operations were financed by RM2,815 million of shareholder's equity and RM901 million of borrowings.

During FY2021, the Group generated RM14 million profit attributable to shareholders and distributed RM144 million of dividend to shareholders.

MANUFACTURED CAPITAL

Being a real estate developer, the Group creates liveable floor space from the Group's landbank. Including projects in the pipeline, the Group's landbank has a potential to deliver more than 4,500 apartment units with a GDV of RM29 billion.

During FY2021, the Group and its joint ventures handed over 700 private residential and commercial units to purchasers and generated RM3.5 billion revenue. As at 31 October 2021, the Group has an effective future revenue of RM1.2 billion.

HUMAN CAPITAL

The Group launched its first project in 2015 with a lean management team. Since then, the Group has grown into a full-fledged real estate developer with capabilities ranging from land sourcing and obtaining planning permission to sales & marketing and post-completion customer care. The Group employed 188 staff in FY2021. The Group is also building capabilities in relation to property management and leasing to expand in the build-to-rent segment in the UK.

EcoWorld International strives to be a caring employer that promotes equality and diversity. In FY2021, the Group implemented the EcoWorld COVID Vaccination Programme to accelerate the vaccination rate of our employees. The Group also achieved 30% female representation on its Board of Directors and its Key Senior Management.

INTELLECTUAL CAPITAL

EcoWorld International has won numerous awards in the past few years despite being a relatively young company. The awards lend support to the Group's brand equity and help the Group to build a good reputation among purchasers. The launch of the Sky Pool at Embassy Gardens has further elevated the Group's branding. On top of that, the Group has developed various protocols and procedures to ensure business goals are delivered.

EcoWorld London is currently embarking on a digital transformation journey to improve its business processes. EcoWorld London currently has a fully integrated Customer Relationship Management system that manages its customer acquisition funnel. It will also continue to develop its digital infrastructure to unlock business opportunities.

NATURE CAPITAL

The Group's projects require raw materials made from natural resources as input for construction and development. The Group continuously looks for innovative ways to build with materials that is sustainably sourced, environmentally sound, and decreases waste sent to landfills from the construction sites. In FY2021, the Group successfully diverted 100% of construction waste of UK projects away from landfills.

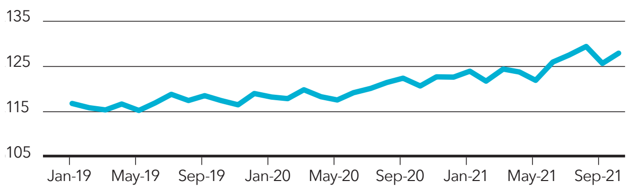
SOCIAL & RELATIONSHIP CAPITAL

The Group relies on a network of professionals, consultants and sales agents to develop and market its projects. We continuously engage with these stakeholders to maintain and improve our business relationships. More than 75% of the Group's contracts were awarded to local companies.

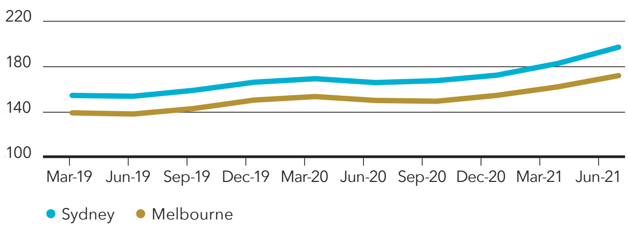
REAL ESTATE MARKET

Home prices in the UK and Australia improved in FY2021 on the back of strong pent-up domestic demand. By the end of 2021, home prices in the UK and Australia have recovered to their pre-COVID levels.

London House Price Index[1]

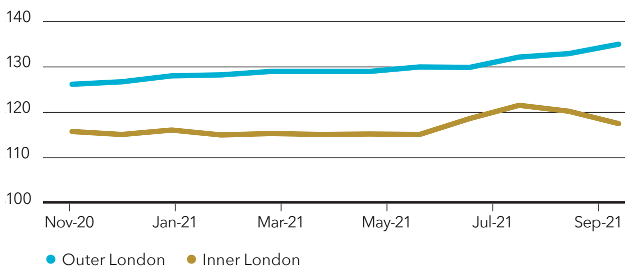


Sydney & Melbourne House Price Index[2]

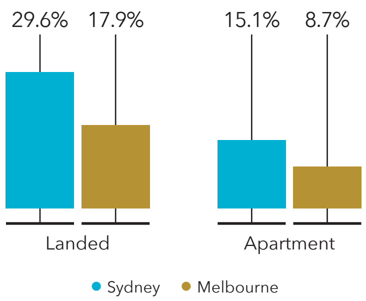


The recovery, however, was uneven and skewed towards the type of properties traditionally preferred by local buyers. This includes those located at the fringe of city centres but with larger floor space such as 3-bedroom apartments and landed houses.

Inner & Outer London House Price Index[1]



Year-on-year Change in Prices (Dec 2021)[3]



In the UK, home prices in Outer London rose 8% in the 12 months to October 2021 while those in Inner London improved by only 1% in the same period. Also, only 43% of home transactions in London in the first 11 months of 2021 were for apartment units, compared to 53% and 55% in 2019 and 2018, respectively[4]. These indicate a shift in homebuyers' preference towards residential properties with larger space that are located further away from the city centre.

In Australia, prices of landed houses in Sydney and Melbourne increased between 18% and 30% in 2021, compared with 9% to 15% recorded by apartment units. The gap between price growth of landed houses and apartment units also points to stronger preference for properties with larger space. This is consistent with the trend witnessed in many capital cities of advanced economies. Lockdown and work-from-home practices were often attributed as the driver that is changing homebuyers' preferences.

While the preferences of local buyers are changing, the demand from foreign investors has also been weaker than pre-COVID level. The Group believes that one of the key factors for the relatively weak demand for apartment units in the UK and Australia is cross-border travel restrictions. Foreign investors were one of the biggest buyers of apartment units in city centres. Based on feedback from sales agents, there is a strong desire among foreign investors to explore locations and developments before committing to a purchase. Inability or hesitancy to travel means fewer purchases by foreign investors.

OUTLOOK

Given the recent surge in COVID-19 cases in major cities around the world, it is likely that cross-border travelling will remain limited in FY2022. This will dampen the demand for the Group's initial projects developed by the EcoWorld-Ballymore joint venture and those in Australia. As the timeframe for recovery in demand is uncertain, the Board has decided to accelerate the sale of completed stocks to reduce holding costs and generate cash. The Group is targeting to sell most of the completed stocks within two years and repatriate the capital invested in these projects.

While the sales of completed stocks will generate cashflows and revenue, the Group is also on a lookout for new sites that are suitable for build-to-rent and mid-market open market sales developments.

Source:
1) *UK Office of National Statistics (Reference base is Jan 2015)*
2) *Australian Bureau of Statistics (Reference base is Dec 2011)*
3) *Corelogic*
4) *HM Land Registry*

SUSTAINABILITY STATEMENT

Sustainability is a key ingredient in the way we operate at Eco World International Berhad ("EcoWorld International" or "the Group"). We believe that by injecting sustainability in everything we do, we will remain resilient in the face of a challenging period and remain steadfast in creating long-term value for all our stakeholders.

We are proud to present our fourth Sustainability Statement which briefly describes our sustainability efforts from 1 November 2020 to 31 October 2021 ("**FY2021**"). This statement is to be read jointly with our standalone Sustainability Report which has more details on our management approach in regards to the identified material sustainability matters. The scope of reporting includes our operations in United Kingdom and Australia as well as Headquarters and International Sales Gallery in Malaysia.

Disclosures involving site activities in the United Kingdom cover our active projects under EcoWorld London and EcoWorld Ballymore including Apo Group ("**APO Group**"), being a residential management company. We focused our disclosures on post-handover initiatives for both West Village and Yarra One projects as the development projects in Australia have been completed during the reporting year.

The Sustainability Report was prepared in accordance with Bursa Malaysia's Main Market Listing Requirements and Sustainability Reporting Guidelines (2nd ed.) while the content was prepared in accordance with the Global Reporting Initiative ("**GRI**") Standards. The Sustainability Report has been made available for viewing on our corporate website www.ecoworldinternational.com. We welcome any feedback and comments regarding the contents of the Sustainability Report.

SUSTAINABILITY GOVERNANCE FRAMEWORK

Our Sustainability framework is a three-tier structure with ultimate responsibility lying with the Board of Directors. Sustainability efforts and initiatives are governed by the Sustainability Committee which reports to the Board on a half-yearly basis. The Committee is chaired by the Group's President & CEO and consists of senior management who are responsible for overseeing the Working Councils. The Economic, Environmental, Social, and Governance Councils are responsible for rolling out and monitoring ongoing sustainability initiatives.


Walkway to swimming pool, Wardian

In FY2021, we established a new Group Sustainability Policy to reaffirm our dedication towards the Sustainable Development Agenda. The Sustainability Policy acts as a corporate blueprint that supports our vision to lead in the industry in Environmental, Social and Governance ("**ESG**") integration across our supply chain. We also published a Sustainable Procurement Policy in this financial year which specifies the criteria and conditions to which suppliers and contractors must comply.

Our Group Sustainability Policy symbolises EcoWorld International's commitment towards continuous improvement in addressing ESG factors, including:

- Upholding good governance and ethical practices in all business operations
- Display exemplary labour practices and protecting human rights
- Addressing climate change and protecting biodiversity and the environment
- Supporting the community

The "**ECO**" brand represents the positive influence the Group has on the local community and its focus on creating long-term value for stakeholders.

Changing the world one community at a time

EXCEPTIONAL ENVIRONMENT

➪ Objective

Creating places that will stand the test of time. We have a responsibility to ensure that the homes we build minimise their impact on the planet by using resources intelligently, both during the building process and during their lifetime of use

CONNECTED COMMUNITY

➪ Objective

Making a positive impact in the places we build and help foster strong, flourishing communities for generations to come

OUTSTANDING ORGANISATION

➪ Objective

Be a trusted civic partner in all of our interactions and nurture a culture where innovation, creativity, and pride in our work is at the heart of everything we do

Aerial view of London, including Embassy Gardens

SUSTAINABILITY STATEMENT

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In addition to the seven United Nations Sustainable Development Goals ("**UNSDGs**" or "**SDGs**") adopted last year, we have adopted two more SDGs in this financial year, namely SDG4: Quality Education and SDG17: Partnerships for the Goals. We now adopt nine SDGs as part of our sustainability commitment.

Pertinent to the nine (9) SDGs, the key developments and progress we have made in FY2021 are outlined below:

ENVIRONMENT

SDG9: Industry, Innovation and Infrastructure
SDG11: Sustainable Cities and Communities
SDG13: Climate Action

Our Impacts Created

- EcoWorld Ballymore and EcoWorld London have achieved **100% diversion of construction waste** from landfills in FY2021
- **Over 250 trees planted** in London City Island which amounts to **15,000 kgCO_2** sequestered annually
- EcoWorld London held **5 community gardening events** and **at least 20% of all events hosted focused on biodiversity or community well-being**

Creating Potential Impacts

- Wardian
  - o Reduction of embodied carbon and operational energy through low carbon design is estimated **to reduce 27% of embodied structural CO_2**
  - o The **estimated kgCO_2/m^2 of the whole development is around 800 kgCO_2/m^2** which is in close proximity to the Embodied Carbon RIBA 2030 Climate Challenge target of less than 800kgCO_2/m^2 by 2025
- Embassy Gardens is expected to achieve an **estimated carbon emission saving of 36.5%** from the benchmark of **1,839,982 kgCO_2 per year**, with reference to the 2020 Part L of the Building Regulations
- The **future phases of Oxbow** (Aberfeldy Village) apartments have been designed to meet the London Energy Transformation Initiative Standards and some of the apartments are **projected** to have a **78.9% reduction in embodied carbon** over the conventional housing units
- Incorporating biodiversity into the property designs of New Road Triangle and Griffin Park

Our initiatives

- **Expanded scope of energy disclosure** to include six (6) project sites of EcoWorld London
- **Tracking Scope 1 greenhouse emissions** of Kew Bridge and Barking Wharf projects of EcoWorld London
- Carbon emission reduction initiatives through use of materials with reduced embodied carbon and tree planting

ECONOMIC

SDG9: Industry, Innovation and Infrastructure
SDG11: Sustainable Cities and Communities

Our Impacts Created

- A **total of 288 and 177 suppliers** were awarded contracts by EcoWorld London and EcoWorld Ballymore, amounting to £120 million and £8 million (equivalent to approximately RM680 million and RM45.6 million) respectively
- **81% and 75% of EcoWorld Ballymore and EcoWorld London** procurement spending on **Local Companies** respectively#
- **59% of EcoWorld London** procurement spending on **Small and Medium Enterprises** ("**SME**")
- **Finalist in SECBE Awards 2021** for Kew Bridge – Verdo
- Achieved the **Building Research Establishment Environmental Assessment Method (BREEAM)** certification for the commercial spaces of the EcoWorld Ballymore projects
- **Embassy Gardens and Oxbow** (Aberfeldy Village) received numerous **accolades for their build quality and innovation**
- **Millbrook Park and Oxbow** have been awarded the **'Gold Award'** by **In-house Research Ltd** for EcoWorld London's exemplary performance in meeting customers' expectations

 # Being local companies located within radius of c. 64km from the operational deployment

Our initiatives

- EcoWorld London commenced the **creation of an Innovation Steering Committee**, with the aim of making innovation a key focus area in FY2022
- Observing **environment, social and governance evaluation criteria** in supplier selection process

SOCIAL

SDG3: Good Health and Well-Being
SDG4: Quality Education
SDG5: Gender Equality
SDG8: Decent Work and Economic Growth
SDG16: Peace, Justice and Strong Institutions
SDG17: Partnerships for the Goals

Our Impacts Created

- Implemented the **EcoWorld COVID Vaccination Programme** for all employees based in Malaysia including their family members
- **180 students** have attended educational activities under the **School Engagement Programme of EcoWorld London**
- Partnering with Royal Botanic Garden, Kew to deliver Community Learning Programme and **provide 2,500 admission passes for pupils** at high-needs schools in Hounslow **to visit Kew Gardens** with their families
- **30% female representation on Board of Directors**
- **Establishment of the Equality, Diversity and Inclusion Network** to promote equal opportunities for all in employment
- Adherence to international human rights principles such as the Universal Declaration of Human Rights
- Commitment to Minimum Wage (Malaysia and Australia) and London Living Wage
- **Established the Agile Working Policy** to allow for flexible work arrangements in United Kingdom

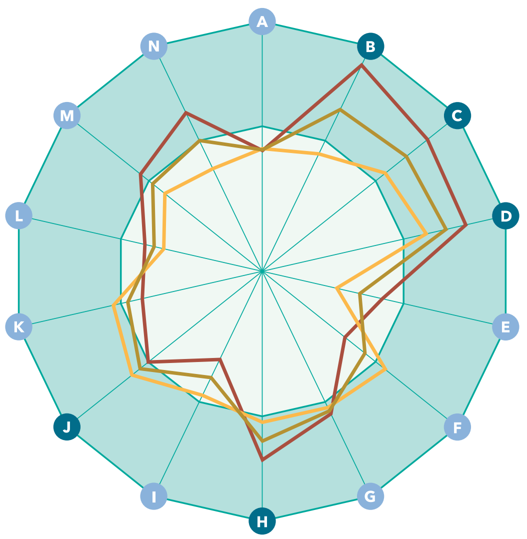
Our initiatives

- Focusing on three (3) areas for community engagement namely, **School Engagement, Community Well-Being and Work Experience**
- Accelerating plans for **digitisation and adoption of new technology** in work place
- Push forward **equality for all** employees

SUSTAINABILITY STATEMENT

MATERIAL SUSTAINABILITY MATTERS

Our material sustainability matters reflect our most significant ESG impacts, risks and opportunities. In FY2021 we reviewed the 16 material matters we identified in 2020 and consolidated them to 14 material matters that are most relevant to our operations. We then carried out a ranking exercise internally with the participation of our Sustainability Committee and other key personnel to prioritise the material sustainability matters based on importance to our stakeholders and the business. We have considered ten stakeholder groups in our assessment, namely employees, customers, vendors/suppliers, financial institutions, media, investors, contractors, regulatory agencies & statutory bodies, joint venture partners and non-governmental organisations. The ranking exercise produced the following materiality matrix which has been duly approved by our Board of Directors.



Average Importance
Importance to Stakeholders
Importance to Business

Very High Importance
Moderate Importance

EcoWorld International's Top 5 Material Sustainability Matters

EcoWorld International's Material Sustainability Matters

A. Biodiversity and Green Infrastructure
B. Climate Change
C. Corporate Governance and Transparency
D. Customer Satisfaction and Brand Reputation
E. Diversity and Inclusion
F. Economic Performance
G. Healthy and Sustainable Communities
H. Labour Practices and Decent Work
I. Material Management
J. Occupational Health and Safety
K. Sustainable Designs
L. Supply Chain Management
M. Waste Management
N. Water Management

In the table below, we outline the management approach with the material sustainability matters mapped to each of our sustainability pillar.

Material Sustainability Matters	Alignment with the UNSDGs	Opportunities and Management Approach
Pillar 1 - Keeping the Environment Pristine		
Sustainable Designs **Waste Management** **Water Management** **Climate Change** **Biodiversity and Green Infrastructure** **Material Management** **Risks** • Emergence of more stringent environmental laws and regulations • Failure to anticipate climate-related physical and transition risks that will lead to stranded assets may have a direct impact on our core business operations		• Smart building management system for apartments under the APO Group • Continuous monitoring of greenhouse gas emissions • 100% of construction waste diverted from landfills • Nesting boxes are built into the façades of the town houses of Acton Lodge for bats and birds • Log piles at the ground of the play area provide shelter for garden wildlife • Continuous efforts to reduce embodied carbon in construction materials • Tree Planting initiative at London City Island as a carbon offset programme • Water conservation initiatives in Wardian's Environmental Management Plan • EcoWorld London is certified with Environmental Management ISO 14001 that requires proper management of environmental risks identified

Material Sustainability Matters	Alignment with the UNSDGs	Opportunities and Management Approach
Pillar 2 – Ensuring a Diverse and Inclusive Workforce		
Occupational Health and Safety **Labour Practices and Decent Work** **Diversity and Inclusion** **Risks** • Exposure to health and safety risks at the project sites • Loss of key personnel may disrupt the operations • Non-compliance with labour welfare practices and its law and regulations may lead to negative impact on reputation	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	• Robust health and safety practices. EcoWorld International recorded ZERO fatalities in this reporting period • Establishment of comprehensive Labour Policies • Flexible work arrangement across the Group • Establishment of Equality, Diversity and Inclusion Network and Dignity at Work policy in United Kingdom • Successful transition of EcoWorld London's Health and Safety Procedures to ISO 45001
Pillar 3 – A Connected Community		
Healthy and Sustainable Communities **Risk** • Non-compliance with laws and regulations may affect the health and well-being of the communities	4 QUALITY EDUCATION	• EcoWorld International was in collaboration with Eco World Development Group Berhad through the EcoWorld Foundation in relation to COVID-19 support programmes, including *#AnakAnakMalaysia*, *Bantu* by Team EcoWorld, and donations collected through the EcoWorld Foundation • EcoWorld London's partnership with Royal Botanic Gardens, Kew as the official sponsors of Kew's annual Community Open Week and Community Learning Programme
Pillar 4 – Upholding Ethical Conduct		
Corporate Governance and Transparency **Risk** • Any changes in prevailing laws or regulations in Malaysia, United Kingdom and Australia may have an impact on the Group	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	• Cultivate a company culture of integrity via the Code of Conduct and Business Ethics, Anti-Bribery and Anti-Corruption Policy, and Whistleblowing Policy • Zero incidents of non-compliance with relevant regulations across the Group • Partnership with United Nations Global Compact to promote corporate responsibility and enhance our sustainability strategies

SUSTAINABILITY STATEMENT

Material Sustainability Matters	Alignment with the UNSDGs	Opportunities and Management Approach
Pillar 5 - Fostering Economic Growth		
Customer Satisfaction and Brand Reputation **Economic Performance** **Supply Chain Management** **Risks** • The potential for operational risks extends beyond EcoWorld International and across the Group's value chain, where the performance and conduct of supply chain may lead to quality issues, project delays and cost overrun • The demand for real estate is affected by negative macroeconomic and market conditions which will have an impact on the economic performance of the group • EcoWorld International is dependent on a combination of both equity and borrowings to fund its operations and may be adversely affected by its cash flows	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Excellent Considerate Constructors Scheme Score for all United Kingdom projects • Customer satisfaction surveys by external consultants with above average scoring in all parameters for EcoWorld London and EcoWorld Ballymore • Preference for procuring from local suppliers and SMEs o 81% and 75% of EcoWorld Ballymore and EcoWorld London procurement spending on Local Companies respectively o 59% of EcoWorld London procurement spending on SMEs • Continuous engagement with supply chain partners on deliverables • Engaging the key bankers and monitoring financial expenses to secure sufficient capital to support EcoWorld International's current and future needs

For a more comprehensive disclosure on EcoWorld International's risk management framework and approach, please refer to the Statement on Risk Management and Internal Control in the Annual Report 2021.

The relationship between our operations and its external environment leads to the clear identification of the Group risk factors as well as prevailing opportunities for value creation. At EcoWorld International, we give priority to risk awareness and corporate risk management processes. The Board supports the implementation of the ISO 31000:2018 certified Enterprise Risk Management Framework, ensuring its effectiveness in identifying and mitigating risks. The Risk Management Team ("**RMT**") is tasked with reviewing the risk profiles of all Business Units compiled during daily operations before reporting it to the Risk Management Committee ("**RMC**"). The RMC would then communicate any critical risks to the Board as well as provide recommendations to mitigate identified risks.

Beyond assessing risks at the Group level, the RMT also works closely with the respective Business Units to develop risk management strategies, as well as remain relevant and resilient in support of the Group's Material Sustainability Matters.

SUSTAINABILITY KEY PERFORMANCE INDICATORS

In FY2021, we identified a total of 12 KPIs across the Group with some adjustments made to the targets to account for the challenges caused by the pandemic. We are happy to report that we have achieved 83% of our revised targets. Our performance up to 31st October 2021 is shown in the scorecard table below.

Goals	FY2021 Target	FY2021 Performance	
Effective and Efficient Operations	**EcoWorld International UK**		
	Target all schemes to achieve a Considerate Constructors Scheme (CCS) score of 38 and above	● ● ●	EcoWorld International UK achieved an average CCS score of 43 across all projects assessed in FY2021
	90% of all construction waste diverted from landfill	● ● ●	100% of all construction waste diverted from landfill

Goals	FY2021 Target		FY2021 Performance
Increasing Economic Resilience	**EcoWorld International UK**		
	60% of all supply chain procurement contracts signed in FY2021 by value to be with United Kingdom Local Companies	●●●	81% and 75% of procurement contracts of EcoWorld Ballymore and EcoWorld London were awarded to Local Companies respectively
	50% annual procurement spend on SMEs	●●●	59% of EcoWorld London procurement expenditure on SMEs
	Supporting/creating at least 3 local enterprises	●●●	Supported three local social enterprises in London namely, Battersea Cats and Dogs Home, East End Women's Museum and Studio 3 Arts
Ensuring Social Equity	**EcoWorld International UK**		
	80% of employees to receive training	●●●	100% of employees
	Target for no greater than 23% turnover in employees	○●●	FY2021 turnover rate was recorded at 28%
	Achieve at least 90% likelihood for customers to recommend EcoWorld to a friend or family	●●●	Achieved 93.8% based on In-house Research benchmark report
	EcoWorld International Australia		
	80% of employees to receive training	●●●	100% of employees
	To achieve less than 5 defects for 80% of the apartments handed over for the first 12 months	●●●	West Village and Yarra One recorded less than 5 defects for 95% and 84% of apartments respectively
	EcoWorld International Malaysia		
	80% of employees to receive training	●●●	80% of employees
	Target for no greater than 13% turnover in employees	○○●	FY2021 turnover rate was recorded at 25%

●●● Excellence performance
○●● Moderate performance, minor setbacks encountered
○○● Poor performance, major setbacks encountered

CONCLUSION

At EcoWorld International, we remain dedicated to making great strides in our sustainability journey despite the challenges brought on by the COVID-19 pandemic. By doing so, we hope to build stakeholder trust and confidence in our brand.

As a responsible developer, we seek to improve our sustainability performance annually in the hopes of making better and more meaningful contributions towards the goals of environmental preservation, social equity and mitigating the effects of climate change.

BOARD OF DIRECTORS' PROFILE

TAN SRI AZLAN BIN MOHD ZAINOL

Chairman/Independent Non-Executive Director

Nationality	Gender	Age	Attendance
Malaysian	Male	71	7/7

RMC
AC (Resigned on 16 December 2021)
NRC (Resigned on 16 December 2021)

Date of Appointment:
12 September 2014

Academic/Professional Qualifications:
- Fellow, Institute of Chartered Accountants in England and Wales
- Fellow, Chartered Banker of the Asian Institute of Chartered Bankers
- Member, Malaysian Institute of Accountants
- Member, Malaysian Institute of Certified Public Accountants

Present Directorships:
Other Listed Companies
- Chairman, Malaysian Resources Corporation Berhad
- Chairman, Malaysia Building Society Berhad
- Director, Kuala Lumpur Kepong Berhad

Other Public Companies
- Chairman, MBSB Bank Berhad
- Chairman, YX Precious Metals Berhad
- Chairman/Trustee, Yayasan Astro Kasih
- Trustee, OSK Foundation
- Director, Rashid Hussain Berhad *(In Members' Voluntary Liquidation)*
- Director, Amanat Lebuhraya Rakyat Berhad

Past Directorships and Appointments*:
- Chairman, RHB Bank Berhad
- Chairman, RHB Investment Bank Berhad
- Chairman, RHB Capital Berhad
- Chairman, Grand-Flo Berhad
- Director, Jardine Cycle & Carriage Limited
- Chief Executive Officer, Employees Provident Fund Board
- Managing Director, AmBank Berhad
- Managing Director, AmFinance Berhad

TAN SRI DATO' SRI LIEW KEE SIN

Executive Vice Chairman/Executive Director

Nationality	Gender	Age	Attendance
Malaysian	Male	63	7/7

Date of Appointment:
12 September 2014

Academic/Professional Qualifications:
- Bachelor of Economics Degree (Business Administration), University of Malaya, Malaysia
- Honorary Doctorate of Entrepreneurship, INTI International University, Malaysia
- Honorary Doctorate of Philosophy in Entrepreneurship, MAHSA University, Malaysia
- Honorary Doctor of the University, Heriot-Watt University Malaysia, Malaysia

Present Directorship:
Other Listed Company
Executive Chairman, Eco World Development Group Berhad, a major shareholder of EcoWorld International
Other Public Company
Nil

Past Directorships and Appointments*:
- Chairman, Battersea Project Holding Company Limited
- President & Chief Executive Officer/Group Managing Director, S P Setia Berhad Group
- Founder, Syarikat Kemajuan Jerai Sdn Bhd
- Banker, Asiavest Merchant Bankers (M) Berhad

Awards:
- UK-Malaysia Business Personality of the Year by the British Malaysian Chamber of Commerce, Business Excellence Awards 2018
- Malaysia Country Winner (2011) and Judge (2014 & 2015), the Ernst & Young World Entrepreneur of the Year Awards
- Numerous corporate and industry awards for entrepreneurship, philanthropy and for showing exemplary leadership in building business and creating value

Chairman/Chairperson | Member

AC Audit Committee
NRC Nomination & Remuneration Committee
RMC Risk Management Committee
WBC Whistleblowing Committee

* The list of disclosure is not exhaustive, only significant Directorship(s) and appointment(s) in the past years are disclosed.

DATO' TEOW LEONG SENG

President & Chief Executive Officer/Executive Director

Nationality	Gender	Age	Attendance
Malaysian	Male	63	7/7

RMC

Date of Appointment/Redesignation:
- 12 September 2014 – Executive Director
- 13 October 2014 – Redesignated as President & Chief Executive Officer

Academic/Professional Qualifications:
- Master in Business Administration, University of Strathclyde Graduate School of Business, Glasgow
- Fellow, Chartered Institute of Management Accountants, United Kingdom
- Chartered Global Management Accountant
- Chartered Accountant, Malaysian Institute of Accountants
- Diploma in Commerce, Tunku Abdul Rahman University College, Malaysia

Present Directorship:

Other Listed Company

Nil

Other Public Company

Nil

Past Directorships and Appointments*:
- Chairman, Battersea Power Station Development Company Limited
- Executive Director and Chief Financial Officer, S P Setia Berhad Group
- Vice President, Citibank N.A.
- Accountant, Metroplex Berhad
- Accountant, Hong Leong Group

RMC
NRC
WBC

CHEAH TEK KUANG

Senior Independent Non-Executive Director

Nationality	Gender	Age	Attendance
Malaysian	Male	74	7/7

Date of Appointment/Redesignation:
- 12 September 2014 – Independent Non-Executive Director
- 27 April 2017 – Redesignated as Senior Independent Non-Executive Director

Academic/Professional Qualifications:
- Bachelor of Economics (Honours), University of Malaya, Malaysia
- Fellow, Chartered Banker of the Asian Institute of Chartered Bankers

Present Directorships:

Other Listed Companies
- Director, UPA Corporation Berhad
- Director, IOI Corporation Berhad

Other Public Companies
- Director, Berjaya Hartanah Berhad *(formerly known as Berjaya Golf Resort Berhad)*
- Director, Malaysian Institute of Art
- Governor, Yayasan Bursa Malaysia

Present Appointment:

Member of Appeals Committee, Bursa Malaysia Securities Berhad

Past Directorships and Appointments*:
- Director, Velesto Energy Berhad *(formerly known as UMW Oil & Gas Corporation Berhad)*
- Chairman, Berjaya Sports Toto Berhad
- Director, Danajamin Nasional Berhad
- Director, Cagamas Holdings Berhad
- Member of Investment Panel, Kumpulan Wang Persaraan (Diperbadankan)
- Director, Bursa Malaysia Berhad
- Group Managing Director, AMMB Holdings Berhad
- Director & Member of Investment Panel, Employees Provident Fund Board

BOARD OF DIRECTORS' PROFILE

DATO' CHANG KHIM WAH

Non-Independent Non-Executive Director

Nationality	Gender	Age	Attendance
Malaysian	**Male**	**57**	**7/7**

Date of Appointment:
25 June 2020

Academic/Professional Qualifications:
- Bachelor of Engineering, University of New South Wales, Australia
- Professional Engineer registered with the Board of Engineers, Malaysia
- Member of the Institute of Engineers, Malaysia
- Member of the Institute of Engineers, Australia

Present Directorships:
Other Listed Company
Executive Director, President & Chief Executive Officer, Eco World Development Group Berhad, a major shareholder of EcoWorld International
Other Public Companies
- Director, Eco World Capital Assets Berhad
- Director, Eco World Capital Services Berhad

Past Directorships and Appointments*:
- Director & Executive Vice President, S P Setia Berhad Group
- Civil Engineer, KTA-Tenaga Sdn Bhd
- Consultant Engineer, Lyall & Macoun Consulting Engineers

Award:
The Edge Malaysia Property Excellence Award, Outstanding Property CEO Award 2015

CHOONG YEE HOW

Non-Independent Non-Executive Director

Nationality	Gender	Age	Attendance
Malaysian	**Male**	**65**	**7/7**

Date of Appointment:
27 April 2017

Academic/Professional Qualifications:
- Master in Business Administration, University of Otago, New Zealand
- Bachelor of Science in Biochemistry Degree, University of Otago, New Zealand

Present Directorship:
Other Listed Company
Nil
Other Public Company
Nil

Past Directorships and Appointments*:
- Chairman, GuocoLand (Malaysia) Berhad
- Director and Group President & Chief Executive Officer, GuocoLand Limited
- Chairman, GLM REIT Management Sdn Bhd, the Manager of Tower Real Estate Investment Trust
- President & Chief Executive Officer, Hong Leong Financial Group Berhad
- Chairman, Hong Leong Asset Management Berhad
- Chairman, Hong Leong Bank (Cambodia) PLC
- Director, Hong Leong Assurance Berhad
- Director, Hong Leong MSIG Takaful Berhad
- Director, Hong Leong Investment Bank Berhad
- President & Chief Executive Officer, Citibank Savings Inc, Philippines

CHENG HSING YAO

Non-Independent Non-Executive Director

Nationality	Gender	Age	Attendance
Singaporean	**Male**	**50**	**6/7**

Date of Appointment:
27 April 2017

Academic/Professional Qualifications:
- Master in Design Studies, Harvard University, United States of America
- Bachelor of Architecture, Newcastle University, United Kingdom
- Bachelor of Arts in Architecture, National University of Singapore, Singapore

Present Directorship:
Other Listed Company
Director, GuocoLand (Malaysia) Berhad
Other Public Company
Nil

Present Appointments:
- Director and Chief Executive Officer, GuocoLand Limited, an indirect major shareholder of EcoWorld International
- Director, GLM REIT Management Sdn Bhd, the Manager of Tower Real Estate Investment Trust
- Member, National Parks Board, Singapore
- Co-Chairman, Integrated Digital Delivery Steering Committee and Central Procurers Panel for Building Construction Authority, Singapore
- Member, Design Advisory Committee, Urban Redevelopment Authority, Singapore
- Member, Heritage and Identity Partnership, Urban Redevelopment Authority, Singapore
- Nominated Member of Parliament of Singapore
- Executive Committee member, Urban Land Institute Singapore
- Member of Management Board, Institute of Real Estate and Urban Studies, National University of Singapore
- Director, Business Improvement Association for Tanjong Pagar, Singapore

Past Directorships and Appointments*:
- 1st Vice President, Real Estate Developers' Association of Singapore
- Group Managing Director, GuocoLand Singapore
- Managing Director, Group Project Office, GuocoLand Limited
- Chief Operating Officer, GuocoLand Singapore
- Deputy Executive Director, Centre for Liveable Cities, Ministry of National Development, Singapore
- Deputy Director, Urban Redevelopment Authority, Singapore

Awards:
- Personality of the Year 2021, EdgeProp Singapore Excellence Awards
- Real Estate Personality of the Year 2020, Asia Property Awards (Singapore)

NRC

TAN SRI DATUK DR REBECCA FATIMA STA MARIA

Independent Non-Executive Director

Nationality	Gender	Age	Attendance
Malaysian	**Female**	**64**	**7/7**

Date of Appointment:
27 April 2017

Academic/Professional Qualifications:
- Doctor of Philosophy, University of Georgia in Athens, United States of America
- Master of Science in Counselling, Universiti Putra Malaysia, Malaysia
- Bachelor of Arts (Honours) in English Literature, University of Malaysia, Malaysia

Present Directorships:
Other Listed Companies
- Director, Sunway Berhad
- Director, Hartalega Holdings Berhad
- Director, RHB Bank Berhad

Other Public Companies
- Director, Institute for Democracy & Economic Affairs
- Member, Board of Trustees, MyKasih Foundation

Present Appointment:
Executive Director, Asia-Pacific Economic Cooperation Secretariat

Past Directorships and Appointments*:
- Director, RHB Investment Bank Berhad
- Director, Lafarge Malaysia Berhad
- Director, Sunway Construction Group Berhad
- Secretary-General, Ministry of International Trade and Industry
- Senior Policy Fellow, Economic Research Institute for ASEAN and East Asia
- Chief Administration and Procurement Officer, The ASEAN Plant Quarantine and Training Centre

BOARD OF DIRECTORS' PROFILE

DATO' SIOW KIM LUN
Independent Non-Executive Director

AC
NRC
WBC

Nationality	Gender	Age	Attendance
Malaysian	**Male**	**71**	**7/7**

Date of Appointment:
12 September 2014

Academic/Professional Qualifications:
- Master in Business Administration, Catholic University of Leuven, Belgium
- Bachelor of Economics (Honours), Universiti Kebangsaan Malaysia, Malaysia
- Advanced Management Program, Harvard Business School, United States of America

Present Directorships:
Other Listed Companies
- Chairman, Eita Resources Berhad
- Chairman, Radiant Globaltech Berhad
- Director, Sunway Construction Group Berhad

Other Public Companies
- Director, RHB Bank Investment Berhad
- Director, Malaysian Trustees Berhad
- Director, RHB Trustees Berhad

Past Directorships and Appointments*:
- Director, Hong Leong Assurance Berhad
- Director, Citibank Berhad
- Director, UMW Holdings Berhad
- Director, Kumpulan Wang Persaraan (Diperbadankan)
- Director of Issues & Investment Division/Market Supervision Division/Office of the Chairman, Securities Commission Malaysia
- Divisional Head, Corporate Finance Division, Permata Chartered Merchant Bank Berhad *(now known as Affin Hwang Investment Bank Berhad)*

DATO' KONG SOOI LIN
Independent Non-Executive Director

WBC
AC

Nationality	Gender	Age	Attendance
Malaysian	**Female**	**60**	**7/7**

Date of Appointment:
1 April 2019

Academic/Professional Qualifications:
- Bachelor of Commerce (Honours), University of New South Wales, Australia
- Fellow, Certified Practising Accountant Australia
- Chartered Banker of the Asian Institute of Chartered Bankers
- Chartered Accountant of the Malaysian Institute of Accountants

Present Directorships:
Other Listed Companies
- Director, AMMB Holdings Berhad
- Director, IOI Corporation Berhad

Other Public Company
Director, AmInvestment Bank Berhad

Past Directorships and Appointments*:
- Director, Malaysia Venture Capital Management Berhad
- Chief Executive Officer, CIMB Group Holdings Berhad Group
- Deputy Manager, Corporate Banking, Bumiputra Merchant Bankers Berhad
- Senior, Corporate Recovery Division, Arthur Anderson & Co
- Staff Consultant, Advisory Department, Ernst & Whinney

PAULINE WONG WAN VOON
Independent Non-Executive Director

AC (Appointed on 16 December 2021)
RMC

Nationality	Gender	Age	Attendance
Malaysian	**Female**	**54**	**7/7**

Date of Appointment:
2 April 2018

Academic/Professional Qualifications:
- Bachelor of Laws (Honours), University of Leicester, United Kingdom
- Certificate in Legal Practice, Malaysia
- Certified Fraud Examiner
- Member, Association of Certified Fraud Examiners
- Member, Membership Committee, Association of Certified Fraud Examiners Malaysia Chapter

Present Directorship:
Other Listed Company
Nil
Other Public Company
Nil

Present Appointment:
Executive Director, Malaysian Investment Banking Association

Past Directorships and Appointments*:
- Assistant Manager, TA Securities Berhad
- Legal Counsel, Suhaimi Khor Zulkifli & Chang, Advocates & Solicitors

WONG HOCK CHUAN
Alternate Director to Mr Cheng Hsing Yao

Nationality	Gender	Age
Singaporean	**Male**	**50**

Date of Appointment:
1 July 2021

Academic/Professional Qualification:
Bachelor of Mechanical Engineering, Queensland University of Technology, Australia

Present Directorship:
Other Listed Company
Nil
Other Public Company
Nil

Present Appointment:
General Manager, Project & Facilities Management, GuocoLand Singapore

Past Directorships and Appointments*:
- General Manager, Project Management, GuocoLand Singapore
- Vice President, Private Equity Real Estate Fund, MGPA Ltd

Saved as disclosed, the Directors have:
(i) no family relationship with any Director and/or major shareholder of EcoWorld International;
(ii) no conflict of interest with EcoWorld International; and
(iii) not been convicted of any offence within the past 5 years or imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

MELISSA TAN SWEE PENG

Chief Financial Officer

Nationality	Gender	Age
Malaysian	**Female**	**48**

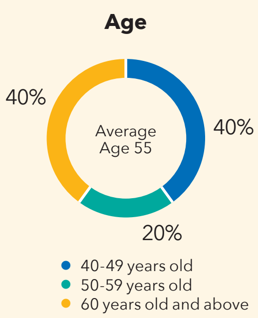
Date of Appointment:
1 September 2016

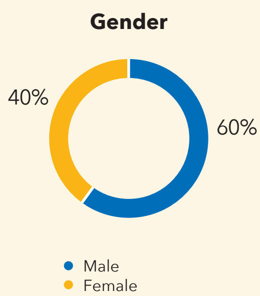
Academic/Professional Qualification:
Bachelor of Arts in Accounting, University of Bedfordshire, United Kingdom

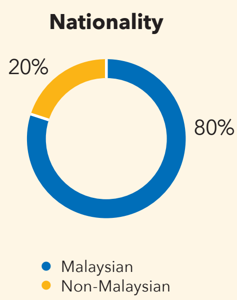
Skills and Working Experience:

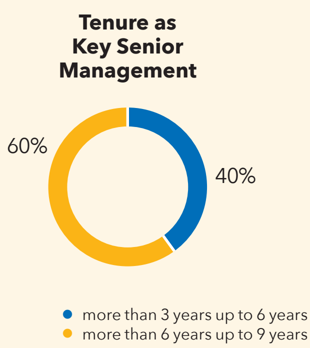
- Being the Chief Financial Officer of the Company, she is overall responsible for overseeing all financial and corporate matters of the Group including financial reporting, corporate finance, treasury, investor relations and performance and risk management. She is also responsible for overall coordination of sustainability and governance reporting for the Group.
- She has more than 24 years of experience in the financial, property and banking industries.
- During her service in Eco World Development Group Berhad, she led the Initial Public Offering exercise of EcoWorld International on Bursa Malaysia and spearheaded the implementation of several major corporate transactions involving acquisitions, joint-venture arrangements and equity fund raising.
- Under her stewardship, S P Setia Berhad successfully completed the issuance of a Sukuk Musharakah Programme which clinched 2 Islamic finance awards, namely the Perpetual Deal of the Year and Musharakah Deal of the Year.
- Involved in various corporate transactions specialising in merger and acquisitions, take-overs and equity fund raising activities in Aseambankers Malaysia Berhad *(now known as Maybank Investment Bank Berhad)*.
- Started career with Internal Audit Department, Sunway Holdings Berhad *(now known as Sunway Berhad)*.

The summary of Key Senior Management as at 31 October 2021 is set out below:









None of the Key Senior Management have:

(i) any family relationship with any other Director and/or major shareholder of EcoWorld International;
(ii) any conflict of interest with EcoWorld International;
(iii) been convicted of any offence within the past 5 years or imposed any public sanction or penalty by the relevant regulatory bodies during the financial year; and
(iv) any present directorship in public companies and listed issuers.

TAN CHENG YONG

Head of Global Development Operations

Nationality	Gender	Age
Malaysian	**Male**	**65**

Date of Appointment/Redesignation:
- 1 January 2016 – Chief of Design & Planning
- 1 March 2018 – Redesignated as Head of Global Development Operations

Academic/Professional Qualifications:
- Bachelor of Arts in Architecture (Royal Institute of British Architects ("**RIBA**") Part I), Leeds Metropolitan University, United Kingdom
- Diploma in Architecture (RIBA Part II), Leeds Metropolitan University, United Kingdom
- Chartered Member of RIBA Part III, University of Westminster, United Kingdom

Skills and Working Experience:
- Currently, he oversees the execution of EcoWorld International projects in the United Kingdom and Australia.
- Appointed as a Member of Tender Committee & Chief Design Review Officer of Battersea Power Station Development Company Limited to oversee the technical aspects of the Battersea Power Station project.
- During his service as a Senior Project Director of S P Setia Berhad, he oversaw the execution of the KL Eco City project and led a team in conceptualising the development master plan for S P Setia Berhad's proposed Setia Federal Hill project.
- Joined Lion Group as a General Manager, Commercial and Integrated Developments Division, instrumental in ensuring the success of the entire operational process with the property development value chain projects.
- Began his professional working life as an Architect in the United Kingdom, worked with the Greater London Council, Michael Haskoll Associates and Chapman Taylor Partners.

DATO' NORHAYATI BINTI SUBALI

Chief of Global Sales & Marketing

Nationality	Gender	Age
Malaysian	**Female**	**57**

Date of Appointment/Redesignation:
- 1 August 2015 – Chief of Sales & Marketing
- 1 March 2018 – Redesignated as Chief of Global Sales & Marketing

Academic/Professional Qualification:
Bachelor of Science (Honours) in Urban Estate Management, Liverpool John Moores University, United Kingdom

Skills and Working Experience:
- As the Chief of Global Sales & Marketing of EcoWorld International, she is responsible for the development of the marketing strategies and execution of the sales programmes for international projects of the Company.
- Appointed as Managing Director, Battersea Power Station Malaysia Sdn Bhd where she was primarily responsible for coordinating the global sales launches of the Battersea Power Station project.
- During her service as the Divisional General Manager, Group Marketing and International Properties, S P Setia Berhad, her role included planning and implementation of marketing and sales strategies for the Group Marketing and International Properties Division as well as overseeing brand building, marketing collaterals and the alignment of the brand in new overseas market.
- Started her career with Juru Bena Tenaga Sdn Bhd as Marketing Executive and joined Syarikat Kemajuan Jerai Sdn Bhd as Assistant Manager, Sales and Marketing. When Syarikat Kemajuan Jerai Sdn Bhd was injected into S P Setia Berhad via a reserve take-over, she was promoted to the position of Assistant General Manager, Property Central, responsible for overseeing the ongoing and new projects in Klang Valley. She was later promoted to the position of General Manager, Property Central, responsible for master planning, marketing, sales, implementation as well as quality control of Setia Alam Project.

PROFILE OF KEY SENIOR MANAGEMENT

CHEONG HENG LEONG

Chief Executive Officer, International Business (UK)

Nationality	Gender	Age
Malaysian	**Male**	**41**

Date of Appointment:
1 October 2015

Academic/Professional Qualifications:
- Master of Science Real Estate Economics and Finance, London School of Economics and Political Science, United Kingdom
- Bachelor of Arts in Economics and Management, University of Oxford, United Kingdom

Skills and Working Experience:
- Currently, he is responsible for growing EcoWorld London by identifying new real estate opportunities for both private residential and Built-to-Rent whilst also overseeing the existing sites.
- Under his role as the Chief Executive Officer of Eco World Management & Advisory Services (UK) Ltd, he was instrumental in securing EcoWorld International's majority acquisition of the Willmott Dixon residential development business, which has increased the business in the United Kingdom by fourfold and created the new company, EcoWorld London.
- Served as the Chief Strategic Relations Officer, Battersea Power Station Development Company Limited, reporting directly to the Chairman.
- He was responsible for helping the Malaysian consortium of S P Setia Berhad, Sime Darby Berhad and Employees Provident Fund Board in identifying and subsequently acquiring the development site for the Battersea Power Station project in Central London.
- Joined Investor Relations department of S P Setia Berhad, responsible for liaising with local and foreign analysts and fund managers. He was ranked third and second in the Malaysian Investor Relations Association awards for the Best Investor Relations Professional – Mid Cap in 2010 and 2011 respectively.

YAP FOO LEONG

Chief Executive Officer, International Business (Australia)

Nationality	Gender	Age
Australian	**Male**	**63**

Date of Appointment:
1 July 2014

Academic/Professional Qualifications:
- Licensed Real Estate Agent (LREA), Australia
- Chartered Institute of Management Accountants (CIMA), United Kingdom
- Diploma in Business (Real Estate Management), Macleay College, Australia

Skills and Working Experience:
- His main responsibility is to identify new projects and expand the EcoWorld International brand as well as to build the EcoWorld team in Australia. He is instrumental in identifying the West Village site in Parramatta as well as overseeing and implementing the project.
- Migrated to Australia and joined Dealruby Pty Ltd which is part of the Richbout Group as Director overseeing the entire spectrum of the group's business, mainly in property development and management. Besides property management, he also implemented projects from site identification to successful marketing of properties and controlling overall cost and quality.
- Joined Gamuda Berhad as Finance Manager. Transferred to Syarikat Pengeluar Air Sungai Selangor (Splash) as the Senior Manager, in charge of finance.
- Started work with Hong Leong group of companies and held various positions within the group, last posting was in Hume Fibreboard Sdn Bhd as Finance Manager.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Eco World International Berhad ("**EcoWorld International**" or "**Company**") is pleased to present the Corporate Governance ("**CG**") Overview Statement which provides an overview of the CG practices adopted by the Company for financial year 2021 ("**FY2021**") based on the principles and guidance set out in the Malaysian Code on Corporate Governance ("**MCCG**") issued by the Securities Commission Malaysia and in compliance with the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**").

This statement is to be read together with the CG Report 2021 of the Company which is available on the Company's corporate website at https://ecoworldinternational.com/investor-relations/#corporategovernancereports.

Embassy Gardens, UK

KEY FOCUS AREAS

FY2021 was a turbulent year caused by the COVID-19 pandemic which has impacted the global economy causing a slowdown in global operations and closure of borders which have created a socio-economic crisis resulting in challenges to the business.

Despite the challenging economic environment, the Board of EcoWorld International recognises that raising the bar on CG is essential in building a sustainable business and creating long-term value for the shareholders and stakeholders.

To uphold the commitment in maintaining its high standards of CG throughout the Company, its subsidiaries and joint-ventures ("**Group**"), the Board devotes considerable effort to identify and formalise best CG practices as it believes upholding sound and effective practices is fundamental to the operations of the Group and its ability to increase investors' confidence and protect long-term shareholders and stakeholders' interests.

As at the date of this statement, EcoWorld International has adopted and applied 32 out of 36 practices including 2 step-up practices of MCCG 2017. The practices that have yet to be applied/adopted are as follows, details of all the practices are set out in our CG Report 2021:

Practice 4.3 Policy which limits the tenure of its Independent Directors to 9 years
Practice 7.2 Disclosure on a named basis the top 5 senior management's remuneration in bands of RM50,000
Practice 7.3 Detailed disclosure of the remuneration of each member of senior management on a named basis
Practice 11.2 Adoption of integrated reporting based on a globally recognised framework

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board noted that the market changes rapidly, hence, our business needs to be agile to respond to such uncertainty and tough business environment. In order to cope with the current challenging environment, the following were the key focus areas of the Board in FY2021:

Business Plan & Budget	The Board had in-depth deliberation on the overall financial and business performance of the Group and approved the Business Plan & Budget for FY2022 with the theme of "*Consolidation*".
Dividend	Target for FY2021 with regard to rewarding shareholders with dividends has been achieved. The Board has reviewed and is satisfied with the financial position of the Company and declared two payments of dividends in FY2021, i.e. First Interim Single-Tier Dividend of 1 sen per ordinary share declared on 25 March 2021 and Special Single-Tier Dividend of 5 sen per ordinary share declared on 24 June 2021.
Sustainability	The Board has intensified its effort to drive sustainability within the Group by setting targets for Management's execution. 12 key performance indicators ("**KPIs**") and 9 United Nations Sustainable Development Goals ("**UNSDGs**") have been adopted for FY2021. The Group's performance against the KPIs set and UNSDGs adoption were also reviewed by the Board.
MCCG 2021	Subsequent to the implementation of the MCCG 2021 effective from 28 April 2021, the Board was briefed by the Company Secretary during the Board meeting held in June 2021 on the enhancements made to MCCG 2021. Although it is not mandatory for EcoWorld International to adopt MCCG 2021 for FY2021, a gap analysis report against MCCG 2021 was presented to the Audit Committee ("**AC**") in December 2021 to determine the level of adherence and identify the gaps as part of the continuing efforts to adopt the best CG practices and thereafter action plans were recommended to the Board for consideration to further raise the bar on CG.
Composition of Board Committees	The Board is aware that Guidance 1.4 of MCCG 2021 states that by having the same person to assume the positions of Chairman of the Board and Chairman of the AC, Nomination Committee or Remuneration Committee may give rise to the risk of self-review and may impair the objectivity of the Chairman and the Board when deliberating on observations and recommendations put forth by the Board Committees. Therefore, the Chairman of the Board, Tan Sri Azlan Bin Mohd Zainol has relinquished his position as a member of the AC and Nomination & Remuneration Committee effective from 16 December 2021 to ensure there is check and balance as well as objective review by the Board, whilst Ms Pauline Wong Wan Voon was appointed as a member of the AC in replacement thereof.
Fraud Risk Assessment	As part of the better management of the business risks (including fraud risks) faced by the Group, the Fraud Risk Assessment has been initiated for business units which have been identified as high risk to identify specific fraud schemes and risks, assess their likelihood and significance, evaluate existing fraud control activities, and if required, implement actions to mitigate residual fraud risks within the operations of the Group. The Board has endorsed (1) the revised Risk Management Policy and Guidelines Document where revisions were made to embed fraud risk management into the existing enterprise risk management structure to meld the 2 interrelated risk management efforts; and (2) the revised risk parameters in March 2021.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

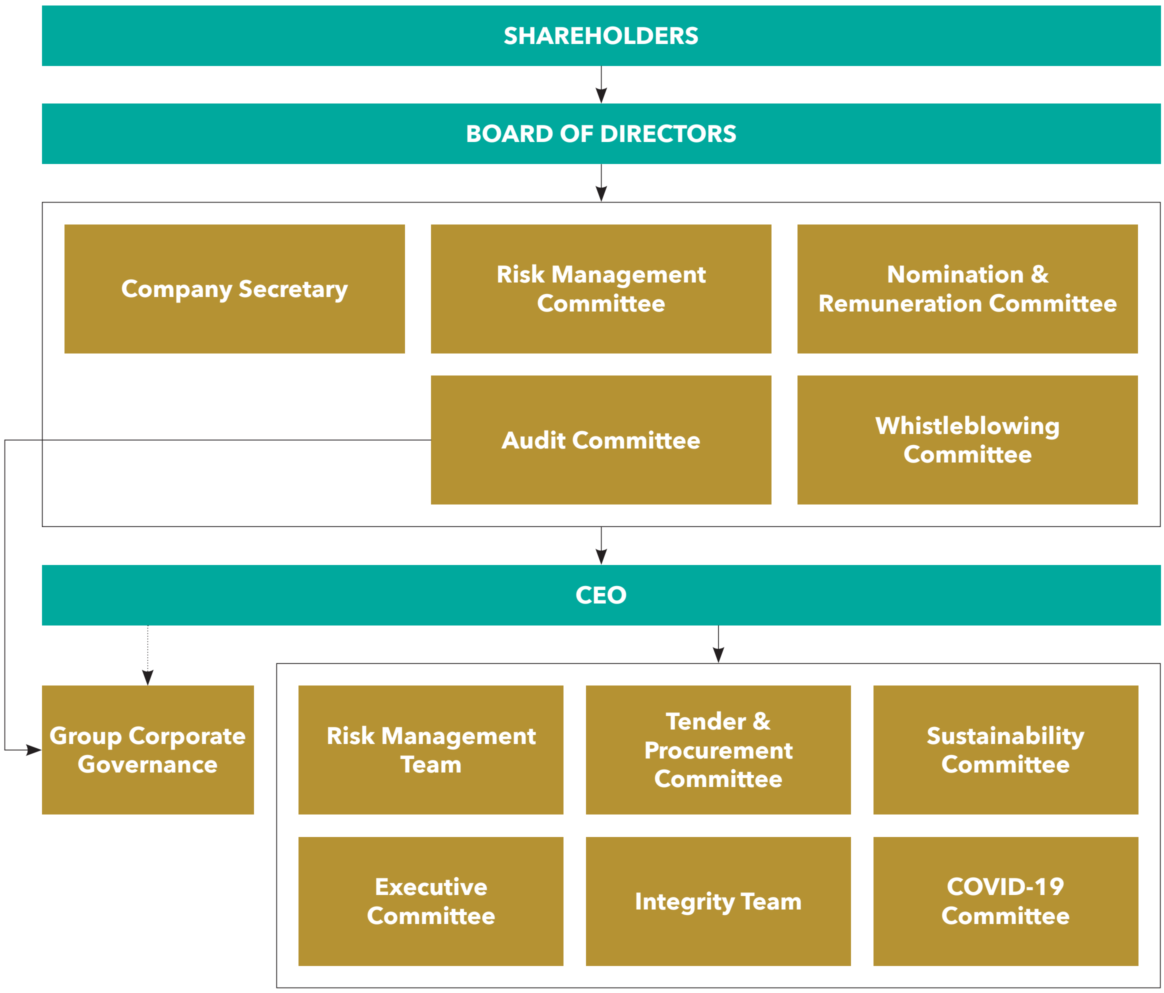
(i) Board Responsibilities

The Board is collectively responsible for the overall strategic plans and long-term success of the Group and provides oversight of Management's performance, risk management and internal controls as well as compliance with regulatory requirements.

The functions of the Board and the Management are clearly defined to ensure the effectiveness of the Group's business and operations. The Board provides leadership and direction to the operations of the Group while the Management is accountable for the execution of policies and meeting corporate objectives.

(ii) Governance Model

In order to ensure effective discharge of the roles and responsibilities, the Board has in place a Governance Model for the Group and delegated specific authorities to the Board Committees and President & Chief Executive Officer ("**CEO**") as set out below:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The roles and responsibilities of the Board are clearly defined in the Board Charter which is subject to periodic review and revised as and when required. In order to retain control of key decisions and ensure a clear division of responsibilities, the Board Charter also sets out the matters reserved for Board's decision. The Board Charter is available on the Company's corporate website.

Each Board Committee has its own Terms of Reference ("**ToR**") which clearly outlines its objectives, composition, roles and responsibilities, authority and procedures. The ToRs are reviewed periodically by each Board Committee and endorsed by the Board to ensure effective and efficient decision-making within the Group. The ToRs of the respective Board Committees are set out as appendices to the Board Charter and are available on the Company's corporate website.

All the Board Committees are actively engaged and act as overseeing committees. They evaluate and recommend matters under their purview for the Board to consider and approve. The Board receives updates from the respective Chairmen of the Board Committees on matters that have been discussed and deliberated at the respective meetings.

The Chairman of the Board, Tan Sri Azlan Bin Mohd Zainol, who is an Independent Non-Executive Director, leads the Board by setting the tone from the top and managing Board effectiveness by focusing on governance and compliance. He guides the Board through the decision-making process and ensures that the Board operates effectively as a team. The Board appreciates the distinct roles and responsibilities of the Chairman, Executive Vice Chairman and the CEO of the Company and the segregation of roles and responsibilities is clearly stated in the Company's Board Charter to ensure a balance of power and authority.

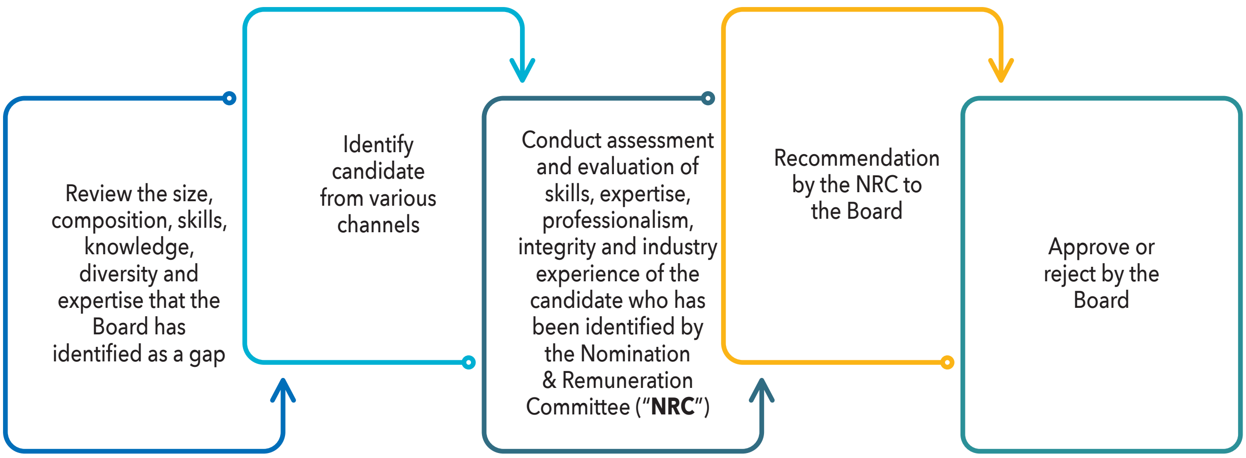
The Board is supported by the Company Secretaries who are qualified under the Companies Act 2016 and both of them are Fellow Members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). The Company Secretaries advise the Board on CG related matters and ensure the Board adheres to the relevant rules and regulatory requirements as well as Board policies and procedures.

(iii) Board Composition and Evaluation

The composition of the Board is fundamental to its success in providing strong and effective leadership. The Board comprises a strong mix of experienced individuals with the majority being Independent Non-Executive Directors who offer external perspectives on the business and constructively challenge the Executive Directors, particularly in developing the Group's business strategies. The Non-Executive Directors scrutinise the performance of Management in meeting their agreed goals and objectives and monitor the reporting of the Group's performance.

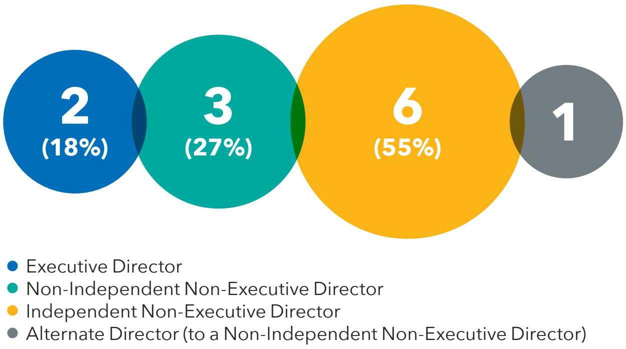
During the year under review, Mr Wong Hock Chuan was appointed as an Alternate Director to Mr Cheng Hsing Yao, the Non-Independent Non-Executive Director of the Company effective from 1 July 2021. In order for Mr Wong Hock Chuan to carry out his roles and duties effectively as a Director of the Company, relevant documents such as disclosure obligations and schedule of meetings were furnished to him. Mr Wong Hock Chuan had completed the Mandatory Accreditation Programme (MAP) in September 2021.

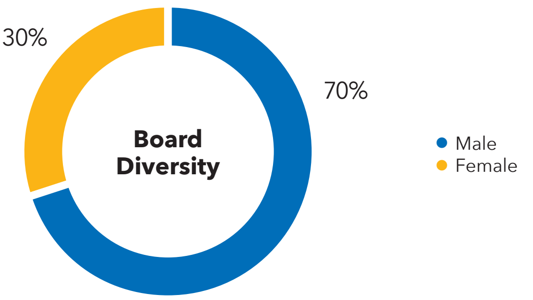
The chart below illustrates the procedures on the appointment of a new Director:

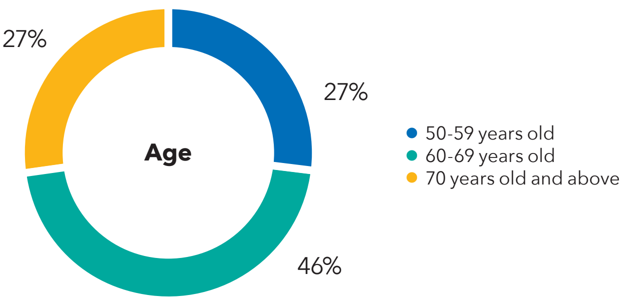


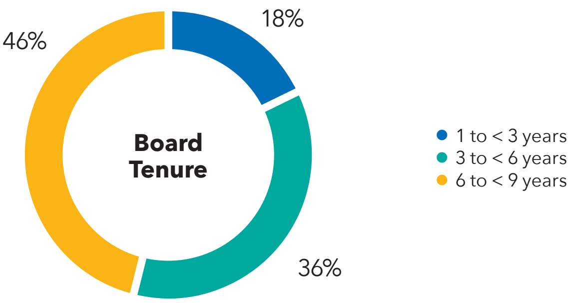
The appointment of Key Senior Management of the Company is based on merit and with due regards for diversity in skills, experience, age and gender.

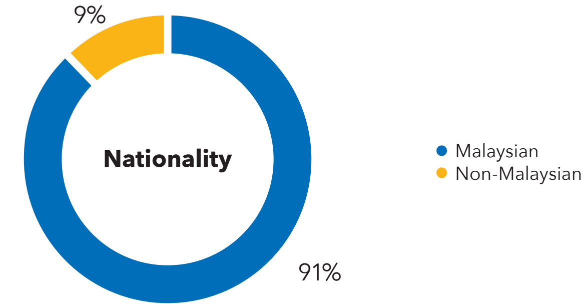
The summary of Board composition as at 31 October 2021 is set out below:











With the current composition of the Board, the Company has complied with Paragraph 15.02 of the MMLR of Bursa Malaysia which stipulates that at least 2 Directors or 1/3 of the Board, whichever is higher must be Independent Directors. The women representation on the Board has achieved 27% and in practical terms, the Board has deemed the 30% threshold recommended by the MCCG 2017 as met. The Board is satisfied with the current composition as this size is optimum and would enable effective oversight and delegation of responsibilities. The women representation in Key Senior Management has also achieved the 30% threshold.

The Board through the NRC conducts an annual review on the effectiveness of the Board, Board Committees and individual Directors through online questionnaires for FY2021. The assessment was conducted by Boardroom Corporate Services Sdn Bhd, the external corporate secretarial service provider of the Company. The results were presented to the NRC and the Board in December 2021 for deliberation. Upon review, the Board is satisfied with the performance of the Board, Board Committees and individual Directors and noted the areas that required improvements. The results were used as a basis for recommending the relevant Directors for re-election at the upcoming Annual General Meeting ("**AGM**").

In considering independence, the Board through the NRC conducts an annual review on the level of independence of each Independent Director to ensure that there are independent elements that fit the Company's objectives, strategic goals and comply with MMLR of Bursa Malaysia. The tenure of Independent Directors is limited to a cumulative term of not exceeding 12 years as stated in the Board Charter. In the event that the Board intends to retain the Director as Independent Director after he/she has served a consecutive/cumulative term of 9 years, the Board must justify the decision and seek shareholders' approval through a two-tier voting process or the Independent Director may continue to serve on the Board as a Non-Independent Director. The Board tenure disclosed in the summary was based on the date of appointment of the respective Directors to the Board of EcoWorld International, whilst in determining the tenure of an Independent Director under Practice 4.2 of MCCG 2017, it is computed based on the date of listing, i.e. 3 April 2017.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(iv) Anti-Bribery and Anti-Corruption, Code of Conduct and Whistleblowing

The Board is committed to comply with all applicable laws and regulations of the countries in which it operates and to apply high standards of conduct and integrity in our business activities whether within or outside Malaysia.

As the Group reinforces its principle towards zero-tolerance approach to bribery and corruption in all its forms, proactive actions have been taken to strengthen the Group's internal processes and practices during the financial year to ensure that it has adequate procedures in place to prevent persons associated with the Group from undertaking corrupt activities. The Risk Management Committee ("**RMC**") will review and approve the Group's anti-corruption compliance programme periodically to assess the performance, efficiency and effectiveness of the Group's Anti-Bribery and Anti-Corruption ("**ABC**") processes.

The Code of Conduct and Business Ethics ("**Code of Conduct**") which plays an important role in how the Company conducts its business, shall be observed by Directors, employees of the Group and other third parties engaged to act on behalf of the Group. The Code of Conduct was revised to align the same with the ABC Policy and approved by the Board in March 2020.

The Board has also in place a Whistleblowing Policy which demonstrates high standards of ethical behaviour and integrity. A platform was provided for its employees, business associates and members of the public who have concerns on suspected misconduct (including fraud, bribery, theft, abuse of power and violation of laws and regulations) to report the suspected incident directly to the Whistleblowing Committee ("**WBC**"). Through this policy, the Group can preserve its culture of openness, accountability and integrity to enable whistleblowers to express their concerns without fear of punishment or unfair treatment. The Whistleblower Reporting Form is available on the Company's corporate website and all written reports shall be channelled directly to the WBC via email at whistleblow@ecoworldinternational.com.

The ABC Policy, Code of Conduct and Whistleblowing Policy are available on the Company's corporate website.

(v) Board Meetings

The Board schedules meetings on a quarterly basis and additional meetings which require the Board's deliberation and approval will be held in between the scheduled meetings. A total of 7 Board meetings were held in FY2021.

In order to ensure all the Directors are able to attend the Board and Board Committees meetings, the calendar for the Board and Board Committees meetings is circulated in advance before the commencement of the financial year which allows the Directors to plan their schedules. The Board is also mindful of the importance of devoting sufficient time and effort to carry out their responsibilities and enhance their professional skills. In this respect, none of the Directors hold more than 5 directorships in listed corporations.

The Board and Board Committees have discharged their roles and responsibilities by attending the Board and Board Committees meetings held during FY2021. The Board is satisfied with the level of commitment given by the Directors in carrying out their responsibilities which is evidenced by the attendance record of the Directors set out in the table below:

Name of Directors	Board	AC	RMC	NRC	WBC
Tan Sri Azlan Bin Mohd Zainol(1)	7/7	5/5	5/5	2/2	-
Tan Sri Dato' Sri Liew Kee Sin	7/7	-	-	-	-
Dato' Teow Leong Seng	7/7	-	5/5	-	-
Cheah Tek Kuang	7/7	-	5/5	2/2	1/1
Dato' Chang Khim Wah	7/7	-	-	-	-
Choong Yee How	7/7	-	-	-	-

Name of Directors	Board	AC	RMC	NRC	WBC
Cheng Hsing Yao	6/7	-	-	-	-
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	7/7	-	-	2/2	-
Dato' Siow Kim Lun	7/7	5/5	-	2/2	1/1
Dato' Kong Sooi Lin	7/7	5/5	-	-	1/1
Pauline Wong Wan Voon[(2)]	7/7	-	5/5	-	-

AC - Audit Committee
RMC - Risk Management Committee
NRC - Nomination & Remuneration Committee
WBC - Whistleblowing Committee

(1) *Relinquished the position as a member of the AC and NRC effective from 16 December 2021*
(2) *Appointed as a member of the AC effective from 16 December 2021*

Board papers were distributed via a secured digital portal at least 5 business days prior to the meetings to allow Directors to have sufficient time to review and obtain further clarification, if necessary. This would enable focused and constructive deliberation at meetings. All reports are presented in a clear and concise manner, to enable the Board to analyse and discharge their duties effectively.

Upon the conclusion of the meeting, the minutes will be circulated to the Board for review and comments within a reasonable timeframe prior to the Chairman's confirmation at the next Board meeting.

(vi) Remuneration

The Board has in place Remuneration Policies for Directors and Key Senior Management which have been designed to attract and retain the right talent in line with the Group's business strategies. The Remuneration Policies are available on the Company's corporate website.

The remuneration package for each individual Executive Director is structured to reflect his experience, performance and responsibilities while the remuneration package of the Independent Non-Executive Directors is in the form of Directors' fees which reflects the diverse experience, skill sets and the level of responsibilities expected of the Independent Non-Executive Directors and meeting allowances which will be paid based on their attendance.

In cognisance of the current unprecedented challenges posed by COVID-19 pandemic and current uncertain economic environment as well as part of cost rationalisation plan to ensure the Group remains in good cash flow footing to support the business operations, the Executive Directors and Independent Non-Executive Directors have voluntarily agreed to have further reduction in their salary and Directors' fees respectively effective from January 2022, the details of the Directors' remuneration are set out in the CG Report 2021 which is available on the Company's corporate website. The reduced Directors' fees will be tabled to the shareholders for approval at the upcoming 8th AGM in March 2022.

The Non-Independent Non-Executive Directors, who are the representatives of Eco World Capital (International) Sdn Bhd and GLL EWI (HK) Limited do not receive any Directors' fees or meeting allowances. All the Directors of the Company do not receive any remuneration from the subsidiaries or joint-ventures.

In determining whether the remuneration packages of the Key Senior Management are competitive and sufficient to attract and retain executive talents, factors that were taken into consideration include their individual responsibilities, skills, expertise, contributions and performance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

(i) Audit Committee

The AC comprises 3 members who are Independent Non-Executive Directors. The Chairman of the AC, Dato' Siow Kim Lun is not the Chairman of the Board. There was a change in the composition of the AC on 16 December 2021 to comply with Guidance 1.4 of MCCG 2021 where the Chairman of the Board, Tan Sri Azlan Bin Mohd Zainol has relinquished his position as a member of the AC whilst Ms Pauline Wong Wan Voon was appointed in replacement thereof. All members of the AC are financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities as members of the AC.

The AC has a policy that requires a former key audit partner to observe a cooling-off period of at least 4 years before being appointed as a member of the AC and such practice was formalised and incorporated in the ToR of the AC.

An annual assessment on the independence and effectiveness of the External Auditors of the respective companies, namely KPMG PLT Malaysia ("**KPMG Malaysia**"), KPMG Australia, KPMG Dublin and BDO London was conducted in September 2021 in accordance with the criteria set out in the External Auditors Policy of the Company. The AC was satisfied with the performance of KPMG Malaysia and has recommended to the Board to put forth the proposal for re-appointment of KPMG Malaysia as External Auditors of the Company for FY2022 to the shareholders for approval at the upcoming 8th AGM.

Assurance from the External Auditors has been received by the Board confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements for the year under review.

The summary of work carried out by the AC is set out in the AC Report of this Annual Report. The Board was satisfied with the performance of the AC and confirmed that they have carried out their duties and responsibilities effectively in accordance with the ToR.

(ii) Risk Management and Internal Control

The Board recognises the importance of a sound framework for risk management and internal control to ensure good CG practices and to safeguard the shareholders' investments as well as the Group's assets.

The Company has in place an on-going process for identifying, evaluating and managing significant risks that may affect the business. The Board through the RMC, which comprises a majority of Independent Non-Executive Directors, reviews the key risks identified to ensure proper management and mitigation of risks and reports to the Board on a quarterly basis. Fraud Risk Assessment has been initiated for business units which have been identified as high risk to identify specific fraud schemes and risks, assess their likelihood and significance, evaluate existing fraud control activities, and if required, implement actions to mitigate residual fraud risks within the operations of the Group.

An overview of the Group's risk management and internal controls is set out in the Statement on Risk Management and Internal Control of this Annual Report. The Board concluded that the risk management and internal control framework of the Group is generally adequate and effective for FY2021.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

(i) Communication with Stakeholders

The Board is committed to maintain open channels of communication by continuous disclosure and dissemination of comprehensive and timely information of the Company in its best effort to strengthen its relationship with shareholders and stakeholders.

The Board recognises the importance of keeping shareholders, investors, research analysts, bankers and the media well informed of the Group's business performance, operations and corporate developments. The Board has established dedicated sections on the Company's corporate website where information such as Company's announcements, Annual Reports, governance, sustainability matters, community and social engagements as well as the contact details of designated persons are available for shareholders and stakeholders to make informed decisions with regards to the business of the Group.

The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to both retail and institutional shareholders and investors via announcements of its quarterly results, Annual Report, announcements through Bursa LINK and press releases. Further updates of the Group's activities and business operations are also disseminated to shareholders and investors through dialogues with analysts, fund managers and the media. Corporate presentations and announcements are available on the Company's corporate website.

(ii) Conduct of General Meetings

The AGM of the Company serves as the principal forum that provides the opportunity for shareholders to raise concerns or questions. In light of the COVID-19 pandemic, EcoWorld International conducted its 7th AGM on a fully virtual basis through live streaming and online remote voting using Remote Participation and Voting facilities on 31 March 2021. All the Directors attended the fully virtual 7th AGM with limited essential individuals wherein the Chairman, Executive Vice Chairman, CEO, Chief Financial Officer and Company Secretary were physically present at the broadcast venue while the rest of the Directors and meeting participants participated in the AGM remotely as the safety of our shareholders, Directors, staff and other stakeholders is of paramount importance to us.

The conduct of the fully virtual 7th AGM is in compliance with the Constitution of the Company which allows General Meetings to be held using any technology or electronic means.

To encourage engagement between the Directors and shareholders, shareholders were invited to submit questions before the AGM by email or through a text box within the SS e-Portal platform. During the AGM, shareholders also took the opportunity to raise questions via real time submission of typed texts on the agenda items of the AGM as well as the current developments of the Group. The Chairman, Executive Vice Chairman and the CEO responded to all questions raised and provided clarification as required by shareholders.

In line with good CG practices, the notice of the AGM together with the Administrative Guide for the 7th AGM were circulated at least 28 days before the date of the AGM to enable shareholders to make the necessary arrangements to attend the AGM remotely.

To strengthen transparency and efficiency in the voting process, the Company adopted electronic poll voting at its 7th AGM. An independent scrutineer for the electronic poll voting process was appointed to validate all the votes. The scrutineer announced the voting results and results of the voting were displayed on the screen before the closure of the AGM. Subsequently, the poll results were announced via Bursa LINK on the same day.

The full minutes of the 7th AGM detailing the meeting proceedings, including issues and concerns raised by the shareholders together with the responses of the Company, was published on the Company's corporate website as soon as practicable after the conclusion of the AGM.

FUTURE PRIORITIES

The Board will continue to enhance the corporate disclosure requirements in the best interest of the Company's shareholders and stakeholders in the upcoming years.

This CG Overview Statement together with the CG Report 2021 were approved by the Board on 10 February 2022.

AUDIT COMMITTEE REPORT

The primary function of the Audit Committee ("AC") is to assist the Board of Directors in fulfilling its fiduciary duties as well as providing oversight on the integrity of the Group's financial reporting and its audit processes. The Board of Eco World International Berhad ("EcoWorld International" or "Company") is pleased to present the AC Report which provides an overview of the activities undertaken by the AC in financial year 2021 ("FY2021"). This report is prepared in compliance with paragraph 15.15 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

COMPOSITION

Subsequent to the introduction of the revised Malaysian Code on Corporate Governance by the Securities Commission Malaysia on 28 April 2021 ("**MCCG 2021**"), the Board is aware that Guidance 1.4 of MCCG 2021 states that by having the same person assuming the positions of Chairman of the Board and Chairman of the AC, Nomination Committee or Remuneration Committee may give rise to the risk of self-review and may impair the objectivity of the Chairman and the Board when deliberating on observations and recommendations put forth by the Board Committees. Thus, the Chairman of the Board should not be involved in these committees to ensure there is check and balance as well as objective review by the Board. With this, the Board approved the change in the composition of the AC and Nomination & Remuneration Committee ("**NRC**") on 16 December 2021, whereby Tan Sri Azlan Bin Mohd Zainol being the Chairman of the Board relinquished his position as a member of the AC and NRC and Ms Pauline Wong Wan Voon was appointed as a member of the AC in replacement thereof.

Following the change in composition, the AC remains with 3 members, all of whom are Independent Non-Executive Directors and have fulfilled the criteria of independence under the MMLR of Bursa Malaysia. No Alternate Director was appointed to act as a member of the AC.

The AC is chaired by Dato' Siow Kim Lun who has fulfilled the requirements as an AC member as prescribed and approved by Bursa Malaysia, whilst Dato' Kong Sooi Lin is a member of the Malaysian Institute of Accountants ("**MIA**") as well as a Fellow Member of Certified Practising Accountant (CPA) Australia. Hence, the Company has complied with paragraph 15.09 of the MMLR of Bursa Malaysia and Step-Up Practice 9.4 of MCCG 2021.

The members of the AC and their details are as follows:

Name	Designation	Directorship	Date of Appointment
Dato' Siow Kim Lun	Chairman	Independent Non-Executive Director	12 September 2014 *(redesignated as Chairman of the AC on 1 April 2019)*
Dato' Kong Sooi Lin	Member	Independent Non-Executive Director	1 April 2019
Pauline Wong Wan Voon	Member	Independent Non-Executive Director	16 December 2021
Tan Sri Azlan Bin Mohd Zainol	Member	Independent Non-Executive Director	12 September 2014 *(relinquished as a member of the AC on 16 December 2021 to comply with Practice 1.4 of MCCG 2021)*

MEETINGS

A total of 5 scheduled meetings were held in FY2021. Despite the implementation of several Movement Control Orders by the Government of Malaysia throughout FY2021, the AC meetings proceeded virtually as scheduled in order for the AC members to discharge their duties and responsibilities effectively. The AC members' attendance is set out below:

Name	No. of AC Meetings Attended	Percentage of Attendance
Dato' Siow Kim Lun	5/5	100%
Dato' Kong Sooi Lin	5/5	100%
Tan Sri Azlan Bin Mohd Zainol *(Relinquished as a member of the AC on 16 December 2021)*	5/5	100%
Pauline Wong Wan Voon *(Appointed on 16 December 2021)*	N/A	N/A

The President & Chief Executive Officer, Chief Financial Officer, Chief Audit Executive and External Auditors together with the relevant personnel from Management were invited to join the meetings and provide clarifications on the agenda items. The outsourced Internal Auditors of the joint-venture ("**JV**") entities were also invited to brief the AC via videoconferencing.

The reports and discussion papers of the AC meetings were distributed via a secured digital portal within a reasonable period to allow the AC members to have sufficient time to review and obtain further clarification, if necessary, during the meetings. This would enable focused and constructive deliberation at meetings. All reports and discussion papers were presented in a clear and concise manner, to enable the AC members to analyse and discharge their duties effectively.

The AC had 2 private sessions with the External Auditors, KPMG PLT Malaysia ("**KPMG Malaysia**") without the presence of Executive Board members and Management to facilitate discussions on key audit challenges. The Group Corporate Governance ("**GCG**") team, an independent in-house function, which forms an integral part of the Internal Audit and Assurance framework also met privately with the AC twice for discussions on Internal Audit related matters without the presence of Executive Board members and Management.

Minutes of each AC meeting was properly recorded and tabled for confirmation at the following AC meeting and subsequently tabled to the Board for notation. The AC Chairman reports to the Board on activities undertaken and key recommendations for the Board's consideration and decision. The AC Chairman also conveyed to the Board matters which are of significant concern raised by the External Auditors and Internal Auditors.

TERM OF OFFICE & PERFORMANCE

In order to assess the term of office of the AC members and performance of the AC in accordance with paragraph 15.20 of the MMLR of Bursa Malaysia, each of the AC members has performed the self and peer evaluation assessment and the results were tabled to the NRC for review and discussion prior to presenting the reports to the Board for evaluation. The Board was satisfied with the performance of the AC and confirmed that they have carried out their duties and responsibilities effectively in accordance with the Terms of Reference ("**ToR**") which is available on the corporate website at https://ecoworldinternational.com/about-us/governance/board-charter/.

TRAINING

The training programmes attended by each AC member during the financial year are set out in the Corporate Governance Report 2021.

AUDIT COMMITTEE REPORT

SUMMARY OF WORK

As at the date of this report, the AC has undertaken the following work in discharging its functions and duties, which are in line with its responsibilities as set out in its ToR:

External Audit	• The audit status in relation to the Audited Financial Statements ("**AFS**") of the Company, subsidiaries and JVs ("**Group**") for FY2021 was discussed with KPMG Malaysia twice a year. KPMG Malaysia also confirmed that they are independent of the Group and have fulfilled their other ethical responsibilities in accordance with the By-Laws of the MIA and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants. • 2 private sessions for FY2021 were held with the External Auditors, KPMG Malaysia on 22 June 2021 and 13 December 2021 without the presence of the Executive Board members and Management. • The non-audit services provided/to be provided by the External Auditors and their affiliates to the Group have been monitored and approved by the AC. The AC having considered the nature, scope and quantum of non-audit fees, was satisfied that there was no conflict of interest and that the non-audit services would not impair the independence of the External Auditors. The details of the audit and non-audit services rendered by the External Auditors and their affiliates for FY2021 are disclosed in the Additional Compliance Information section of this Annual Report. • The Audit Plan and Strategy for FY2021 which outlined the materiality, audit scope, audit methodology, timing of audit, involvement of component auditors, audit focus areas, audit transformation, key milestones, other audit findings, newly effective standards as well as the audit fees of KPMG Malaysia was reviewed and approved by the AC. • Pursuant to the rules of MIA, the Engagement Partner is only allowed to serve in the same role for a maximum of 7 years. In relation thereto, KPMG Malaysia introduced to the AC the new Engagement Partner for EcoWorld Ballymore, Ms Emma O' Driscoll in replacement of Ms Cliona Mullen who has served EcoWorld Ballymore for 6 years. The AC also noted that based on the External Auditors Policy adopted by the Company on 27 June 2019 ("**EA Policy**"), the Audit Partner of the Group is subject to rotation at least once every 5 financial years. • Based on the EA Policy, the AC shall carry out annual assessment of the External Auditors which shall encompass an assessment of the qualifications and performance of the Auditors. Questionnaire assessment was carried out to assess the independence and effectiveness of the External Auditors of the respective companies, namely KPMG Malaysia, KPMG Australia, KPMG Dublin and BDO London based on the feedback from Management. The AC was satisfied that the External Auditors have the capability and expertise to act as the Auditors for the respective companies and recommended the re-appointment of KPMG Malaysia as External Auditors of the Company for FY2022 to the Board for consideration. The re-appointment of KPMG Malaysia is subject to shareholders' approval being sought at the upcoming Annual General Meeting ("**AGM**").

External Audit (cont'd)	• The AC was briefed by KPMG Malaysia on its Transparency Report 2020 and noted that the requirements of the said report include (1) audit firm's legal and governance structure; (2) measures taken by the audit firm to uphold audit quality and manage risks; and (3) Audit Quality Indicators (AQI) over a 3-year period. The AC also took note that the assessment of the competence, audit quality and resource capacity of the External Auditors in relation to the audit and the information presented in the Transparency Report should also be considered in guiding the decisions on the appointment and re-appointment of the External Auditors as set out under Guidance 9.3 of MCCG 2021.
Financial and Annual Reporting	• The quarterly results were reviewed by the AC and recommended to the Board for approval and announcement on Bursa Malaysia. • The AFS for FY2021 was reviewed by the AC with Management and External Auditors and recommended to the Board for approval and subsequent tabling at the upcoming AGM. • The Corporate Governance Overview Statement, Corporate Governance Report, AC Report, Additional Compliance Information and Statement on Risk Management and Internal Control (SORMIC) were reviewed by the AC and recommended to the Board for approval and inclusion in the Annual Report 2021. • The AC held a separate meeting with the Independent Non-Executive Directors, Management and External Auditors to discuss matters on investments in and amounts owing by the Company's JVs to enhance disclosure in the AFS of the Company.
Related Party Transactions	• The related party transactions entered into by the Group were reviewed by the AC every quarter to ensure that the transactions entered into were on arm's length basis and normal commercial terms. • The circular to shareholders in relation to the proposed renewal of existing shareholders' mandate for recurrent related party transactions ("**RRPT**") and proposed new shareholders' mandate for additional RRPT was reviewed by the AC before tabling to the Board for recommendation to the shareholders for approval.
Internal Audit ("IA")	• GCG conducted the audit work based on the approved 2021 Internal Audit Plan. The IA reports on the Malaysian and Australian operations prepared by GCG were reviewed by the AC. A total of 7 audit engagements were completed in FY2021. • The AC reviewed the IA Reports of EcoWorld Ballymore prepared by BDO London, the Internal Auditors of EcoWorld Ballymore. A total of 7 audit engagements were completed in FY2021. • The AC also reviewed the IA Reports of EcoWorld London by PricewaterhouseCoopers LLP ("**PwC London**"), the Internal Auditors of EcoWorld London. A total of 6 audit engagements were completed in FY2021. • The outcome of follow-up audits was monitored by the AC to ascertain the extent to which agreed upon action plans have been implemented by Management. • 2 private sessions for FY2021 were held with GCG to discuss any issues and significant matters without the presence of the Executive Board members and Management on 22 June 2021 and 13 December 2021 respectively.

AUDIT COMMITTEE REPORT

Internal Audit ("IA") (cont'd)	• The Quality Assurance and Improvement Programme (QAIP) performed by GCG was reviewed by the AC. This annual assessment is to provide assurance that the processes in place are working effectively to ensure quality is delivered on each audit engagement based on the International Professional Practices Framework ("**IPPF**") issued by the Institute of Internal Auditors. The AC was satisfied with the review. • The IA Plan of GCG for 2022 which covers the operations in Malaysia and Australia was approved by the AC to ensure adequate scope and coverage of the Group's activities based on the identified and assessed key risk areas. The AC also considered the adequacy of the manpower resources of GCG to carry out the activities envisaged in the IA Plan. • The IA Plan for 2021/2022 of EcoWorld Ballymore and EcoWorld London prepared by BDO London and PwC London respectively were reviewed by the AC to ensure adequate scope and coverage of the JVs' activities in the United Kingdom ("**UK**") based on the identified and assessed key risk areas. • The AC evaluated the performance of GCG based on the areas of (1) understanding; (2) team resources, skills, experience and performance; (3) communication; and (4) overall delivery. The overall performance of GCG has met the AC's expectations. • The AC evaluated the performance of BDO London and PwC London with the input from GCG. The overall performance of BDO London and PwC London has met the AC's expectations. • The AC was briefed by GCG on MCCG 2021 gap analysis report and necessary actions were recommended to the Board for consideration and adoption.

IA FUNCTION

The IA function is performed in-house and undertaken by GCG which is headed by the Chief Audit Executive, Mr Santosh P. Govindan Kutty Nair. Santosh has a Master in Business Administration (Australia), is a Chartered Member and Governor of the Institute of Internal Auditors Malaysia (IIAM) and a member of the Malaysian Institute of Certified Public Accountants (MICPA) as well as a Chartered Accountant of the MIA. He has 20 years of IA experience.

The Chief Audit Executive reports directly to the AC and administratively to the President & Chief Executive Officer. GCG is guided by International Standards for Professional Practice of Internal Auditing laid down in the IPPF and its main responsibility is to provide an objective and independent evaluation of the adequacy and efficacy of the Group's risk management, internal control and governance processes implemented by Management. GCG personnel have also declared that they are free from any relationships and conflicts of interest, which could impair their objectivity and independence in the AC meeting held in September 2021.

GCG performs the IA reviews for the Group's operations in Malaysia and Australia and works closely and coordinates with BDO London and PwC London who are undertaking the IA reviews of EcoWorld Ballymore and EcoWorld London respectively in view of their familiarity with the UK regulations and environment.

GCG carries out its review based on the approved risk-based IA Plan. During the year under review, the following activities have been carried out by GCG:

- Reviewed and tested the system of internal controls and key operating processes to enhance the Group's governance, risk management and internal control processes;
- Issued and tabled detailed IA reports to the AC subsequent to the audit engagements;
- Conducted follow-up audits to ascertain the implementation status of previously issued audit recommendations; and
- Reviewed the related party transactions on a quarterly basis.

The total cost incurred for the IA function for FY2021 was approximately RM2 million (FY2020: RM2.2 million) which included the fees incurred for the UK IA function amounting to RM1.1 million.

This AC report was approved by the Board on 10 February 2022.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("**Board**") is pleased to present the Statement on Risk Management and Internal Control for the financial year ended 31 October 2021, which outlines the key features of Eco World International Berhad's risk management and internal control systems. The following statement is issued in compliance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Principle B of the Malaysian Code on Corporate Governance 2017, with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

BOARD RESPONSIBILITY

The Board affirms its overall responsibility for maintaining a sound risk management framework and internal control system to safeguard shareholders' investments and the Group's assets, by keeping abreast with the latest developments and best practices in both risk management and governance.

In acknowledging that having a sound risk management and internal control system is imperative, the Board has established a governance structure that ensures effective oversight of risks and internal controls in the Group at all levels. In fulfilling its oversight responsibility, the Board, as a whole or through delegation to the Audit Committee and the Risk Management Committee which are empowered by their terms of reference, reviews quarterly the adequacy and effectiveness of the Group's risk management and internal control systems.

Due to inherent limitations in the system of internal control and risk management, the Board recognises that such systems are designed to manage rather than to eliminate all the risks that may hinder the Group from achieving its business objectives, and as such, can only provide reasonable but not absolute assurance against material misstatement, loss or fraud. The Board remains responsible for the governance of risk and for all the actions of the Board Committees with regards to the execution of the delegated oversight responsibilities.

The Risk Management Committee had reviewed, appraised and assessed the risk parameters, risk profile and the efficacy of the controls and progress of risk treatment plans taken to mitigate, monitor and manage the overall risk exposure of the Group during the year. The Risk Management Committee also raised issues of concern and provided feedback for Management's actions. Fraud risk assessment was performed as an extension to the existing risk management activities as an added layer of control which was also deliberated during the Risk Management Committee meetings.

MANAGEMENT RESPONSIBILITY

Management is responsible for implementing the Group's policies and procedures on risk management and internal control to identify, evaluate, measure, monitor and report on risks as well as the effectiveness of the internal control systems, taking appropriate remedial actions as required. Its roles include:

- Identifying and evaluating the risks relevant to the Group's business, and the achievement of business objectives and strategies.
- Formulating relevant policies and procedures to manage these risks in accordance with the Group's strategic vision and overall risk appetite.
- Designing, implementing and monitoring the effective implementation of the risk management and internal control system.
- Implementing the policies approved by the Board.
- Implementing remedial actions to address the control design gaps and compliance deficiencies as directed by the Board.
- Reporting in a timely manner to the Board any changes to the risks and the corrective actions taken.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

RISK MANAGEMENT

Risk Management Framework

The Group has in place an Enterprise Risk Management ("**ERM**") Framework which has incorporated fraud risk management and outlines the Group's risks and on-going process for identifying, evaluating, managing, monitoring and communicating the risks faced by the Group throughout the year under review. The framework also categorises the risks in relation to strategic, operational, fraud, financial and compliance matters based on the Group business objectives. The framework is incorporated into the risk management policy and guidelines document that has been approved by the Board.

The Group's risk management practice is benchmarked against the ISO 31000:2018 Risk Management - Principles and Guidelines, and is designed to embed ERM into key activities, initiatives and processes of the Group. The risk management framework that the Group adopts consists of five elements as reflected below:

Framework Elements	Description
Risk Governance	Establish an approach in developing, supporting, and embedding the risk strategy and accountabilities.
Risk Assessment	Identify, assess and categorise risks across our Group.
Risk Quantification and Aggregation	Measure, analyse and consolidate risks.
Risk Monitoring and Reporting	Report, monitor and conduct activities to provide insight on risk management strengths and weaknesses.
Risk and Control Optimisation	Use risk and control information to improve performance.

This is a structured and disciplined approach aligning the strategy, processes, people, technology and knowledge with the purpose of evaluating and managing the risks an organisation faces as it seeks to create value.

The Board provides full support to implement the ERM framework with an organisational structure that ensures that roles, responsibilities and accountabilities are defined and communicated at all levels. This will enable risk information to be communicated through a defined reporting structure.

The risk organisational structure of the Group as illustrated in Diagram 1 is established for effective risk management.

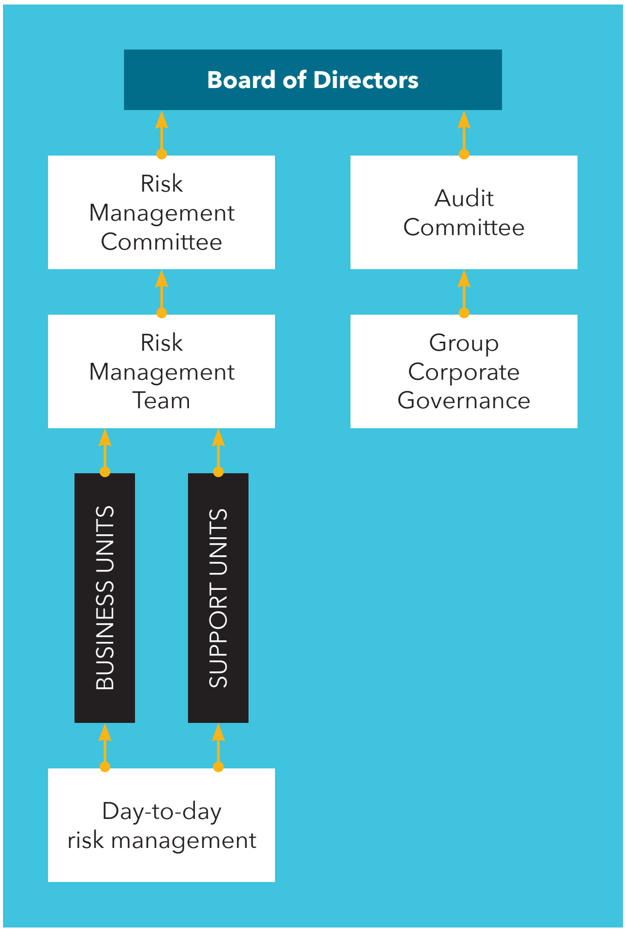


Diagram 1

Risk Management Oversight

The oversight role of risk management is carried out by the Risk Management Committee as delegated by the Board who has the ultimate oversight responsibility. The Risk Management Committee of Eco World International Berhad is formed by representatives of the Board and is chaired by an independent director. The Risk Management Committee is to ensure the risk management in the Group operates effectively based on the risk management policy approved by the Board. Significant risk issues evaluated by the Risk Management Committee will be discussed at the Board meetings. The principal roles and responsibilities of the Risk Management Committee are as follows:

- Provide oversight and direction to the Group's risk management process;
- Recommend to the Board high-level strategy which is aligned with the Group's strategic objectives;
- Communicate to the Board critical risks (present or potential) the Group faces, their changes and management action plans to manage these risks;
- Assist in the risk appraisal of corporate proposals being evaluated by the Board;
- Recommend for the Board's approval the Group's risk management policies, strategies and risk tolerance levels and proposed changes thereto; and
- Review the effectiveness of the Enterprise Risk Management framework.

The Risk Management Committee is supported by the Risk Management Team. The Risk Management Team comprises General Managers of Business Units as well as relevant Heads of the Support Departments and is chaired by the Group's President & Chief Executive Officer. The Risk Management Team has been established to oversee the risk management matters within the Group. The Risk Management Team meets on a quarterly basis and the principal roles and responsibilities include:

- Communicate the Board's vision, strategy, policy, responsibilities and reporting lines to all personnel across the Group;
- Review risk profiles and performance of the business units and departments;
- Aggregate the Group's risk position and report to the Risk Management Committee on the risk situation;
- Provide guidance to the business units and departments on the Group's risk appetite and other criteria which, when exceeded, trigger an obligation to report upwards to the Risk Management Committee and the Board;
- Identify and communicate to the Risk Management Committee the critical risks (present and potential) at the respective business units and support departments, their changes and the management's action plans to manage the risks;
- Supervise ERM policy implementation at the Group level. This includes developing and updating the ERM system at the Group level after consulting with the Risk Management Committee;
- Coordinate the issuance of company–wide uniform ERM standards, combined with the authority to set guidelines with the approval of the Risk Management Committee;
- Train and communicate ERM details within the Group; and
- Review and update risk management methodologies applied at the relevant business units and support departments, especially those related to risk identification, measuring, controlling, monitoring and reporting.

The day-to-day risk management resides with the respective business units and support departments. The principal roles and responsibilities of business units and support departments are as follows:

- Manage the business units' and support departments' risk profile;
- Report risk exposure to the Risk Management Team;
- Develop and implement action plans to manage risks;
- Report status of action plans to the Risk Management Team; and
- Ensure critical risks are considered in the action plans.

Risk Management Process

The Group's ERM Framework establishes the context of risk in relation to the Group's business and sets out the process for risk identification, measurement and treatment with continuous monitoring, review and communication.

All key risks identified are captured in a risk template and reviewed by the respective Heads of the Support Departments and General Managers of Business Units. The risk template includes detailed assessments of the risks as well as the corresponding mitigating controls implemented or to be implemented to deal with the risks.

All the risks are consolidated and presented for deliberation during the quarterly Risk Management Team meetings. Subsequently, these are also presented to the Risk Management Committee and the Board to ensure their continued application and relevance.

During the financial year, the risk management and internal controls were assessed by the Risk Management Committee and reported to the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Risk Appetite and Tolerance

Risk appetite is measured in terms of variability of return (i.e. risk) in order to achieve a desired level of result (i.e. return) as set out in the risk parameters.

The Board, through the Risk Management Committee and the Risk Management Team, establishes the risk parameters for the Group. The defined risk parameters, i.e. financial and non-financial parameters, are reviewed at least annually by Management and the Board in line with the Group's business strategies and operating environment. The financial parameters are based on the Group's risk appetite, which is defined as the level of risk Eco World International Group is prepared to accept to achieve its objectives. The Group's risk appetite can be expressed in terms of how much variability of return (i.e. risk) it is prepared to accept in order to achieve a desired level of result (i.e. return). The objective of this exercise is to determine how much risk the Group is willing to undertake.

KEY RISKS

The Group's financial performance and operations are influenced by a vast range of risk factors. We aim to mitigate the exposure through appropriate risk management strategy and internal controls. Principally, the key risks of the Group are as follows:

1 Market Sentiment

The Group is dependent on the performance of the real estate market in which the Group operates, namely in the United Kingdom and Australia. The demand for real estate among others, could be affected by the weakness in the domestic and international economic environment, changes in Government policies, banks tightening lending policies, currency exchange rate fluctuation, oversupply of certain products in the market and market risks triggered by the COVID-19 pandemic. The residential units in the projects are currently sold on a "sell-then-build" basis. As such there may be a long period of time between the exchange of the sale and purchase agreement when a deposit is paid, and the completion of the contract when the balance of the selling price is paid upon handover of the residential unit. In that duration, there may be material changes to the real estate market and the purchaser's own financial situation, which may give rise to the risk that some purchasers may not be able to complete the purchase.

During the financial year, the Group continued to face challenges due to lockdowns and border closures arising from COVID-19 and higher stamp duties following the expiry of the United Kingdom stamp duty holiday in September 2021. The Group continually assesses its risk exposure and seeks to optimise the balance between opportunities and risks, both in its operations and strategic direction in the United Kingdom and Australian real estate markets.

The Board believes that the demand for residential property in London, a global investment hub and a major employment centre, has room for further recovery, driven by gradual return of workers to offices. With regards to construction, supply chain disruption and labour shortages are causing delays and driving cost pressures in the United Kingdom construction industry. The Group is closely monitoring the active projects in London against the project milestones set.

In Australia, while the price growth momentum and property transaction volume may be affected by the reintroduction of lockdown measures recently, low interest rates and lack of advertised supply could provide support to property prices. A rollout of the COVID-19 vaccine may also enable cross-border travel to resume which could improve the buying interest of foreign purchasers.

As part of the sales and marketing strategy, we constantly seek to enhance our image and brand name to reinforce brand loyalty which includes emphasising on the quality of our products together with a variety of after-sales service beyond the completion of the projects. We also adopt customised sales and marketing strategies for each of our projects to suit market conditions with on-going review of the selling prices, design, unit mix and sizes in all our projects to ensure that the products are value-optimised, competitive and attractive. Follow-up with purchasers is also initiated to confirm the purchaser's ability to finance the settlement of the balance purchase price due when the units are handed over. The Group has increased its digital sales and marketing activities which include virtual tours of marketing suites and digital marketing campaigns.

2 Health, Safety and Environment

The Group is potentially exposed to health, safety and environment risk at our project sites. Any health, safety and environment incident at our project sites could have a significant impact on the Group. This risk is managed through several initiatives such as the development of health, safety and environment policy plan, site inspections by Health and Safety Officers and site briefings to trade contractors to promote health and safety measures on-site which include safety awareness and training initiatives. Environmental plan surveys and processes are also in place to monitor pollution, waste, dust, noise and vibration.

During the COVID-19 pandemic, the Group activated the crisis management plan in all Business Units and implemented emergency response systems as well as workstreams and protocols on staffing guidelines in response to the crisis to ensure business continuity and compliance with directives from the various governments. To safeguard the health and safety of the employees during the outbreak of COVID-19, the Group has implemented guidelines and standard operating procedures in line with the guidelines set by the local authorities' requirements for workplaces in Malaysia, United Kingdom and Australia. Temperature checks, social distancing and sanitisation procedures were among the measures taken in accordance with the health authorities to protect the safety of the employees, customers and service providers at our offices and project sites.

3 Adverse Currency Exchange Rate

The Group's main source of funds is raised in Ringgit Malaysia ("**RM**"), while the costs to be incurred by the United Kingdom and Australian projects are denominated in Pound Sterling ("**GBP**") and the Australian Dollar ("**AUD**") respectively. Hence, any adverse fluctuation in foreign exchange rates may increase the overall costs, which in turn, affect the return on capital. To minimise any potential gaps arising from adverse currency exchange fluctuations, the Group has obtained funding sources in foreign currencies such as GBP and AUD and will consider entering into suitable hedging instruments as and when appropriate. Furthermore, monitoring of the movement of GBP and AUD against RM is carried out in order to decide on the timing of funds remittance and currency conversion of funds to minimise potential losses from adverse currency exchange fluctuation.

4 Regulatory

The Group is subject to various government regulations. Any changes in prevailing laws or regulations in Malaysia and other countries in which we operate (i.e. United Kingdom and Australia) may have an impact on the Group. The Group has in place a compliance framework to minimise financial, reputational and operational risks arising from regulatory non-compliance. The Group keeps abreast of the changes and updates on the regulatory requirements that affect the Group's operations and necessary steps are taken to ensure compliance with the regulations as well as to assess and monitor the impact of such changes. For this purpose, discussions are held with our consultants, bankers and lawyers on compliance and regulatory matters. Apart from that, training is provided to staff by internal and external parties to keep them abreast of changes in laws, regulations and standards. The responsibilities for regulatory compliances are cascaded to the relevant Heads of the Support Departments and General Managers of Business Units to ensure compliance and reporting.

5 Non-Performing Contractors

The selection of contractors and monitoring of their performance during the construction stage is a critical process, which determines the quality, cost efficiency and timely delivery of projects. Poor performance of contractors may lead to quality issues, cost overrun and project delays.

Due diligence is performed before selecting contractors and senior management plays an active role such as being members of the tender and procurement committee of the business units for the selection of contractors.

Selection of contractors is through a robust selection process where contractors are evaluated against criteria such as track record, quality, pricing and timeliness to ensure transparency and enabling competent contractors to be awarded based on fixed sum contracts. Tender and Procurement Committees ("**TPC**") have been established at the Management level and is the platform used to discuss and authorise major purchases and contracts according to the approved limits of authority. One of the main duties of the TPC is to ensure that the highest levels of integrity, objectivity, accountability and transparency are maintained for each tender exercise.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Construction progress and project timeline of the contractors are monitored along with quality assurance procedures to maintain our quality standards. Furthermore, actual construction cost is monitored on a monthly basis against the project budgets and value management is conducted during the process of design development to optimise cost.

6 Liquidity

The Group has an obligation to fulfil the funding requirements of the land costs, development costs, administrative costs, overhead costs and financing costs to be incurred by the projects in United Kingdom and Australia and investment companies. The Group is dependent on a combination of short-term and long-term borrowings to fund its operations. Apart from cash generated from sales revenue, the Group is reliant on a combination of both equity and borrowings to fund its operations and may be adversely affected by a shortfall in anticipated cash flows. The Group continues to monitor the Group's cash flow requirement and ensure the adequacy of financing facilities to support the Group's current and future needs. The networking with key bankers is on a continuous basis to keep track of their lending appetite and to explore new funding opportunities. The Group also monitors the repayment maturity profiles and financial covenants of its borrowings ensure that its gearing is within acceptable levels. The Group has also embarked on a major cost rationalisation exercise to reduce the overall overhead costs.

7 Talent Management

Key personnel are crucial to ensure the smooth running of the operations as well as achieving the goals and objectives of the Group. The loss of key personnel may be detrimental to the Group. There are continuing initiatives to develop highly skilled and competent people. This includes grooming and developing younger members of the management team to gradually assume greater responsibilities as part of our succession plan in preparation for our anticipated growth. The Group also continues to implement and conduct various talent management and leadership programmes to further strengthen and improve the competency and capabilities of the employees of the Group. The compensation and benefits packages are also benchmarked against the competition in the respective countries.

8 Cyber Security

Cyber-attacks can cause serious damage to the Group, in terms of business disruption and leakage of confidential data. The Group monitors and implements controls to protect its critical business systems from the ever-changing cyber-threat landscape and challenges through appropriate security solutions such as firewall and anti-virus software. Apart from that, professionals are also engaged to perform system security testing.

Various IT policies and procedures are developed and deployed. Virtual trainings are conducted to create and enhance staff awareness on the importance of cybersecurity and engagement of established service providers that are ISO certified which include cloud service providers for providing appropriate security solutions. A Disaster Recovery Plan is also formulated to address technical recovery in the event of a disaster.

INTERNAL CONTROL

The key elements of the internal control system established by the Board that provides effective governance and oversight of internal control include:

Integrity and Ethical Values

The Group is committed to upholding a strong culture of integrity and ethical values, as emphasised in the Code of Conduct and Business Ethics which shall be observed by Directors and Employees of the Group. The Group's Code of Conduct and Business Ethics of Directors and Employees ("**Code**") was approved on 14 June 2017 and was revised on 26 March 2020.

The Code will be reviewed as and when necessary to ensure that it remains current and relevant in addressing any ethical issues that may arise within the organisation.

Organisation Structure

The Group has an organisation structure which formally defines the lines of reporting, as well as the accountabilities and responsibilities of the various functions within the Group. In addition, the Board of Directors and its various Board Committees are all governed by defined terms of reference.

Limits of Authority

The Group has established financial limits of authority which defines the approving limits that have been assigned and delegated to each approving authority within the Group. The limits of authority are reviewed and updated in line with changes in the organisation.

Policies and Procedures

Elements of internal control have been embedded and documented in the form of policies and procedures which are reviewed and updated to reflect changes in the business environment. Accountability and responsibility for key processes have been established in the standard operating procedures.

Compliance Framework

The Group has in place a compliance framework to minimise financial, reputational and operational risks arising from regulatory non-compliance. The Group has not noted any incidents of regulatory non-compliances to date.

Talent Management

Recruitment strategies are in place to attract skilled and competent persons to join the Group. On-the-job training and classroom training programmes are made available to all employees to ensure that they are trained and competent in carrying out their duties and responsibilities. Established guidelines are in place for recruitment, talent development programmes and performance appraisal to maintain high competency and capability levels.

Financial Budgeting

Annual budgets are prepared in advance for each financial year and these budgets are subject to review by Senior Management prior to tabling to the Board for approval. Actual performance is reviewed against the budget with detailed explanations provided for material variances.

Performance Review

Comprehensive information on financial performance, achievement of key performance indicators and progress of key projects are communicated by Senior Management to the Board on a quarterly basis. Furthermore, quarterly senior management meetings are held to discuss the Group's financial performance, business development, operational and corporate issues.

Investor Relations

Briefings are conducted half-yearly where the Group's financial performance, which has been approved by the Board, is communicated externally to fund managers, investment analysts and bankers who are given the opportunity to seek further clarification from the Senior Management.

Information Technology Management

IT systems and communication channels are put in place to enable effective decision-making by providing management with timely and accurate information.

Whistleblowing Policy

The Group has put in place a whistleblowing policy which allows, supports and encourages its employees and third parties to report and disclose any improper or illegal activities within the Group. It is the Group's commitment to investigate any suspected serious misconduct or any breach reported, as well as to protect those who come forward to report such activities.

Anti-Bribery and Anti-Corruption Policy

The Group adopts a zero-tolerance approach to bribery and corruption in all its forms. It is committed in conducting the business free from any acts of bribery and corruption in upholding high standards of ethics and integrity. The Group has established an anti-bribery and anti- corruption policy which prohibits all forms of bribery and corruption practices.

Sustainability

The Group has a sustainability governance structure to oversee the implementation of sustainable practices across all our operations. The Board is responsible for steering the Group in the direction of achieving overall sustainable growth. Reporting to the Board is the Sustainability Committee which is led by the President & Chief Executive Officer of the Group and comprises members of Senior Management from EcoWorld International ("**EWI**") Malaysia, EWI United Kingdom and EWI Australia. The Committee is responsible for monitoring the implementation of sustainability initiatives as well as informing the Board on the Group's sustainability performance and progress.

Board Committees

The Board has established several board committees to oversee the various functions within the Group, which include the Audit Committee, Risk Management Committee, Nomination & Remuneration Committee and Whistleblowing Committee. These Board Committees have been delegated with specific duties to review and consider all matters within their scope of responsibility as defined in their respective terms of reference.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT FUNCTION

The internal audit function of the Group with the exception of the joint-venture entities in the United Kingdom, is performed in-house and undertaken by Group Corporate Governance ("**GCG**") which reports to the Audit Committee on the adequacy and effectiveness of the Group's governance, risk management and internal control systems.

GCG works closely with the following parties who are undertaking the internal audit function of the joint-venture entities in the United Kingdom in view of their familiarity with the United Kingdom's regulations and environment:

(i) Messrs BDO LLP ("**BDO**") is the Internal Auditor of EcoWorld-Ballymore; and

(ii) Messrs PricewaterhouseCoopers LLP ("**PwC**") is the Internal Auditor of EcoWorld London.

BDO and PwC are appointed by the respective joint-venture entities.

A description of the activities of GCG during the financial year ended 31 October 2021 can be found in the Audit Committee Report included in this Annual Report.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the Audit and Assurance Practice Guide ("**AAPG**") 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants ("**MIA**") for inclusion in the annual report of the Group for the year ended 31 October 2021, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or

b) is factually not accurate.

AAPG3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risk and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the risk management and internal control systems to safeguard the shareholders' investments and the Group's assets.

In addition, the Board has received assurances from the President & Chief Executive Officer and Chief Financial Officer that the Group's risk management and the internal control systems are operating effectively, in all material respects.

The Board will continue to monitor all major risks affecting the Group and take necessary measures to mitigate them and continue to enhance the adequacy and effectiveness of the risk management and internal control systems of the Group.

This statement was approved by the Board of Directors on 10 February 2022.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS FROM CORPORATE PROPOSAL

There were no proceeds raised from corporate proposals during the financial year.

AUDIT AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the external auditors and firms affiliated to the external auditors' firm are as follows:

	Group (RM)	Company (RM)
Audit Fees	634,000	93,500
Non-Audit Fees	15,000*	15,000*
Total	**649,000**	**108,500**

* *Consists of limited assurance work on Statement on Risk Management and Internal Control*

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest which were still subsisting as at the end of the financial year or which were entered into since the end of the previous financial year except as disclosed in Note 31 of the audited financial statements for FY2021.


Wardian London

DIRECTORS' RESPONSIBILITY STATEMENT FOR THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 ("Act") to prepare the financial statements for each financial year which have been made out in accordance with the applicable Malaysian Financial Reporting Standards (MFRSs), the International Financial Reporting Standards (IFRSs) and the requirements of the Act.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of each financial year and of the results and cash flows of the Group and of the Company for that financial year.

In preparing the financial statements, the Directors have:

(i) adopted appropriate accounting policies and applied them consistently;

(ii) made judgements and estimates that are reasonable and prudent;

(iii) adhered to all applicable approved accounting standards in Malaysia; and

(iv) prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company and to detect and prevent fraud and other irregularities.

7th Virtual Annual General Meeting held on 31 March 2021

FINANCIAL REPORTS

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FINANCIAL STATEMENTS

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ADDITIONAL INFORMATION

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2021

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 October 2021.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries and joint ventures are disclosed in Notes 6 and 7 respectively of the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

RESULTS

	GROUP RM'000	COMPANY RM'000
Profit for the year attributable to:		
Owners of the Company	13,570	236,356
Non-controlling interests	2,305	-
	15,875	236,356

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

DIVIDENDS

The following amount of dividends have been paid by the Company during the financial year under review:

In respect of the financial year ended 31 October 2021:

a) A first interim dividend of 1.00 sen per ordinary share amounting to RM24,000,000 declared on 25 March 2021 and paid on 28 April 2021.

b) A special dividend of 5.00 sen per ordinary share amounting to RM120,000,000 declared on 24 June 2021 and paid on 23 July 2021.

The Directors do not recommend any final dividend to be paid for the financial year ended 31 October 2021.

DIRECTORS OF THE COMPANY

Directors who served during the financial year until the date of this report are:

Tan Sri Azlan Bin Mohd Zainol
Tan Sri Dato' Sri Liew Kee Sin*
Dato' Teow Leong Seng*
Cheah Tek Kuang
Dato' Chang Khim Wah
Choong Yee How*
Cheng Hsing Yao*
Tan Sri Datuk Dr Rebecca Fatima Sta Maria
Dato' Siow Kim Lun
Dato' Kong Sooi Lin
Pauline Wong Wan Voon
Wong Hock Chuan* (Appointed on 1 July 2021 – Alternate Director to Mr Cheng Hsing Yao)

* *These Directors are also Directors of certain subsidiaries*

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2021

DIRECTORS OF THE SUBSIDIARIES

The following is a list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial year until the date of this report:

Cheong Heng Leong
Lord Jonathan Marland
Anita Hughes
Stephen Anthony Rae McGrath
Edward Michael Fletcher
Yap Foo Leong
Ong Wee Ting
Tan Swee Peng (Alternate Director to Dato' Teow Leong Seng)
Lord Edward Udny-Lister (Appointed on 1 October 2021)

DIRECTORS' INTERESTS

The interests and deemed interests in the ordinary shares and warrants of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at the financial year end (including the interests of the spouses and children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	NUMBER OF ORDINARY SHARES			
	AT 1.11.2020	ACQUIRED	SOLD	AT 31.10.2021
The Company				
Direct interest				
Tan Sri Azlan Bin Mohd Zainol	5,120,000	-	-	**5,120,000**
Tan Sri Dato' Sri Liew Kee Sin	246,540,798	-	-	**246,540,798**
Dato' Teow Leong Seng	15,263,000	-	-	**15,263,000**
Cheah Tek Kuang	3,000,000	-	-	**3,000,000**
Dato' Chang Khim Wah	1,471,400	-	-	**1,471,400**
Dato' Siow Kim Lun	2,000,000	-	-	**2,000,000**
Indirect interest				
Tan Sri Azlan Bin Mohd Zainol(1)	67,200	-	-	**67,200**
Tan Sri Dato' Sri Liew Kee Sin(2)	45,700,000	-	-	**45,700,000**
Tan Sri Datuk Dr Rebecca Fatima Sta Maria(3)	5,000,000	-	-	**5,000,000**

	NUMBER OF WARRANTS 2017/2022			
	AT 1.11.2020	ACQUIRED	EXERCISED/ DISPOSED	AT 31.10.2021
The Company				
Direct interest				
Tan Sri Azlan Bin Mohd Zainol	2,048,000	-	-	**2,048,000**
Tan Sri Dato' Sri Liew Kee Sin	98,616,319	-	-	**98,616,319**
Dato' Teow Leong Seng	6,105,200	-	-	**6,105,200**
Cheah Tek Kuang	1,200,000	-	-	**1,200,000**
Dato' Chang Khim Wah	8,000	-	-	**8,000**
Dato' Siow Kim Lun	800,000	-	-	**800,000**
Indirect interest				
Tan Sri Azlan Bin Mohd Zainol(1)	27,280	-	-	**27,280**
Tan Sri Dato' Sri Liew Kee Sin(3)	18,280,000	-	(17,600,000)	**680,000**

(1) *Deemed interested by virtue of his child's interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016*
(2) *Deemed interested by virtue of his spouse's and child's interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016*
(3) *Deemed interested by virtue of her/his spouse's interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016*

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2021

DIRECTORS' INTERESTS (CONTINUED)

Other than as disclosed above, none of the other Directors holding office as at 31 October 2021 had any interest in the ordinary shares and warrants of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received nor become entitled to receive any benefit (other than those fees and other benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than those disclosed in Note 31 to the financial statements.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate apart from the outstanding Warrants 2017/2022.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial year and no debentures were issued by the Company during the financial year.

WARRANTS 2017/2022

The salient terms of the Warrants 2017/2022 are disclosed in Note 18.1 to the financial statements.

No Warrants 2017/2022 were exercised during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and officers of the Group are RM50,000,000 and RM67,000 respectively.

There was no indemnity given to or insurance effected for the auditors of the Company.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts; and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2021

OTHER STATUTORY INFORMATION (CONTINUED)

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent; or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

ii) any contingent liability in respect of the Group or of the Company which has arisen since the end of the financial year.

No contingent liability or other liability of the Group and of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, except for reclassification of losses from hedge of net investment included in profit or loss and impairment losses of goodwill as disclosed in Note 26 to the financial statements, the financial performance of the Group and of the Company for the financial year ended 31 October 2021 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration is disclosed in Note 26 to the financial statements.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

Tan Sri Dato' Sri Liew Kee Sin
Director

Dato' Teow Leong Seng
Director

Petaling Jaya,
Date: 10 February 2022

STATEMENTS OF FINANCIAL POSITION

AS AT 31 OCTOBER 2021

	NOTE	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Assets					
Plant and equipment	3	**2,290**	3,098	**424**	554
Right-of-use assets	4	**2,418**	4,449	**-**	-
Goodwill	5	**695**	10,669	**-**	-
Investments in subsidiaries	6	**-**	-	**3,181,238**	3,464,080
Investments in joint ventures	7	**464,122**	672,993	**-**	-
Inventories	8	**143,995**	132,264	**-**	-
Amounts owing by joint ventures	9	**1,394,946**	739,835	**-**	-
Deferred tax assets	10	**-**	8,894	**-**	-
Total non-current assets		**2,008,466**	1,572,202	**3,181,662**	3,464,634
Inventories	8	**250,375**	652,243	**-**	-
Amounts owing by joint ventures	9	**1,137,390**	1,491,755	**1**	-
Trade receivables	11	**572**	1,666	**-**	-
Other receivables, deposits and prepayments	12	**4,149**	51,304	**4,284**	6
Contract costs	13.1	**2,038**	11,069	**-**	-
Amounts owing by subsidiaries	14	**-**	-	**72**	484
Current tax assets		**9,164**	722	**-**	191
Derivative financial assets	15	**-**	2,487	**-**	2,487
Cash, bank balances and deposits	16	**336,115**	284,014	**315,741**	120,894
Total current assets		**1,739,803**	2,495,260	**320,098**	124,062
Total assets		**3,748,269**	4,067,462	**3,501,760**	3,588,696

STATEMENTS OF FINANCIAL POSITION
AS AT 31 OCTOBER 2021

	NOTE	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Equity					
Share capital	17	**2,592,451**	2,592,451	**2,592,451**	2,592,451
Warrants reserve	18.1	**276,418**	276,418	**276,418**	276,418
Hedging reserve	18.2	**(1,316)**	(329)	**(1,316)**	(329)
Exchange translation reserve	18.3	**134,192**	(73,451)	**-**	-
Accumulated losses		**(186,447)**	(56,017)	**(126,328)**	(218,684)
Total equity attributable to owners of the Company		**2,815,298**	2,739,072	**2,741,225**	2,649,856
Non-controlling interests		**1,976**	9,074	**-**	-
Total equity		**2,817,274**	2,748,146	**2,741,225**	2,649,856
Liabilities					
Borrowings	19	**761,904**	448,371	**611,097**	448,371
Lease liabilities		**1,822**	3,668	**-**	-
Deferred tax liabilities	10	**3,855**	2,576	**-**	-
Derivative financial liabilities	15	**1,387**	602	**1,387**	602
Total non-current liabilities		**768,968**	455,217	**612,484**	448,973
Trade payables	20	**990**	6,742	**-**	-
Other payables and accruals	21	**16,090**	18,194	**9,360**	8,881
Contract liabilities	13.2	**1,389**	47,500	**-**	-
Borrowings	19	**138,634**	779,988	**138,634**	479,951
Lease liabilities		**919**	1,070	**-**	-
Current tax liabilities		**4,005**	9,570	**57**	-
Derivative financial liabilities	15	**-**	1,035	**-**	1,035
Total current liabilities		**162,027**	864,099	**148,051**	489,867
Total liabilities		**930,995**	1,319,316	**760,535**	938,840
Total equity and liabilities		**3,748,269**	4,067,462	**3,501,760**	3,588,696

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 OCTOBER 2021

	NOTE	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Revenue	22	**572,712**	672,985	**318,318**	6,098
Cost of sales		**(452,581)**	(572,995)	**-**	-
Gross profit		**120,131**	99,990	**318,318**	6,098
Other income	23	**34,536**	26,122	**17,039**	11,545
Marketing expenses		**(22,022)**	(26,438)	**-**	-
Administrative and general expenses		**(55,921)**	(39,326)	**(35,592)**	(19,814)
Impairment losses on goodwill	5	**(10,289)**	(83,000)	**-**	-
Unrealised (loss)/gain on foreign exchange		**(3,530)**	960	**(3,534)**	1,023
Finance costs	24	**(59,318)**	(41,264)	**(59,147)**	(60,723)
Share of profit of joint ventures		**47,215**	176,847	**-**	-
Profit/(Loss) before tax		**50,802**	113,891	**237,084**	(61,871)
Tax expense	25	**(34,927)**	(31,311)	**(728)**	-
Profit/(Loss) for the year	26	**15,875**	82,580	**236,356**	(61,871)
Other comprehensive (loss)/income, net of tax					
Items that may be reclassified subsequently to profit or loss:					
Hedge of net investment		**(987)**	1,682	**(987)**	1,682
Exchange differences on translation of foreign operations		**208,016**	(28,636)	**-**	-
Other comprehensive income/(loss) for the year, net of tax	27	**207,029**	(26,954)	**(987)**	1,682
Total comprehensive income/(loss) for the year		**222,904**	55,626	**235,369**	(60,189)
Profit/(Loss) for the year attributable to:					
Owners of the Company		**13,570**	80,326	**236,356**	(61,871)
Non-controlling interests		**2,305**	2,254	**-**	-
		15,875	82,580	**236,356**	(61,871)
Total comprehensive income/(loss) for the year attributable to:					
Owners of the Company		**220,226**	53,431	**235,369**	(60,189)
Non-controlling interests		**2,678**	2,195	**-**	-
		222,904	55,626	**235,369**	(60,189)
Earnings per ordinary share (sen):					
Basic earnings per share	28	**0.57**	3.35		
Diluted earnings per share	28	**0.57**	3.35		

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2021

	NOTE	SHARE CAPITAL RM'000	WARRANTS RESERVE RM'000	HEDGING RESERVE RM'000	EXCHANGE TRANSLATION RESERVE RM'000	ACCUMULATED LOSSES RM'000	TOTAL RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
		ATTRIBUTABLE TO OWNERS OF THE COMPANY — NON-DISTRIBUTABLE							
Group									
At 1 November 2019		2,592,451	276,418	(2,011)	(44,874)	(136,343)	2,685,641	8,896	2,694,537
Other comprehensive income/(loss) for the year:									
- Hedge of net investment	27	-	-	1,682	-	-	1,682	-	1,682
- Exchange differences on translation of foreign operations	27	-	-	-	(28,577)	-	(28,577)	(59)	(28,636)
Profit for the year		-	-	-	-	80,326	80,326	2,254	82,580
Total comprehensive income/(loss) for the year		-	-	1,682	(28,577)	80,326	53,431	2,195	55,626
Dividends declared to non-controlling interests of a subsidiary		-	-	-	-	-	-	(2,017)	(2,017)
At 31 October 2020		2,592,451	276,418	(329)	(73,451)	(56,017)	2,739,072	9,074	2,748,146
		Note 17	Note 18.1	Note 18.2	Note 18.3				

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2021

	NOTE	SHARE CAPITAL RM'000	WARRANTS RESERVE RM'000	HEDGING RESERVE RM'000	EXCHANGE TRANSLATION RESERVE RM'000	ACCUMULATED LOSSES RM'000	TOTAL RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
		ATTRIBUTABLE TO OWNERS OF THE COMPANY							
		NON-DISTRIBUTABLE							
Group									
At 1 November 2020		2,592,451	276,418	(329)	(73,451)	(56,017)	2,739,072	9,074	2,748,146
Other comprehensive (loss)/income for the year:									
- Hedge of net investment	27	-	-	(987)	-	-	(987)	-	(987)
- Exchange differences on translation of foreign operations	27	-	-	-	207,643	-	207,643	373	208,016
Profit for the year		-	-	-	-	13,570	13,570	2,305	15,875
Total comprehensive (loss)/income for the year		-	-	(987)	207,643	13,570	220,226	2,678	222,904
Dividends declared to owners of the Company	29	-	-	-	-	(144,000)	(144,000)	-	(144,000)
Dividends declared to non-controlling interests of a subsidiary		-	-	-	-	-	-	(9,776)	(9,776)
At 31 October 2021		**2,592,451**	**276,418**	**(1,316)**	**134,192**	**(186,447)**	**2,815,298**	**1,976**	**2,817,274**
		Note 17	Note 18.1	Note 18.2	Note 18.3				

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2021

	NOTE	SHARE CAPITAL RM'000	NON-DISTRIBUTABLE WARRANTS RESERVE RM'000	HEDGING RESERVE RM'000	ACCUMULATED LOSSES RM'000	TOTAL EQUITY RM'000
Company						
At 1 November 2019		2,592,451	276,418	(2,011)	(156,813)	2,710,045
Other comprehensive income for the year						
- Hedge of net investment	27	-	-	1,682	-	1,682
Loss for the year		-	-	-	(61,871)	(61,871)
Total comprehensive income/(loss) for the year		-	-	1,682	(61,871)	(60,189)
At 31 October 2020/ 1 November 2020		2,592,451	276,418	(329)	(218,684)	2,649,856
Other comprehensive loss for the year						
- Hedge of net investment	27	-	-	(987)	-	(987)
Profit for the year		-	-	-	236,356	236,356
Total comprehensive (loss)/income for the year		-	-	(987)	236,356	235,369
Dividends declared to owners of the Company	29	-	-	-	(144,000)	(144,000)
At 31 October 2021		**2,592,451**	**276,418**	**(1,316)**	**(126,328)**	**2,741,225**
		Note 17	Note 18.1	Note 18.2		

The accompanying accounting policies and explanatory notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2021

	NOTE	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Cash flows from operating activities					
Profit/(Loss) before tax		**50,802**	113,891	**237,084**	(61,871)
Adjustments for:					
Interest income	23	**(10,307)**	(12,746)	**(6,203)**	(11,545)
Dividend income	22	**-**	-	**(318,318)**	(6,098)
(Gain)/Loss on disposal of plant and equipment	26	**(1)**	29	**(1)**	-
Gain on lease modification		**(82)**	-	**-**	-
Plant and equipment written off	26	**322**	51	**-**	-
Depreciation of plant and equipment	3	**1,200**	1,780	**152**	168
Depreciation of right-of-use assets	4	**958**	1,213	**-**	-
Reclassification of losses from hedge of net investment included in profit or loss	26	**21,581**	-	**21,581**	-
Share of profit of joint ventures		**(47,215)**	(176,847)	**-**	-
Finance costs	24	**59,318**	41,264	**59,147**	60,723
Unrealised loss/(gain) on foreign exchange	26	**3,530**	(960)	**3,534**	(1,023)
Impairment loss on goodwill	5	**10,289**	83,000	**-**	-
Operating gain/(loss) before working capital changes		**90,395**	50,675	**(3,024)**	(19,646)
Changes in inventories		**442,961**	308,928	**-**	-
Changes in receivables and other current assets		**44,743**	85,081	**(4,280)**	-
Changes in payables and other current liabilities		**(9,360)**	(56,970)	**63**	(8,371)
Changes in contract liabilities		**(46,111)**	(66,384)	**-**	-
Changes in derivatives		**(22,043)**	-	**(22,043)**	-
Cash generated from/(used in) operations		**500,585**	321,330	**(29,284)**	(28,017)
Interest received		**6,040**	6,456	**1,983**	5,494
Tax paid		**(39,327)**	(10,402)	**(480)**	(191)
Tax refunded		**-**	385	**-**	385
Net cash generated from/(used in) operating activities		**467,298**	317,769	**(27,781)**	(22,329)
Cash flows from investing activities					
Purchase of plant and equipment		**(613)**	(839)	**(23)**	(5)
Proceeds from disposal of plant and equipment		**2**	91	**2**	-
(Placement)/Withdrawal of restricted cash and bank balances		**(4,721)**	6,336	**(8,548)**	1,966
Net advances to joint ventures		**(162,560)**	(144,253)	**-**	-
Net advances repaid/(advances and equity contribution to) subsidiaries		**-**	-	**283,255**	(102,511)
Dividends received		**299,297**	-	**318,318**	6,098
Interest received		**4,267**	6,290	**4,220**	6,051
Net cash generated from/(used in) investing activities		**135,672**	(132,375)	**597,224**	(88,401)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2021

	NOTE	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Cash flows from financing activities					
Drawdown of borrowings	a	**458,816**	387,356	**303,857**	133,271
Repayment of borrowings	a	**(816,455)**	(642,616)	**(483,271)**	(197,139)
Dividends paid to owners of the Company		**(144,000)**	-	**(144,000)**	-
Dividends paid to non-controlling interests of a subsidiary		**(9,776)**	(2,017)	**-**	-
Repayment of lease liabilities	a	**(842)**	(1,048)	**-**	-
Interest paid in relation to lease liabilities	24	**(169)**	(263)	**-**	-
Interest paid		**(61,278)**	(74,598)	**(58,609)**	(58,194)
Net cash used in financing activities		**(573,704)**	(333,186)	**(382,023)**	(122,062)
Net increase/(decrease) in cash and cash equivalents		**29,266**	(147,792)	**187,420**	(232,792)
Cash and cash equivalents at the beginning of the year		**269,975**	419,620	**110,682**	344,208
Effect of exchange rate changes		**18,114**	(1,853)	**(1,121)**	(734)
Cash and cash equivalents at the end of the year	16	**317,355**	269,975	**296,981**	110,682

Cash outflows for leases as a lessee

	NOTE	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Included in net cash from operating activities:					
Payment relating to short-term leases	26	**700**	1,877	**180**	180
Payment relating to leases of low-value assets	26	**53**	72	**23**	28
Included in net cash from financing activities:					
Interest paid in relation to lease liabilities	24	**169**	263	**-**	-
Repayment of lease liabilities		**842**	1,048	**-**	-
Total cash outflows for leases		**1,764**	3,260	**203**	208

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2021

Note a

Reconciliation of movements of liabilities to cash flows arising from financing activities is summarised as follows:

GROUP	BORROWINGS RM'000	LEASE LIABILITIES RM'000	TOTAL RM'000
At 1 November 2019	1,463,745	5,792	1,469,537
Net changes from financing cash flows			
Drawdown of borrowings	387,356	-	387,356
Repayment of borrowings	(642,616)	-	(642,616)
Repayment of lease liabilities	-	(1,048)	(1,048)
Other changes			
Amortisation of facility fee on borrowings	2,899	-	2,899
Foreign exchange movements	16,975	(6)	16,969
At 31 October 2020/1 November 2020	1,228,359	4,738	1,233,097
Net changes from financing cash flows			
Drawdown of borrowings	458,816	-	458,816
Repayment of borrowings	(816,455)	-	(816,455)
Repayment of lease liabilities	-	(842)	(842)
Other changes			
Amortisation of transaction costs	2,139	-	2,139
Transaction costs included in borrowings	(2,017)	-	(2,017)
Derecognition of lease liabilities	-	(1,155)	(1,155)
Foreign exchange movements	29,696	-	29,696
At 31 October 2021	**900,538**	**2,741**	**903,279**

COMPANY	BORROWINGS RM'000
At 1 November 2019	989,680
Net changes from financing cash flows	
Drawdown of borrowings	133,271
Repayment of borrowings	(197,139)
Other changes	
Amortisation of facility fee on borrowings	2,899
Foreign exchange movements	(389)
At 31 October 2020/1 November 2020	928,322
Net changes from financing cash flows	
Drawdown of borrowings	303,857
Repayment of borrowings	(483,271)
Other changes	
Amortisation of transaction costs	2,139
Transaction costs included in borrowings	(2,017)
Foreign exchange movements	701
At 31 October 2021	**749,731**

NOTES TO THE FINANCIAL STATEMENTS

Eco World International Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of the principal place of business and registered office of the Company is as follows:

Suite 59, Setia Avenue
No. 2, Jalan Setia Prima S U13/S
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 31 October 2021 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interests in joint ventures.

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are stated in Note 6 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 10 February 2022.

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- Amendments to MFRS 9, *Financial Instruments*, MFRS 139, *Financial Instruments: Recognition and Measurement*, MFRS 7, *Financial Instruments: Disclosures*, MFRS 4, *Insurance Contracts* and MFRS 16, *Leases – Interest Rate Benchmark Reform – Phase 2*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 April 2021

- Amendment to MFRS 16, *Leases – COVID-19-Related Rent Concessions beyond 30 June 2021*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment - Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts - Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018-2020)*

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 November 2021 for those amendments that are effective for annual periods beginning on or after 1 January 2021 and 1 April 2021;
- from the annual period beginning on 1 November 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022; and
- from the annual period beginning on 1 November 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023.

The initial application of the accounting standards, interpretations or amendments is not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than valuation of inventories as disclosed in Note 8.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has *de facto* power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Acquisitions of non-controlling interests

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (continued)

(iv) Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns.

A joint arrangement is classified as "joint venture" when the Group has rights only to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method.

(v) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted joint ventures are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate on that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date, except for those that are measured at fair value are retranslated to the functional currency at the exchange rate on the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of equity instruments where they are measured at fair value through other comprehensive income or a financial instrument designated as a cash flow hedge, which are recognised in other comprehensive income.

In consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign currency translation reserve ("FCTR") in equity.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Foreign currency (continued)

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting period, which are treated as assets and liabilities of the Company. The income and expenses of foreign operations are translated to RM at exchange rates on the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the FCTR in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

(c) Financial instruments

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value. For a financial asset or a financial liability that is not at fair value through profit or loss, the initial measurement at fair value also includes transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(a) Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(k)(i)) where the effective interest rate is applied to the amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Financial assets (continued)

(b) Fair value through profit or loss

All financial assets not measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss, are subject to impairment assessment (see Note 2(k)(i)).

Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

(a) Fair value through profit or loss

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

On initial recognition, the Group or the Company may irrevocably designate a financial liability that otherwise meets the requirements to be measured at amortised cost as at fair value through profit or loss:

(a) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise;

(b) a group of financial liabilities or assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Group's key management personnel; or

(c) if a contract contains one or more embedded derivatives and the host is not a financial asset in the scope of MFRS 9, where the embedded derivative significantly modifies the cash flows and separation is not prohibited.

Financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair value with gains or losses, including any interest expense are recognised in the profit or loss.

For financial liabilities where it is designated as fair value through profit or loss upon initial recognition, the Group and the Company recognise the amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income and remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Financial liabilities (continued)

(b) Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.

Liabilities arising from financial guarantees are presented together with other provisions.

(iv) Hedge accounting

At inception of a designated hedging relationship, the Group and the Company document the risk management objective and strategy for undertaking the hedge. The Group and the Company also document the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Hedge of a net investment

A hedge of a net investment is a hedge in the interest of the net assets of a foreign operation. In a net investment hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion is recognised in profit or loss. The cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss on disposal of the foreign operation.

(v) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received together with any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

A financial liability or part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (continued)

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(d) Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and is recognised net within "other income" and "administrative and general expenses" respectively in the profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment from the date that they are available for use. Plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows:

• Furniture and fittings	10 years
• Office equipment	5 - 10 years
• Computers	3 - 5 years
• Motor vehicles	6 years
• Renovation and show unit	4 - 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Leases

(i) Definition of a lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(ii) Recognition and initial measurement

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate. Generally, the Group entities use their incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The Group excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Leases (continued)

(iii) Subsequent measurement

As a lessee

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(f) Goodwill

Goodwill which arises on business combinations is measured at cost less any accumulated impairment losses.

Amortisation

Goodwill is not amortised but is tested for impairment annually and whenever there is an indication that it may be impaired.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the land, development and conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(h) Contract asset/Contract liability

A contract asset is recognised when the Group's or the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9, *Financial Instruments* (see Note 2(k)(i)).

A contract liability is stated at cost and represents the obligation of the Group or the Company to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Contract cost

(i) Incremental cost of obtaining a contract

The Group or the Company recognises incremental costs of obtaining contracts when the Group or the Company expects to recover these costs.

(ii) Cost to fulfill a contract

The Group or the Company recognises a contract cost that relates directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group or the Company, will be used in satisfying performance obligations in the future and it is expected to be recovered.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in the profit and loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and restricted balances.

(k) Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost, contract assets and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balance which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment (continued)

(i) Financial assets (continued)

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery amounts due.

(ii) Other assets

The carrying amounts of other assets (except for inventories, contract assets and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Equity instruments

Instruments are classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(m) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(o) Revenue and other income

(i) Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group or the Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group or the Company transfers control of a good or service at a point in time unless one of the following over time criteria is met:

(a) the customer simultaneously receives and consumes the benefits provided as the Group or the Company performs;

(b) the Group's or the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

(c) the Group's or the Company's performance does not create an asset with an alternative use and the Group or the Company has an enforceable right to payment for performance completed to date.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Revenue and other income (continued)

(ii) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(p) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(q) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is enacted tax payable on the taxable income for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Income tax (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise warrants issued.

(s) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

(t) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS

3. PLANT AND EQUIPMENT

GROUP	FURNITURE AND FITTINGS RM'000	OFFICE EQUIPMENT RM'000	COMPUTERS RM'000	MOTOR VEHICLES RM'000	RENOVATION AND SHOW UNIT RM'000	WORK-IN-PROGRESS RM'000	TOTAL RM'000
Cost							
At 1 November 2019	1,920	920	870	229	8,349	-	12,288
Additions	-	20	20	-	770	29	839
Disposal	-	-	-	(196)	-	-	(196)
Write off	-	-	-	-	(2,283)	-	(2,283)
Effect of movement in exchange rates	(7)	-	5	(11)	54	(1)	40
At 31 October 2020/ 1 November 2020	1,913	940	895	22	6,890	28	10,688
Additions	-	24	27	1	237	324	613
Disposal	-	-	-	(10)	-	-	(10)
Write off	(42)	(1)	-	-	(976)	-	(1,019)
Transfers	-	12	-	-	353	(365)	-
Effect of movement in exchange rates	113	1	28	-	44	13	199
At 31 October 2021	**1,984**	**976**	**950**	**13**	**6,548**	**-**	**10,471**
Accumulated depreciation							
At 1 November 2019	765	623	768	80	5,809	-	8,045
Charge for the year	312	144	63	17	1,244	-	1,780
Disposal	-	-	-	(76)	-	-	(76)
Write off	-	-	-	-	(2,232)	-	(2,232)
Effect of movement in exchange rates	(3)	-	5	(4)	75	-	73
At 31 October 2020/ 1 November 2020	1,074	767	836	17	4,896	-	7,590
Charge for the year	318	142	48	2	690	-	1,200
Disposal	-	-	-	(9)	-	-	(9)
Write off	(16)	-	-	-	(681)	-	(697)
Effect of movement in exchange rates	67	-	28	-	2	-	97
At 31 October 2021	**1,443**	**909**	**912**	**10**	**4,907**	**-**	**8,181**
Carrying amount							
At 1 November 2019	1,155	297	102	149	2,540	-	4,243
At 31 October 2020/ 1 November 2020	839	173	59	5	1,994	28	3,098
At 31 October 2021	**541**	**67**	**38**	**3**	**1,641**	**-**	**2,290**

NOTES TO THE FINANCIAL STATEMENTS

3. PLANT AND EQUIPMENT (CONTINUED)

COMPANY	FURNITURE AND FITTINGS RM'000	OFFICE EQUIPMENT RM'000	COMPUTERS RM'000	MOTOR VEHICLES RM'000	RENOVATION RM'000	TOTAL RM'000
Cost						
At 1 November 2019	18	166	297	18	814	1,313
Additions	-	-	5	-	-	5
At 31 October 2020/1 November 2020	18	166	302	18	814	1,318
Additions	-	-	22	1	-	23
Disposal	-	-	-	(10)	-	(10)
At 31 October 2021	**18**	**166**	**324**	**9**	**814**	**1,331**
Accumulated depreciation						
At 1 November 2019	6	103	211	11	265	596
Charge for the year	2	33	49	3	81	168
At 31 October 2020/1 November 2020	8	136	260	14	346	764
Charge for the year	1	28	39	2	82	152
Disposal	-	-	-	(9)	-	(9)
At 31 October 2021	**9**	**164**	**299**	**7**	**428**	**907**
Carrying amount						
At 1 November 2019	12	63	86	7	549	717
At 31 October 2020/1 November 2020	10	30	42	4	468	554
At 31 October 2021	**9**	**2**	**25**	**2**	**386**	**424**

4. RIGHT-OF-USE ASSETS

GROUP	NOTE	OFFICE 2021 RM'000	OFFICE 2020 RM'000
At 1 November 2020/2019		**4,449**	5,662
Depreciation		**(958)**	(1,213)
Derecognition	4.2	**(1,073)**	-
At 31 October		**2,418**	4,449

The Group leases an office for six years, with an option to renew the lease for one year before the end of the non-cancellable contract period. Lease payments are increased every year to reflect current market rentals.

NOTES TO THE FINANCIAL STATEMENTS

4. RIGHT-OF-USE ASSETS (CONTINUED)

4.1 Extension option

The lease contains an extension option exercisable by the Group up to one year before the end of the non-cancellable contract period. The extension option held is exercisable only by the Group and not by the lessor. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension option. The Group reassesses whether it is reasonably certain to exercise the option if there is a significant event or significant change in circumstances within its control.

The Group has included all potential future lease payments under the extension option in the measurement of lease liabilities at the reporting date.

4.2 Lease modification

The Group and the lessor entered into a supplemental agreement during the year to reduce the office floor area of the office lease. This has resulted in the derecognition of right-of-use assets and lease liabilities of RM1,073,000 and RM1,155,000 respectively and gain on lease modification of RM82,000.

5. GOODWILL

GROUP	2021 RM'000	2020 RM'000
Goodwill on consolidation	**10,669**	109,527
Impairment loss for the year	**(10,289)**	(83,000)
Effect of movement in exchange rates	**315**	(15,858)
Carrying amount	**695**	10,669
Goodwill is allocated to the following group of cash-generating units ("CGUs"):		
Eco World Investment Co. Ltd. ("EW Investment") and its subsidiaries ("EW Investment Group")	**-**	8,878
Eco World Sydney Development Pty. Ltd. ("EW Sydney Development")	**695**	1,791
	695	10,669

EW Investment Group

The goodwill allocated to EW Investment Group arose from the acquisition of EW Investment in prior years. The impairment test for the goodwill allocated to EW Investment Group is based on the value in use of Eco World-Ballymore Holding Company Limited ("EW Ballymore") and its subsidiaries ("EW Ballymore Group"), which is the lowest level at which impairment on goodwill is monitored for internal reporting purposes.

NOTES TO THE FINANCIAL STATEMENTS

5. GOODWILL (CONTINUED)

EW Investment Group (continued)

In 2020, value in use was determined by discounting the future post-tax cash flows expected to be generated from EW Ballymore Group and was based on the following key assumptions:

- Cash flows were projected based on the business plans for years 2021 and 2022, adjusted for past experience and actual operating results.
- The projected cash flows were driven by expected collections from the completion of existing sales and sales of unsold units based on planned selling prices at specific timeframes.
- A post-tax discount rate of 6.92% was applied in determining the recoverable amount of the unit. The discount rate was estimated based on an industry average weighted average cost of capital.

The values assigned to the key assumptions represent management's assessment of the property market in the United Kingdom, which includes consideration of impacts arising from the COVID-19 pandemic, and are based on both external sources and internal sources (historical data).

As at 31 October 2021, the goodwill allocated to EW Investment Group has been fully impaired because its net assets have increased due to additional share of profit from joint ventures, and together with the allocated goodwill, exceeded its recoverable amount.

EW Sydney Development

Goodwill allocated to EW Sydney Development is not material and hence, no further disclosures are provided.

6. INVESTMENTS IN SUBSIDIARIES

COMPANY	2021 RM'000	2020 RM'000
Unquoted ordinary shares, at cost	**50,047**	50,047
Equity contribution to subsidiaries	**3,131,191**	3,414,033
	3,181,238	3,464,080

Equity contribution to subsidiaries represents unsecured and interest free advances given to subsidiaries. The settlement of these advances is at the discretion of the subsidiaries, as the Company considered them as a long-term source of capital to its subsidiaries. As these advances are deemed as the Company's net shareholders' investments in its subsidiaries, they are stated at cost less impairment losses, if any.

NOTES TO THE FINANCIAL STATEMENTS

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

NAME OF ENTITY	PRINCIPAL PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITIES	EFFECTIVE OWNERSHIP INTEREST AND VOTING INTEREST 2021 %	2020 %
Eco World Investment Co. Ltd. ("EW Investment")*	Jersey	Investment holding	**100**	100
Fortune Quest Group Ltd. ("Fortune Quest")#	British Virgin Islands	Investment holding	**100**	100
Eco World Management & Advisory Services (UK) Limited ("EW Management")*	United Kingdom	Provision of advisory and project monitoring services	**75**	75
Subsidiaries of EW Investment				
Eco World International Marketing Sdn. Bhd. ("EW International Marketing")	Malaysia	Promoting and marketing services for international projects	**100**	100
Eco World ACE Co. Ltd. ("EW ACE")*	Jersey	Investment holding	**100**	100
Eco World Be Co. Ltd. ("EW Be")*	Jersey	Investment holding	**100**	100
Eco World Holding Company (UK) Limited# @	United Kingdom	Investment holding	**100**	-
Eco World Nominee (UK) Limited# @	United Kingdom	Investment holding	**100**	-
Subsidiary of Eco World Holding Company (UK) Limited				
Eco World Quayside Limited# ^	United Kingdom	Property development	**100**	-
Subsidiaries of Fortune Quest				
Eco World Sydney Development Pty. Ltd. ("EW Sydney Development")*	Australia	Property development	**100**	100
Eco World Yarra One Pty. Ltd. ("EW Yarra One")*	Australia	Property development	**100**	100
Eco World (Macquarie) Pty. Ltd. ("EW Macquarie")*	Australia	Property development	**100**	100

* *Audited by other member firms of KPMG PLT.*
# *Consolidated based on management accounts. Contributions are not material to the Group.*
@ *On 25 February 2021, EW Investment incorporated wholly-owned subsidiaries, Eco World Holding Company (UK) Limited and Eco World Nominee (UK) Limited.*
^ *On 21 October 2021, Eco World Holding Company (UK) Limited incorporated a wholly-owned subsidiary, Eco World Quayside Limited.*

The non-controlling interests are not material, hence no further disclosures are provided.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN JOINT VENTURES

GROUP	2021 RM'000	2020 RM'000
Unquoted shares, at cost	**310,323**	292,144
Share of post-acquisition reserves	**153,799**	380,849
	464,122	672,993

Details of the joint ventures are as follows:

NAME OF JOINT VENTURE	PRINCIPAL PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITIES	EFFECTIVE OWNERSHIP INTEREST AND VOTING INTEREST 2021 %	2020 %
Joint ventures of EW ACE				
Eco World-Ballymore Holding Company Limited ("EW Ballymore")*	Jersey	Investment holding	**75**	75
Joint ventures of EW Be				
Be Eco World Investment Company Limited ("Be EW Investment")#	Jersey	Investment holding	**70**	70
Eco World London Development Company Limited ("EW London DMCo")#	United Kingdom	Property development and project management	**70**	70

* *Audited by other member firms of KPMG PLT.*
\# *Audited by firms other than KPMG.*

Nature of relationship with the Group

The above joint ventures are special purpose vehicles of the Group and other investors domiciled in Jersey and United Kingdom. The joint ventures provide the Group with strategic access to the United Kingdom property development market.

In accordance to the agreements under which the above joint ventures are established, the Group requires unanimous consent with the other investors for all significant decisions over the relevant activities of the joint ventures and their subsidiaries. Thus, the Group and the other investors have joint control over the joint ventures. Accordingly, these arrangements are classified as joint ventures and the investments in joint ventures are accounted for using the equity method.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised financial information

The following table summarises the financial information of joint ventures, as adjusted for any differences in accounting policies and fair value adjustments. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in joint ventures, which is accounted for using the equity method.

2021	EW BALLYMORE RM'000	BE EW INVESTMENT RM'000	EW LONDON DMCO RM'000	TOTAL RM'000
Percentage of ownership interest and voting interest	75%	70%	70%	
Summarised financial information as at 31 October				
Non-current assets	268,123	144,505	18,391	
Current assets	3,613,118	2,501,143	45,154	
Non-current liabilities	(509,768)	(563,224)	(14,277)	
Current liabilities	(2,878,043)	(1,895,956)	(47,403)	
Net assets	493,430	186,468	1,865	
The above assets and liabilities include:				
Cash and cash equivalents	746,566	97,703	775	
Financial liabilities (excluding trade and other payables and provisions)				
- Non-current	(443,571)	(516,976)	-	
- Current	(2,668,093)	(1,633,193)	-	
Year ended 31 October				
Profit and total comprehensive income for the year	13,301	11,325	409	
Included in the total comprehensive income:				
Revenue	2,293,842	574,461	111,736	
Depreciation	-	-	(3,061)	
Interest income	602	4,545	2	
Interest expense	(31,263)	(9,658)	(1,527)	
Taxation	(14,823)	(5,278)	(164)	
Reconciliation of net assets to carrying amount as at 31 October				
Group's share of net assets	370,072	130,528	1,306	501,906
Elimination of unrealised profits	(33,641)	(4,143)	-	(37,784)
Carrying amount in the statement of financial position	336,431	126,385	1,306	464,122
Group's share of results for the year ended 31 October				
Group's share of profit and total comprehensive income for the year	9,975	7,928	286	18,189
Realisation of unrealised profits previously eliminated	27,859	1,167	-	29,026
Group's share of profit and total comprehensive income in the statement of profit or loss and other comprehensive income	37,834	9,095	286	47,215
Other information				
Dividend received by the Group	299,297	-	-	299,297

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised financial information (continued)

2020	EW BALLYMORE RM'000	BE EW INVESTMENT RM'000	EW LONDON DMCO RM'000	TOTAL RM'000
Percentage of ownership interest and voting interest	75%	70%	70%	
Summarised financial information as at 31 October				
Non-current assets	230,665	122,052	19,200	
Current assets	5,552,579	1,997,869	45,372	
Non-current liabilities	(1,464,994)	(469,273)	(17,938)	
Current liabilities	(3,491,720)	(1,486,779)	(45,265)	
Net assets	826,530	163,869	1,369	
The above assets and liabilities include:				
Cash and cash equivalents	813,102	118,210	2,057	
Financial liabilities (excluding trade and other payables and provisions)				
- Non-current	(1,393,501)	(441,635)	-	
- Current	(2,907,317)	(1,139,261)	-	
Year ended 31 October				
Profit and total comprehensive income for the year	142,889	59,684	830	
Included in the total comprehensive income:				
Revenue	2,153,411	855,378	108,871	
Depreciation	-	-	(5,111)	
Interest income	1,276	3,150	65	
Interest expense	(73,497)	(8,365)	(1,538)	
Taxation	(46,782)	(15,089)	(99)	
Reconciliation of net assets to carrying amount as at 31 October				
Group's share of net assets	619,898	114,708	958	735,564
Elimination of unrealised profits	(57,676)	(4,895)	-	(62,571)
Carrying amount in the statement of financial position	562,222	109,813	958	672,993
Group's share of results for the year ended 31 October				
Group's share of profit and total comprehensive income for the year	107,167	41,779	581	149,527
Realisation of unrealised profits previously eliminated	26,829	491	-	27,320
Group's share of profit and total comprehensive income in the statement of profit or loss and other comprehensive income	133,996	42,270	581	176,847

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Commitments

In accordance to the agreements under which the joint ventures are established ("joint venture agreements"), the Group and the other investors to the joint ventures have agreed to make additional contribution in proportion to their interests, where required. The maximum additional contribution that the Group is required to make under the joint venture agreements is as disclosed below:

GROUP	2021 RM'000	2020 RM'000
- EW Ballymore	**168,572**	158,697
- Be EW Investment	**13,937**	165,598
- EW London DMCo	**1,877**	1,767
	184,386	326,062

It is not anticipated that the Group will be required to make the additional contribution to EW Ballymore as all property development site under EW Ballymore are substantially completed as at 31 October 2021, with remaining works expected to be completed in the first half of year 2022 and funded via cash on hand and future sales receipts of EW Ballymore.

Dividend received by the Group

The Group achieved the first repatriation of profits from EW Ballymore on 22 April 2021 with the receipt of dividend income of RM299,297,000 (£52,500,000).

Valuation of investments in joint ventures

The Group has carried out a review of its investments in joint ventures and has determined that there is no indication of impairment because the joint ventures have reported profits during the year, where the joint ventures have collectively contributed share of profit of RM47,215,000 (2020: profit of RM176,847,000) and the Group's share of net assets in the respective joint ventures are higher than the respective carrying amount of investments in joint ventures.

The remaining unsold units of the respective projects of the joint ventures are expected to contribute positively to the Group on the basis of future timely sales underpinned by the favourable interest environment in United Kingdom.

8. INVENTORIES

GROUP	2021 RM'000	2020 RM'000
Non-current		
Land held for development	**143,995**	132,264
Current		
Properties under development	**-**	481,948
Developed properties	**250,375**	170,295
	250,375	652,243
	394,370	784,507
Inventories pledged as securities for borrowings (Note 19)		
- Properties under development	**-**	124,126
- Developed properties	**246,384**	-

Management has performed an assessment and concluded that the expected net realisable values for the inventories are above their carrying amounts. The expected net realisable values are determined after considering recent transacted prices for the developed properties, volume and pricing of other development within the vicinity and the current and future market conditions in the property development industry.

NOTES TO THE FINANCIAL STATEMENTS

9. AMOUNTS OWING BY JOINT VENTURES

	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Non-current				
- EW Ballymore	**728,814**	-	**-**	-
- Be EW Investment and EW London DMCo	**666,132**	739,835	**-**	-
	1,394,946	739,835	**-**	-
Current				
- EW Ballymore	**855,765**	1,491,755	**-**	-
- Be EW Investment and EW London DMCo	**281,625**	-	**1**	-
	1,137,390	1,491,755	**1**	-
	2,532,336	2,231,590	**1**	-

The amounts owing by joint ventures represent advances that are unsecured, interest free and are repayable once the bank facilities of the joint ventures have been settled.

The current amounts owing by joint ventures represent expected repayment within the next 12 months based on cash flows to be generated by the joint ventures from sales of developed properties and the progress of the Build-to-Rent projects.

10. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

GROUP	ASSETS 2021 RM'000	ASSETS 2020 RM'000	LIABILITIES 2021 RM'000	LIABILITIES 2020 RM'000	NET 2021 RM'000	NET 2020 RM'000
Contract costs	**-**	-	**-**	(3,154)	**-**	(3,154)
Inventories	**-**	-	**(4,365)**	(11,652)	**(4,365)**	(11,652)
Other items	**128**	141	**-**	-	**128**	141
Plant and equipment	**382**	-	**-**	(103)	**382**	(103)
Tax loss carry-forwards	**-**	21,086	**-**	-	**-**	21,086
Tax assets/(liabilities)	**510**	21,227	**(4,365)**	(14,909)	**(3,855)**	6,318
Set off of tax	**(510)**	(12,333)	**510**	12,333	**-**	-
Net tax assets/(liabilities)	**-**	8,894	**(3,855)**	(2,576)	**(3,855)**	6,318

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Tax losses carry-forwards	**9,656**	9,603	**-**	-
Capital allowance carry-forwards	**318**	222	**-**	-
Right-of-use assets	**(2,418)**	(4,449)	**-**	-
Lease liabilities	**2,741**	4,738	**-**	-
Other items	**165**	140	**-**	-
	10,462	10,254	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

10. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

Unrecognised deferred tax assets (continued)

Under the tax legislation of Malaysia, the unrecognised tax losses carry-forwards will expire as follows:

GROUP	2021 TAX LOSS RM'000	2021 EXPIRY YEAR	2020 TAX LOSS RM'000	2020 EXPIRY YEAR
YA 2018	**6,995**	**2028**	6,995	2025
YA 2019	**1,694**	**2029**	1,694	2026
YA 2020	**914**	**2030**	914	2027
YA 2021	**53**	**2031**	-	-
	9,656		9,603	

* *Tax losses can be carried forward up to 10 years (2020: 7 years) following the enactment of the Finance Act 2021.*

Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which the group entities can utilise the benefits therefrom.

Movement in temporary differences during the year

GROUP	AT 1.11.2019 RM'000	RECOGNISED IN PROFIT OR LOSS (NOTE 25) RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATES RM'000	AT 31.10.2020/ 1.11.2020 RM'000	RECOGNISED IN PROFIT OR LOSS (NOTE 25) RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATES RM'000	AT 31.10.2021 RM'000
Contract costs	(7,779)	4,785	(160)	(3,154)	3,310	(156)	**-**
Inventories	(12,976)	1,660	(336)	(11,652)	8,063	(776)	**(4,365)**
Other items	902	(759)	(2)	141	(15)	2	**128**
Plant and equipment	348	(475)	24	(103)	486	(1)	**382**
Tax loss carry-forwards	37,744	(17,488)	830	21,086	(22,151)	1,065	**-**
Capital allowances carry-forwards	27	(27)	-	-	-	-	**-**
Right-of-use assets	(1,359)	1,359	-	-	-	-	**-**
Lease liabilities	1,359	(1,359)	-	-	-	-	**-**
	18,266	(12,304)	356	6,318	(10,307)	134	**(3,855)**

11. TRADE RECEIVABLES

The trade receivables represent amounts receivable from joint ventures for services rendered. These balances are recognised at their original billed amounts which represent their fair values on initial recognition.

The normal credit period granted by the Group ranges between 30 to 60 days.

NOTES TO THE FINANCIAL STATEMENTS

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		GROUP		COMPANY	
	NOTE	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Other receivables		**677**	509	**-**	-
Less: Allowance for impairment loss	a	**(214)**	(200)	**-**	-
		463	309	**-**	-
Pre-sale deposits held by solicitors	b	**1,389**	47,499	**-**	-
Prepayments		**1,577**	417	**-**	-
Goods and services tax ("GST") recoverable		**13**	1,490	**-**	-
Value-added tax ("VAT") recoverable		**129**	66	**-**	-
Amount owing by a joint venture	c	**287**	866	**-**	-
Dividends receivable		**-**	-	**4,278**	-
Sundry deposits		**291**	657	**6**	6
		4,149	51,304	**4,284**	6

Note a

The movements in the allowance for impairment loss of other receivables are as follows:

GROUP	2021 RM'000	2020 RM'000
At 1 November 2020/2019	**200**	198
Effect of movement in exchange rate	**14**	2
At 31 October	**214**	200

Note b

Pre-sale deposits held by solicitors relate to deposits received by solicitors from customers of the Group for the sale of properties under development. The deposits will be released to the Group upon completion of the sales.

Note c

The amount owing by a joint venture represents marketing-related expenses paid on behalf by a subsidiary to be reimbursed from the joint venture and is repayable on demand.

13. CONTRACT WITH CUSTOMERS

13.1 Contract costs

GROUP	2021 RM'000	2020 RM'000
Cost to obtain a contract	**2,038**	11,069

Cost to obtain a contract primarily comprises incremental commission fees paid to intermediaries as a result of obtaining contracts.

Capitalised commission fees are amortised when the related revenues are recognised. The amount of amortisation during the financial year was RM13,284,000 (2020: RM14,687,000).

NOTES TO THE FINANCIAL STATEMENTS

13. CONTRACT WITH CUSTOMERS (CONTINUED)

13.2 Contract liabilities

GROUP	2021 RM'000	2020 RM'000
Contract liabilities	**1,389**	47,500

The contract liabilities primarily relate to the advance consideration received from customers for the sale of properties. The contract liabilities are expected to be recognised as revenue in the ordinary course of business.

Significant changes to contract liabilities balances during the period are as follows:

GROUP	2021 RM'000	2020 RM'000
Contract liabilities at the beginning of the period recognised as revenue	**50,381**	76,541

14. AMOUNTS OWING BY SUBSIDIARIES

The amounts owing by subsidiaries represent unsecured advances given to and payments on behalf of subsidiaries, which are repayable on demand. These balances are interest free.

15. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	2021			2020		
GROUP AND COMPANY	NOTIONAL VALUE RM'000	ASSETS RM'000	LIABILITIES RM'000	NOTIONAL VALUE RM'000	ASSETS RM'000	LIABILITIES RM'000
Cross currency swaps - Derivatives used for hedging						
- non-current	**10,935**	**-**	**(1,387)**	10,935	-	(602)
- current	**-**	**-**	**-**	327,244	2,487	(1,035)
	10,935	**-**	**(1,387)**	338,179	2,487	(1,637)

Cross currency swaps are used to manage the foreign currency exposures arising from the Company's equity contributions to subsidiaries denominated in currencies other than the functional currency of the Company. The Group and the Company entered into cross currency swaps with nominal value of RM10,935,000 (2020: RM338,179,000) to hedge the cash flow risk in relation to foreign currency exchange fluctuation of equity contributions to subsidiaries denominated in AUD (2020: GBP and AUD) (see Note 33.7).

16. CASH, BANK BALANCES AND DEPOSITS

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Cash on hand and at banks	**188,520**	151,916	**174,869**	19,880
Short-term deposits	**147,595**	132,098	**140,872**	101,014
Cash, bank balances and deposits in the statements of financial position	**336,115**	284,014	**315,741**	120,894
Less: Restricted balances	**(18,760)**	(14,039)	**(18,760)**	(10,212)
Cash and cash equivalents in the statements of cash flows	**317,355**	269,975	**296,981**	110,682

Restricted balances relate to bank balances and deposits that must be maintained during the tenure of borrowings and deposits pledged as security for other bank facilities granted to the Group (see Note 19).

NOTES TO THE FINANCIAL STATEMENTS

17. SHARE CAPITAL

GROUP AND COMPANY	NUMBER OF SHARES 2021 '000	2020 '000	AMOUNT 2021 RM'000	2020 RM'000
Issued and fully paid shares with no par value classified as equity instruments				
Ordinary shares	**2,400,000**	2,400,000	**2,592,451**	2,592,451

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at the general meetings of the Company and rank equally with regard to the Company's residual assets.

18. RESERVES

18.1 Warrants reserve

The warrants reserve arose from the 960,000,000 Warrants issued pursuant to the Initial Public Offering.

The salient terms of the Warrants are as follows:

(a) The Warrants are constituted by a Deed Poll executed on 20 February 2017;

(b) The Warrants are traded separately on Bursa Malaysia;

(c) The Warrants are exercisable at any time during the tenure of five (5) years commencing from the date of listing on Bursa Malaysia, i.e. 3 April 2017 to 4 April 2022 ("Exercise Period"). Warrants not exercised during the Exercise Period will lapse and cease to be valid;

(d) The exercise price is RM1.45 per Warrant ("Exercise Price"). The Exercise Price and/or the number of outstanding Warrants may from time to time be adjusted, calculated or determined by the Board of Directors in consultation with an approved investment bank and certified by the Company's auditors;

(e) Each Warrant entitles the holder to subscribe for one (1) new share at the Exercise Price at any time during the Exercise Period subject to the terms and conditions of the Deed Poll;

(f) The Warrant holders are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in the Company until and unless such Warrant holders exercise the Warrants;

(g) The new shares to be issued arising from the exercise of the Warrants shall upon allotment and issue, rank equally in all respects with the then existing issued and fully paid-up shares;

(h) The Warrant holders shall not be entitled to any dividend, right, allotment and/or other distribution that may be declared, made or paid prior to the relevant date of those new shares; and

(i) The Warrants are governed by the Laws of Malaysia.

Since the date of issuance of the Warrants, none of the Warrants has been exercised.

18.2 Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedge instruments used to hedge equity contributions to subsidiaries denominated in AUD (2020: GBP and AUD) (see Note 33.7).

18.3 Exchange translation reserve

The exchange translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

NOTES TO THE FINANCIAL STATEMENTS

19. BORROWINGS

	NOTE	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Non-current					
Secured:					
Term loans	a	**150,807**	-	**-**	-
Unsecured:					
Term loan		**77,709**	-	**77,709**	-
Revolving credit		**84,418**	-	**84,418**	-
Medium term notes ("MTNs")	b	**448,970**	448,371	**448,970**	448,371
		761,904	448,371	**611,097**	448,371
Current					
Secured:					
Term loans	a	**-**	300,037	**-**	-
Unsecured:					
Revolving credit		**138,634**	130,513	**138,634**	130,513
Medium term notes ("MTNs")	b	**-**	349,438	**-**	349,438
		138,634	779,988	**138,634**	479,951
		900,538	1,228,359	**749,731**	928,322
Represented by:					
- Term loans		**228,516**	300,037	**77,709**	-
- Revolving credit		**223,052**	130,513	**223,052**	130,513
- MTNs		**448,970**	797,809	**448,970**	797,809
		900,538	1,228,359	**749,731**	928,322
Repayable:					
- not later than 1 year		**138,634**	779,988	**138,634**	479,951
- later than 1 year but not later than 5 years		**761,904**	448,371	**611,097**	448,371
		900,538	1,228,359	**749,731**	928,322

Note a

The term loans are secured over inventories (see Note 8) and cash, bank balances and deposits (see Note 16) and are guaranteed by the Company.

Note b

The MTNs are issued under an unrated Islamic MTN ("Sukuk Murabahah") Programme of RM800.0 million in nominal value ("Sukuk Murabahah Programme") by the Company. The Sukuk Murabahah Programme has a tenure of twenty (20) years from 27 April 2018. The tenure of each Sukuk Murabahah issued shall be more than one (1) year and up to twenty (20) years, provided that the Sukuk Murabahah matures on or prior to the expiry of the Sukuk Murabahah Programme.

The proceeds raised from the Sukuk Murabahah shall be utilised by the Company for its general corporate purposes, working capital requirements and/or for future financing of the Company, its subsidiaries and/or joint ventures.

On 27 April 2018, the Company completed an issuance of Sukuk Murabahah of RM180.0 million in nominal value ("First Issuance") with a tenure of five (5) years from the date of issuance. The Sukuk Murabahah under the First Issuance bears a periodic payment rate of 6.65% per annum and falls due for repayment in April 2023.

NOTES TO THE FINANCIAL STATEMENTS

19. BORROWINGS (CONTINUED)

Note b (continued)

On 25 October 2018, the Company completed the second issuance of Sukuk Murabahah of RM350.0 million in nominal value ("Second Issuance") with a tenure of three (3) years from the date of issuance. The Sukuk Murabahah under the Second Issuance bears a periodic payment rate of 6.40% per annum and falls due for repayment in October 2021.

On 24 May 2019, the Company completed the third and final issuance of Sukuk Murabahah of RM270.0 million in nominal value ("Third Issuance") with a tenure of four (4) years from the date of issuance. The Sukuk Murabahah under the Third Issuance bears a periodic payment rate of 6.40% per annum and falls due for repayment in May 2023. The completion of the Third Issuance marks the final tranche under the Sukuk Murabahah Programme of RM800.0 million following the completion of the First Issuance and Second Issuance amounting to RM180.0 million and RM350.0 million on 27 April 2018 and 25 October 2018 respectively.

On 25 October 2021, the Company fully redeemed the second issuance of Sukuk Murabahah of RM350.0 million in nominal value upon its maturity date.

Note c

The Group entities have complied with the financial ratios of their borrowing facilities during the financial years ended 31 October 2021 and 31 October 2020.

20. TRADE PAYABLES

Included in trade payables of the Group is an amount owing to a related company amounting to RM251,000 (2020: RM389,000), which is non-interest bearing and expected to be settled within the normal credit terms.

21. OTHER PAYABLES AND ACCRUALS

		GROUP		COMPANY	
	NOTE	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Other payables		**3,981**	4,571	**336**	587
GST payable		**508**	1,144	**-**	-
VAT payable		**171**	275	**-**	-
Accruals	a	**11,110**	11,538	**8,974**	8,207
Amounts owing to joint ventures	b	**-**	16	**-**	16
Amounts owing to related companies	c	**320**	650	**50**	71
		16,090	18,194	**9,360**	8,881

Note a

Included in accruals of the Group and the Company are finance costs payable of RM8,287,000 and RM8,287,000 (2020: RM8,162,000 and RM7,870,000) respectively.

Note b

The amounts owing to joint ventures represented advances that were unsecured, interest free and were repayable on demand.

Note c

The amounts owing to related companies represent marketing-related expenses paid on behalf of the Group and office expenses payable, which are unsecured, interest free and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

22. REVENUE

	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Revenue from contracts with customers	**572,712**	672,985	**-**	-
Other revenue				
- Dividend income	**-**	-	**318,318**	6,098
	572,712	672,985	**318,318**	6,098

22.1 Disaggregation of revenue from contracts with customers

	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Primary geographical markets				
Australia	**572,345**	672,480	**-**	-
United Kingdom	**367**	505	**-**	-
	572,712	672,985	**-**	-
Major products and services				
Sales of developed properties	**572,345**	672,480	**-**	-
Sales and marketing services*	**367**	505	**-**	-
	572,712	672,985	**-**	-
Timing and recognition				
At a point in time	**572,345**	672,480	**-**	-
Over time	**367**	505	**-**	-
	572,712	672,985	**-**	-

* *As revenue arising from sales and marketing services rendered is not material, hence no further disclosures are provided.*

22.2 Nature of goods

NATURE OF GOODS	TIMING OF RECOGNITION OR METHOD USED TO RECOGNISED REVENUE	SIGNIFICANT PAYMENT TERMS	VARIABLE ELEMENT IN CONSIDERATION	OBLIGATION FOR RETURNS OR REFUNDS	WARRANTY
Sales of developed properties.	Revenue is recognised when vacant possession of the properties is given to the customer.	10% payable upon exchange of contract and remaining 90% payable upon completion.	Not applicable.	If the contract is rescinded due to a breach by the Group prior to completion, the purchaser is entitled to the refund of deposit and any interest earned.	The purchaser is entitled to one inspection of the property. If the purchaser notifies the Group in writing of any defects within 90 days after the completion date, the Group will at its cost make good the defects as soon as reasonably practicable after receipt of the notice.

NOTES TO THE FINANCIAL STATEMENTS

22. REVENUE (CONTINUED)

22.3 Transaction price allocated to the remaining performance obligations

Remaining unsatisfied performance obligation at year end is not material, hence no further disclosure is provided.

23. OTHER INCOME

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Interest income of financial assets calculated using the effective interest method that are at amortised cost	**10,307**	12,746	**6,203**	11,545
Realised gain on foreign exchange	**10,883**	-	**10,801**	-
Forfeiture of deposits	**11,773**	11,278	**-**	-
Gain on disposal of plant and equipment	**1**	-	**1**	-
Others	**1,572**	2,098	**34**	-
	34,536	26,122	**17,039**	11,545

24. FINANCE COSTS

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
Amortisation of facility fee on borrowings	**2,139**	2,899	**2,139**	2,899
Interest on borrowings	**59,360**	73,599	**57,008**	57,824
Interest expense on lease liabilities	**169**	263	**-**	-
	61,668	76,761	**59,147**	60,723
Recognised in profit or loss	**59,318**	41,264	**59,147**	60,723
Capitalised on qualifying assets				
- inventories	**2,350**	35,497	**-**	-
	61,668	76,761	**59,147**	60,723

The capitalisation rate used to capitalise finance costs on qualifying assets ranges from 2.66% to 6.65% (2020: 2.36% to 6.65%).

NOTES TO THE FINANCIAL STATEMENTS

25. TAX EXPENSE

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Current tax				
Malaysian tax				
- current year	**728**	-	**728**	-
Foreign tax				
- current year	**20,593**	18,961	**-**	-
- prior years	**3,299**	46	**-**	-
	24,620	19,007	**728**	-
Deferred tax (Note 10)				
Malaysian tax				
- write-down of deferred tax assets	**-**	371	**-**	-
Foreign tax				
- current year	**13,362**	16,555	**-**	-
- prior years	**(3,055)**	(4,622)	**-**	-
	10,307	12,304	**-**	-
	34,927	31,311	**728**	-

The Group operates in a multi-jurisdictional tax environment.

The Malaysian income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%).

The corporate tax rates of entities within the Group outside Malaysia are as follows:

(a) subsidiaries incorporated in Jersey and the British Virgin Islands: 0% (2020: 0%);

(b) subsidiary incorporated in the United Kingdom: 19% (2020: 19%); and

(c) subsidiaries incorporated in Australia: 30% (2020: 30%).

The provision for taxation differs from the amount of taxation determined by applying the applicable statutory tax rates to the profit/(loss) before tax as a result of the following differences:

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Profit/(Loss) before tax	**50,802**	113,891	**237,084**	(61,871)
Less: Share of results of joint ventures	**(47,215)**	(176,847)	**-**	-
Profit/(Loss) before tax and share of results in joint ventures	**3,587**	(62,956)	**237,084**	(61,871)
Tax at applicable tax rates	**14,349**	16,311	**56,900**	(14,849)
Non-taxable and tax exempted income	**(732)**	(2,828)	**(77,128)**	(2,828)
Non-deductible expenses	**21,016**	21,764	**20,956**	17,677
Adjustments attributable to prior years	**-**	(4,576)	**-**	-
Write-down of deferred tax assets	**-**	371	**-**	-
Effect of deferred tax assets not recognised	**50**	269	**-**	-
Under provision in prior years	**244**	-	**-**	-
	34,927	31,311	**728**	-

NOTES TO THE FINANCIAL STATEMENTS

26. PROFIT/(LOSS) FOR THE YEAR

	NOTE	GROUP 2021 RM'000	GROUP 2020 RM'000	COMPANY 2021 RM'000	COMPANY 2020 RM'000
Profit/(Loss) for the year is arrived at after charging/(crediting):					
Auditors' remuneration:					
Audit fees					
- current year					
KPMG PLT		**110**	100	**94**	85
Overseas affiliates of KPMG PLT		**524**	488	**-**	-
- prior years					
Overseas affiliates of KPMG PLT		**(1)**	(18)	**-**	-
Other auditors		**-**	(44)	**-**	(20)
Non-audit fees					
KPMG PLT		**15**	15	**15**	15
Material expenses/(income)					
Depreciation of plant and equipment	3	**1,200**	1,780	**152**	168
Depreciation of right-of-use assets	4	**958**	1,213	**-**	-
Employee benefits expense (excluding directors but including other key management personnel as disclosed in Note 31)	30	**14,170**	10,732	**5,784**	3,011
Impairment losses on goodwill	5	**10,289**	83,000	**-**	-
Realised (gain)/loss on foreign exchange		**(10,883)**	3,091	**(10,801)**	3,185
Unrealised loss/(gain) on foreign exchange		**3,530**	(960)	**3,534**	(1,023)
Reclassification of losses from hedge of net investment included in profit or loss	27, a	**21,581**	-	**21,581**	-
(Gain)/Loss on disposal of plant and equipment		**(1)**	29	**(1)**	-
Plant and equipment written off		**322**	51	**-**	-
Expenses arising from leases					
Expenses relating to short-term leases	b	**700**	1,877	**180**	180
Expenses relating to leases of low-value assets	c	**53**	72	**23**	28

Note a

Prior year losses from hedge of net investment were reclassified from hedging reserve to administrative and general expenses during the year as the hedge relationship was discontinued.

Note b

These are office leases with lease term less than 12 months. The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for these leases.

Note c

The Group and the Company lease office equipment with contract terms of 1 to 5 years. These are leases of low-value items. The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS

27. OTHER COMPREHENSIVE INCOME

GROUP	BEFORE TAX RM'000	TAX (EXPENSE)/ BENEFIT RM'000	NET OF TAX RM'000
2021			
Items that are or may be reclassified subsequently to profit or loss			
Hedge of net investment			
- Losses arising during the year	**(22,568)**	**-**	**(22,568)**
- Reclassification adjustments for losses included in profit or loss	**21,581**	**-**	**21,581**
	(987)	**-**	**(987)**
Foreign currency translation differences for foreign operations			
- Gains arising during the year	**208,016**	**-**	**208,016**
			207,029
2020			
Items that are or may be reclassified subsequently to profit or loss			
Hedge of net investment			
- Gains arising during the year	1,682	-	1,682
Foreign currency translation differences for foreign operations			
- Losses arising during the year	(28,636)	-	(28,636)
			(26,954)

COMPANY	BEFORE TAX RM'000	TAX (EXPENSE)/ BENEFIT RM'000	NET OF TAX RM'000
2021			
Items that are or may be reclassified subsequently to profit or loss			
Hedge of net investment			
- Losses arising during the year	**(22,568)**	**-**	**(22,568)**
- Reclassification adjustments for losses included in profit or loss	**21,581**	**-**	**21,581**
			(987)
2020			
Items that are or may be reclassified subsequently to profit or loss			
Hedge of net investment			
- Gains arising during the year	1,682	-	1,682
			1,682

NOTES TO THE FINANCIAL STATEMENTS

28. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 31 October 2021 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

GROUP	2021	2020
Profit for the year attributable to owners of the Company (RM'000)	**13,570**	80,326
Weighted average number of ordinary shares ('000)	**2,400,000**	2,400,000
Basic earnings per ordinary share (sen)	**0.57**	3.35

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share at 31 October 2021 was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

For the years ended 31 October 2021 and 31 October 2020, the basic earnings per share is equal to diluted earnings per share as the unexercised Warrants have no dilutive effect on the earnings per share given the Warrants' Exercise Price is higher than the market price per ordinary share.

29. DIVIDENDS

Dividends recognised by the Company

	SEN PER SHARE	TOTAL AMOUNT RM'000	DATE OF PAYMENT
Interim 2021 ordinary	1.0	24,000	28 April 2021
Special 2021 ordinary	5.0	120,000	23 July 2021
Total amount	6.0	144,000	

The Directors do not recommend any final dividend to be paid for the financial year ended 31 October 2021.

30. EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Salaries, wages, bonuses and allowances	**12,156**	13,681	**4,912**	5,509
Over provision of prior year bonus	**-**	(5,464)	**-**	(3,444)
Defined contribution plan	**1,371**	1,535	**591**	647
Other staff benefits	**643**	980	**281**	299
	14,170	10,732	**5,784**	3,011

NOTES TO THE FINANCIAL STATEMENTS

31. RELATED PARTY DISCLOSURES

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the parties are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel include all the Directors of the Group and certain members of senior management of the Group.

The Group has related party relationship with its significant investors, subsidiaries, joint ventures, related companies and key management personnel. Related companies include the significant investors' subsidiaries and joint ventures.

Significant related party transactions

The significant related party transactions of the Group and of the Company are shown below. The terms and balances related to the below transactions are shown in Note 6, Note 9, Note 11, Note 12, Note 14, Note 20 and Note 21.

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
A. Joint ventures				
Revenue	**367**	505	**-**	-
Dividend income	**299,297**	-	**-**	-
Advances to joint ventures	**198,949**	163,041	**-**	-
Repayment of advances by joint ventures	**(36,389)**	(18,788)	**-**	-
B. Subsidiaries				
Dividend income	**-**	-	**318,318**	6,098
Advances and equity contribution to subsidiaries	**-**	-	**197,936**	195,018
Repayment of advances by subsidiaries	**-**	-	**(481,191)**	(92,507)
C. Significant investors				
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	**1,377**	907	**-**	-
Support service fees paid or payable	**143**	140	**143**	140
Rental paid or payable	**180**	157	**180**	157
Joint venture of EW Berhad where certain directors of the Company are also the directors of EW Berhad				
Rental paid or payable	**1,011**	1,187	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

31. RELATED PARTY DISCLOSURES (CONTINUED)

Significant related party transactions (continued)

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
D. Key management personnel				
Salaries, allowances and bonuses	**8,999**	13,096	**6,260**	11,329
Fees	**960**	1,080	**960**	1,080
Defined contribution plan	**1,019**	1,504	**729**	1,336
Others	**117**	110	**29**	110
Total remuneration to key management personnel	**11,095**	15,790	**7,978**	13,855
Included in remuneration to key management personnel is remuneration to Directors:				
Salaries, allowances and bonuses	**7,144**	10,253	**4,405**	8,486
Fees	**960**	1,080	**960**	1,080
Defined contribution plan	**797**	1,165	**507**	997
Others	**93**	86	**5**	86
	8,994	12,584	**5,877**	10,649
Company where a director has interest				
Rental paid or payable	**-**	23	**-**	23
Company where a director of a subsidiary has interest				
Consultancy fees paid or payable	**81**	-	**-**	-

32. SEGMENTAL REPORTING

The Group has 3 reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they operate at different geographical locations with different social and economic conditions and require different marketing strategies. For each of the strategic business units, the Chief Operating Decision Maker ("CODM") reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

- United Kingdom — Includes property development activities and provision of advisory and project monitoring services.
- Australia — Includes property development activities.
- Malaysia — Includes investment holding and promoting and marketing services activities.

Performance is measured based on segment profit after tax as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total asset is used to measure the return on assets of each segment.

NOTES TO THE FINANCIAL STATEMENTS

32. SEGMENTAL REPORTING (CONTINUED)

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total liabilities is used to evaluate the liquidity risk of each segment.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire plant and equipment.

GROUP	UNITED KINGDOM RM'000	AUSTRALIA RM'000	MALAYSIA RM'000	TOTAL RM'000
2021				
Segment profit/(loss)	**29,786**	**70,633**	**(84,544)**	**15,875**
Included in the measure of segment profit/(loss) are:				
Revenue from external customers	**-**	**572,345**	**367**	**572,712**
Inter-segment revenue	**-**	**-**	**1,566**	**1,566**
Share of profit of joint ventures	**47,215**	**-**	**-**	**47,215**
Depreciation of plant and equipment and right-of-use assets	**(285)**	**(165)**	**(1,708)**	**(2,158)**
Finance costs	**-**	**(921)**	**(58,397)**	**(59,318)**
Finance income	**33**	**4,048**	**6,226**	**10,307**
Taxation	**(2,176)**	**(32,023)**	**(728)**	**(34,927)**
Segment assets	**3,005,917**	**420,865**	**321,487**	**3,748,269**
Included in the measure of segment assets are:				
Additions to plant and equipment	**5**	**585**	**23**	**613**
Investments in joint ventures	**464,122**	**-**	**-**	**464,122**
Segment liabilities	**7,391**	**163,705**	**759,899**	**930,995**
2020				
Segment profit/(loss)	92,582	42,370	(52,372)	82,580
Included in the measure of segment profit/(loss) are:				
Revenue from external customers	-	672,480	505	672,985
Inter-segment revenue	-	-	127	127
Share of profit of joint ventures	176,847	-	-	176,847
Depreciation of plant and equipment and right-of-use assets	(277)	(441)	(2,275)	(2,993)
Finance costs	-	(1)	(41,263)	(41,264)
Finance income	243	939	11,564	12,746
Taxation	(2,112)	(28,828)	(371)	(31,311)
Segment assets	2,948,822	984,731	133,909	4,067,462
Included in the measure of segment assets are:				
Additions to plant and equipment	1	827	11	839
Investments in joint ventures	672,993	-	-	672,993
Segment liabilities	1,606	372,381	945,329	1,319,316

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS

33.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

(a) Amortised cost ("AC")

(b) Derivatives used for hedging

2021	CARRYING AMOUNT RM'000	AC RM'000	DERIVATIVES USED FOR HEDGING RM'000
Financial assets			
Group			
Amounts owing by joint ventures	**2,532,336**	**2,532,336**	-
Trade receivables	**572**	**572**	-
Other receivables and deposits	**2,430**	**2,430**	-
Cash, bank balances and deposits	**336,115**	**336,115**	-
	2,871,453	**2,871,453**	-
Company			
Other receivables and deposits	**4,284**	**4,284**	-
Amounts owing by subsidiaries	**72**	**72**	-
Amounts owing by joint ventures	**1**	**1**	-
Cash, bank balances and deposits	**315,741**	**315,741**	-
	320,098	**320,098**	-
Financial liabilities			
Group			
Borrowings	**(900,538)**	**(900,538)**	-
Trade payables	**(990)**	**(990)**	-
Other payables and accruals	**(15,411)**	**(15,411)**	-
Derivative financial liabilities	**(1,387)**	-	**(1,387)**
	(918,326)	**(916,939)**	**(1,387)**
Company			
Borrowings	**(749,731)**	**(749,731)**	-
Other payables and accruals	**(9,360)**	**(9,360)**	-
Derivative financial liabilities	**(1,387)**	-	**(1,387)**
	(760,478)	**(759,091)**	**(1,387)**

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.1 Categories of financial instruments (continued)

2020	CARRYING AMOUNT RM'000	AC RM'000	DERIVATIVES USED FOR HEDGING RM'000
Financial assets			
Group			
Amounts owing by joint ventures	2,231,590	2,231,590	-
Trade receivables	1,666	1,666	-
Other receivables and deposits	49,331	49,331	-
Derivative financial assets	2,487	-	2,487
Cash, bank balances and deposits	284,014	284,014	-
	2,569,088	2,566,601	2,487
Company			
Other receivables and deposits	6	6	-
Amounts owing by subsidiaries	484	484	-
Derivative financial assets	2,487	-	2,487
Cash, bank balances and deposits	120,894	120,894	-
	123,871	121,384	2,487
Financial liabilities			
Group			
Borrowings	(1,228,359)	(1,228,359)	-
Trade payables	(6,742)	(6,742)	-
Other payables and accruals	(16,775)	(16,775)	-
Derivative financial liabilities	(1,637)	-	(1,637)
	(1,253,513)	(1,251,876)	(1,637)
Company			
Borrowings	(928,322)	(928,322)	-
Other payables and accruals	(8,881)	(8,881)	-
Derivative financial liabilities	(1,637)	-	(1,637)
	(938,840)	(937,203)	(1,637)

33.2 Net losses arising from financial instruments

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Net (losses)/gains on:				
Derivatives used for hedging	**(22,568)**	1,682	**(22,568)**	1,682
Financial assets at amortised cost	**29,390**	12,549	**25,243**	11,303
Financial liabilities at amortised cost	**(71,048)**	(42,935)	**(70,920)**	(62,643)
	(64,226)	(28,704)	**(68,245)**	(49,658)

33.3 Financial risk management

The Group and the Company have exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from amounts owing by joint ventures, other receivables and financial guarantees given to banks for credit facilities granted to joint ventures. The Company's exposure to credit risk arises principally from equity contribution to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries and joint ventures. There are no significant changes as compared to prior periods.

Equity contribution to subsidiaries

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances, in the form of equity contribution, to the subsidiaries. The Company monitors the ability of the subsidiaries to repay the advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Advances provided are not secured by any collateral or supported by any other credit enhancements.

Recognition and measurement of impairment loss

Generally, the Company considers advances to subsidiaries to have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's advance to be credit impaired when:

- The subsidiary is unlikely to repay its advance to the Company in full;
- The subsidiary is continuously loss making and is having a deficit shareholders' fund and is not expected to turnaround its financial performance and position.

The Company determines the probability of default for these advances individually using internal information available.

As at the end of the reporting period, the advances owing from the subsidiaries have low credit risk and no allowance for impairment loss has been recognised.

Amounts owing by joint ventures

Risk management objectives, policies and processes for managing the risk

Based on the agreement under which the joint ventures are established, the Group and the other investors to the joint ventures have agreed to provide unsecured advances to the joint ventures in proportion to their interest. The Group monitors the ability of the joint ventures to repay the advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Advances provided are not secured by any collateral or supported by any other credit enhancements.

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.4 Credit risk (continued)

Amounts owing by joint ventures (continued)

Recognition and measurement of impairment loss

As at the reporting date, the Group has determined that the amounts owing by joint ventures have low credit risk and no allowance for impairment loss has been recognised based on the following considerations:

(a) The joint ventures have respectively reported net assets (see Note 7) which indicate that the joint ventures have sufficient assets to repay all its liabilities, including the amount owing to the Group (which is included in current liabilities of the joint ventures), hence the amounts owing by joint ventures were determined to have low credit risk;

(b) Based on available internal information, the joint ventures are expected to be able to realise the sales of their developed properties on a timely basis in the future to generate continuous cash inflow to repay the amounts owing by the joint ventures; and

(c) Forward-looking macroeconomic information, such as the resilient property demand and favourable interest rate environment in the United Kingdom, did not indicate any significant increase in credit risk in respect of the amounts owing by joint ventures.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables are mainly arising from pre-sale deposits held on behalf of the Group by solicitors in respect of property sales. The pre-sale deposits will be received by the Group upon completion of the property sales.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, the impairment allowance recognised by the Group is not significant.

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.4 Credit risk (continued)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Group and the Company provide unsecured financial guarantees to banks in respect of banking facilities granted to joint ventures and certain subsidiaries. The Group and the Company monitor the ability of the joint ventures and subsidiaries to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk representing the outstanding banking facilities of the joint ventures and subsidiaries that were supported by the financial guarantees issued by the Group and the Company as at end of the reporting period is as follows:

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Financial guarantees to banks in respect of banking facilities granted to:				
- Joint ventures	**1,359,369**	2,430,222	**1,359,369**	2,430,222
- Subsidiaries	**-**	-	**150,807**	300,037
	1,359,369	2,430,222	**1,510,176**	2,730,259

The financial guarantees are provided as credit enhancements to the joint ventures' and subsidiaries' secured loans.

Recognition and measurement of impairment loss

The Group and the Company assume that there is a significant increase in credit risk when a joint venture's or subsidiary's financial position deteriorates significantly. The Group and the Company consider a financial guarantee to be credit impaired when:

- The joint venture or subsidiary is unlikely to repay its credit obligation to the bank in full; or
- The joint venture or subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Group and the Company determine the probability of default of the guaranteed loans individually using internal information available.

As at the end of the reporting period, there was no indication that any joint ventures or subsidiaries would default on repayment.

The financial guarantees of the Group and the Company have not been recognised since the fair value on initial recognition were not material.

33.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due. The Group's and the Company's exposure to liquidity risk arise principally from their various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

2021	CARRYING AMOUNT RM'000	CONTRACTUAL INTEREST RATE %	CONTRACTUAL CASH FLOWS RM'000	UNDER 1 YEAR RM'000	1 - 5 YEARS RM'000	MORE THAN 5 YEARS RM'000
Group						
Non-derivative financial liabilities						
Term loans	228,516	2.41-3.91	239,462	6,678	232,784	-
Revolving credit	223,052	2.61-3.83	228,771	143,257	85,514	-
Medium term notes	448,970	6.40-6.65	493,985	28,604	465,381	-
Lease liabilities	2,741	5.00	2,940	1,036	1,904	-
Trade payables	990	-	990	990	-	-
Other payables and accruals	15,411	-	15,411	15,411	-	-
Financial guarantees	-	-	1,359,369	1,359,369	-	-
	919,680		2,340,928	1,555,345	785,583	-
Derivative financial liabilities						
Cross-currency swap (gross settled)						
Inflow	(10,935)	6.40	(12,043)	(700)	(11,343)	-
Outflow	12,322	4.93-5.38	13,341	640	12,701	-
	921,067		2,342,226	1,555,285	786,941	-
Company						
Non-derivative financial liabilities						
Term loans	77,709	3.91	80,772	3,038	77,734	-
Revolving credit	223,052	2.61-3.83	228,771	143,257	85,514	-
Medium term notes	448,970	6.40-6.65	493,985	28,604	465,381	-
Other payables and accruals	9,360	-	9,360	9,360	-	-
Financial guarantees	-	-	1,510,176	1,510,176	-	-
	759,091		2,323,064	1,694,435	628,629	-
Derivative financial liabilities						
Cross-currency swap (gross settled)						
Inflow	(10,935)	6.40	(12,043)	(700)	(11,343)	-
Outflow	12,322	4.93-5.38	13,341	640	12,701	-
	760,478		2,324,362	1,694,375	629,987	-

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.5 Liquidity risk (continued)

Maturity analysis (continued)

2020	CARRYING AMOUNT RM'000	CONTRACTUAL INTEREST RATE %	CONTRACTUAL CASH FLOWS RM'000	UNDER 1 YEAR RM'000	1 - 5 YEARS RM'000	MORE THAN 5 YEARS RM'000
Group						
Non-derivative financial liabilities						
Term loans	300,037	2.73	304,815	304,815	-	-
Revolving credit	130,513	2.61-2.67	133,158	133,158	-	-
Medium term notes	797,809	6.40-6.65	893,855	400,072	493,783	-
Lease liabilities	4,738	5.00	5,217	1,283	3,934	-
Trade payables	6,742	-	6,742	6,742	-	-
Other payables and accruals	16,775	-	16,775	16,775	-	-
Financial guarantees	-	-	2,430,222	2,430,222	-	-
	1,256,614		3,790,784	3,293,067	497,717	-
Derivative financial liabilities						
Cross-currency swap (gross settled)						
Inflow	(338,179)	6.40	(360,931)	(348,888)	(12,043)	-
Outflow	337,329	4.50-5.77	356,589	344,099	12,490	-
	1,255,764		3,786,442	3,288,278	498,164	-
Company						
Non-derivative financial liabilities						
Revolving credit	130,513	2.61-2.67	133,158	133,158	-	-
Medium term notes	797,809	6.40-6.65	893,855	400,072	493,783	-
Other payables and accruals	8,881	-	8,881	8,881	-	-
Financial guarantees	-	-	2,730,259	2,730,259	-	-
	937,203		3,766,153	3,272,370	493,783	-
Derivative financial liabilities						
Cross-currency swap (gross settled)						
Inflow	(338,179)	6.40	(360,931)	(348,888)	(12,043)	-
Outflow	337,329	4.50-5.77	356,589	344,099	12,490	-
	936,353		3,761,811	3,267,581	494,230	-

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's and the Company's financial position or cash flows.

As at the end of the reporting period, the Group and the Company are not exposed to other price risk.

33.6.1 Currency risk

The Group and the Company are mainly exposed to foreign currency risk on equity contribution to subsidiaries and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Australian Dollar ("AUD") and Great Britain Pound ("GBP").

Risk management objectives, policies and processes for managing the risk

The Group and the Company closely monitor their exposure to foreign currency risk and the fluctuation in foreign currencies. The Group and the Company use cross-currency swaps to hedge their foreign currency risk. The cross-currency swaps have maturities of one to five years after the end of the reporting period.

Exposure to foreign currency risk

The Group's and the Company's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

2021	DENOMINATED IN AUD RM'000	 GBP RM'000
Group		
Amounts owing by joint ventures	-	**1**
Trade receivables	-	**572**
Cash, bank balances and deposits	**151,282**	**121,140**
Derivative financial liabilities	**(1,387)**	-
Borrowings	-	**(300,761)**
Trade payables	-	**(224)**
Other payables and accruals	-	**(1,734)**
Net exposure	**149,895**	**(181,006)**
Company		
Amounts owing by joint ventures	-	**1**
Other receivables, deposits and prepayments	-	**4,278**
Cash, bank balances and deposits	**151,282**	**121,140**
Derivative financial liabilities	**(1,387)**	-
Borrowings	-	**(300,761)**
Net exposure	**149,895**	**(175,342)**

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.6 Market risk (continued)

33.6.1 Currency risk (continued)

Exposure to foreign currency risk (continued)

2020	DENOMINATED IN AUD RM'000	 GBP RM'000
Group		
Trade receivables	-	1,666
Cash, bank balances and deposits	32	3,781
Derivative financial (liabilities)/assets	(427)	1,277
Borrowings	-	(130,513)
Trade payables	-	(165)
Other payables and accruals	-	(301)
Net exposure	(395)	(124,255)
Company		
Cash, bank balances and deposits	32	3,781
Derivative financial (liabilities)/assets	(427)	1,277
Borrowings	-	(130,513)
Other payables and accruals	-	(15)
Net exposure	(395)	(125,470)

Currency risk sensitivity analysis

Foreign currency risk primarily arises from Group entities which have Ringgit Malaysia as functional currency. The exposure to currency risk of Group entities which do not have a Ringgit Malaysia functional currency is not material and hence, sensitivity analysis is not performed.

A 10% (2020: 10%) strengthening of the RM against the following currencies at the end of the reporting period would have increased profit or loss by the pre-tax amounts shown below. The analysis assumes that all other variables, in particular interest rates, remained constant.

PROFIT OR LOSS	GROUP 2021 RM'000	 2020 RM'000	COMPANY 2021 RM'000	 2020 RM'000
AUD	**(14,989)**	39	**(14,989)**	39
GBP	**18,100**	12,426	**17,534**	12,547
	3,111	12,465	**2,545**	12,586

A 10% (2020: 10%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect to the amounts shown on the above currencies, on the basis that all other variables remained constant.

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.6 Market risk (continued)

33.6.2 Interest rate risk

The Group's and the Company's fixed rate deposits held with licensed financial institutions and its fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group and the Company regularly review their debt portfolio and such strategy enables the Group and the Company to source low interest funding from the market and achieve a certain level of protection against interest rate hike. The Group and the Company do not use derivative financial instruments to hedge their debt obligations.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Fixed rate instruments				
Financial assets	**112,755**	41,293	**106,032**	10,209
Financial liabilities	**(448,970)**	(797,809)	**(448,970)**	(797,809)
Lease liabilities	**(2,741)**	(4,738)	**-**	-
	(338,956)	(761,254)	**(342,938)**	(787,600)
Floating rate instruments				
Financial assets	**34,840**	90,805	**34,840**	90,805
Financial liabilities	**(451,568)**	(430,550)	**(300,761)**	(130,513)
	(416,728)	(339,745)	**(265,921)**	(39,708)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) pre-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

	GROUP		COMPANY	
PROFIT OR LOSS	100 BP INCREASE RM'000	100 BP DECREASE RM'000	100 BP INCREASE RM'000	100 BP DECREASE RM'000
2021				
Floating rate instruments	**(4,167)**	**4,167**	**(2,659)**	**2,659**
2020				
Floating rate instruments	(3,397)	3,397	(397)	397

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.7 Hedging activities

33.7.1 Currency risk - Transactions in foreign currency

The Group and the Company are mainly exposed to foreign currency risk on equity contribution to subsidiaries and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Australian Dollar ("AUD") and Great Britain Pound ("GBP").

The Group and the Company used cross-currency swaps to hedge their foreign currency risk arising from AUD and GBP denominated equity contribution to subsidiaries, that is a net investment in a foreign operation. The Group and the Company closely monitor their exposure to foreign currency risk and the fluctuation in foreign currencies. The Group and the Company designated cross-currency swaps that are entered specifically to hedge against foreign currency risk from individual equity contribution ("hedge item") as effective hedge. These contracts have a maturity of one to five years from the reporting date.

The Group and the Company had assessed and determined that the critical terms of the cross-currency swap contracts ("hedge instrument") align with the hedged item. In assessing the critical terms of the hedge instrument, the Group and the Company determined the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group and the Company assessed whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- the effect of the counterparty and the Group's and the Company's own credit risk on the fair value of the cross-currency swap contracts, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in exchange rates and interest rates; and
- changes in the timing of the hedged transactions.

33.7.2 Hedge of net investment in a foreign operation

At 31 October 2021, the Group and the Company held cross currency swaps to hedge exposures to changes in foreign currency arising from AUD (2020: AUD and GBP) denominated equity contribution to subsidiaries.

The amounts at the reporting date relating to items designated as hedged items were as follows:

GROUP AND COMPANY	CHANGE IN VALUE OF HEDGED ITEMS USED FOR CALCULATION OF HEDGE INEFFECTIVENESS RM'000	HEDGING RESERVE RM'000	BALANCES REMAINING IN THE HEDGING RESERVE FROM HEDGING RELATIONSHIPS FOR WHICH HEDGE ACCOUNTING IS NO LONGER APPLIED RM'000
Foreign Currency Risk			
2021			
Equity contribution to subsidiaries	**1,356**	**(1,316)**	**-**
2020			
Equity contribution to subsidiaries	3,431	(329)	-

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.7 Hedging activities (continued)

33.7.2 Hedge of net investment in a foreign operation (continued)

The amounts relating to items designated as hedging instruments are as follows:

GROUP AND COMPANY	NOMINAL AMOUNT RM'000	CARRYING AMOUNT ASSETS RM'000	CARRYING AMOUNT LIABILITIES RM'000	LINE ITEM IN THE STATEMENT OF FINANCIAL POSITION WHERE THE HEDGING INSTRUMENT IS INCLUDED
Foreign Currency Risk				
2021				
Cross currency swap	**10,935**	**-**	**(1,387)**	**Derivative financial liabilities**
2020				
Cross currency swap	338,179	2,487	(1,637)	Derivative financial assets/ (liabilities)

Included in the carrying amount of hedging instrument of the Group and of the Company is hedge ineffectiveness of RM71,000 loss (2020: RM1,179,000 gain), which has been recognised as unrealised gain/(loss) on foreign exchange in the profit or loss.

33.8 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.8 Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

	FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE				FAIR VALUE OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE					
2021	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000	TOTAL RM'000	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000	TOTAL RM'000	TOTAL FAIR VALUE RM'000	CARRYING AMOUNT RM'000
Group										
Financial liabilities										
Non-current:										
Medium term notes	-	-	-	-	-	461,356	-	461,356	461,356	448,970
Term loans	-	-	-	-	-	228,516	-	228,516	228,516	228,516
Revolving credit	-	-	-	-	-	84,418	-	84,418	84,418	84,418
Derivative financial liabilities	-	1,387	-	1,387	-	-	-	-	1,387	1,387
	-	1,387	-	1,387	-	774,290	-	774,290	775,677	763,291
Company										
Financial liabilities										
Non-current:										
Medium term notes	-	-	-	-	-	461,356	-	461,356	461,356	448,970
Term loans	-	-	-	-	-	77,709	-	77,709	77,709	77,709
Revolving credit	-	-	-	-	-	84,418	-	84,418	84,418	84,418
Derivative financial liabilities	-	1,387	-	1,387	-	-	-	-	1,387	1,387
	-	1,387	-	1,387	-	623,483	-	623,483	624,870	612,484

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.8 Fair value information (continued)

2020	FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE				FAIR VALUE OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE				TOTAL FAIR VALUE	CARRYING AMOUNT
	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000	TOTAL RM'000	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000	TOTAL RM'000	RM'000	RM'000
Group										
Financial liabilities										
Medium term notes										
(Non-current)	-	-	-	-	-	466,218	-	466,218	466,218	448,371
Derivative financial liabilities	-	602	-	602	-	-	-	-	602	602
	-	602	-	602	-	466,218	-	466,218	466,820	448,973
Company										
Financial liabilities										
Medium term notes										
(Non-current)	-	-	-	-	-	466,218	-	466,218	466,218	448,371
Derivative financial liabilities	-	602	-	602	-	-	-	-	602	602
	-	602	-	602	-	466,218	-	466,218	466,820	448,973

NOTES TO THE FINANCIAL STATEMENTS

33. FINANCIAL INSTRUMENTS (CONTINUED)

33.8 Fair value information (continued)

Level 2 fair value

Derivatives

The fair value of cross currency swap is estimated by discounting the future contractual cash flows at the current market rate available for similar instruments.

Medium term notes ("MTN")

The fair value of MTN is estimated by discounting the future contractual cash flows based on the effective yield of latest sales and purchases of the MTN at year end.

Term loan and revolving credit

The fair values of term loan and revolving credit are estimated to approximate carrying amount as term loan and revolving credit are floating rate instruments where their interest rates are marked to market interest rate.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2020: no transfer in either directions).

34. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to support the Group's stability and growth. The principal form of capital is share capital and when necessary, borrowings as included in the statements of financial position.

The Group actively and regularly reviews and manages its capital structure and when necessary, obtains financial support from its lenders, debt and equity capital raising exercises to ensure optimal capital structure and shareholder returns.

The Company and certain group entities are required to maintain a maximum debt-to-equity ratio to comply with bank covenants, failing which, the bank may call an event of default. The Company and these group entities have complied with the respective bank covenants.

The debt-to-equity ratios at 31 October 2021 and at 31 October 2020 were as follows:

	GROUP		COMPANY	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Borrowings (Note 19)	**900,538**	1,228,359	**749,731**	928,322
Lease liabilities	**2,741**	4,738	**-**	-
Less: Cash, bank balances and deposits (Note 16)	**(336,115)**	(284,014)	**(315,741)**	(120,894)
Net debt	**567,164**	949,083	**433,990**	807,428
Total equity attributable to owners of the Company	**2,815,298**	2,739,072	**2,741,225**	2,649,856
Debt-to-equity ratio	**0.20**	0.35	**0.16**	0.30

There was no change in the Group's and the Company's approach to capital management during the financial year.

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 68 to 131 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 October 2021 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

Tan Sri Dato' Sri Liew Kee Sin
Director

Dato' Teow Leong Seng
Director

Petaling Jaya,
Date: 10 February 2022

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Dato' Teow Leong Seng, the Director primarily responsible for the financial management of Eco World International Berhad, do solemnly and sincerely declare that the financial statements set out on pages 68 to 131 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Dato' Teow Leong Seng, NRIC: 581212-10-6981, MIA CA 3871 at Petaling Jaya in the State of Selangor on 10 February 2022.

Dato' Teow Leong Seng
Director

Before me,

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ECO WORLD INTERNATIONAL BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Eco World International Berhad, which comprise the statements of financial position as at 31 October 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 68 to 131.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 October 2021, and of their financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Share of profits of equity-accounted joint ventures

Refer to Note 2(a)(iv) - Significant accounting policy: Joint arrangements and Note 7 - Investments in joint ventures.

The key audit matter

The Group has an equity interest of 75% in Eco World-Ballymore Holding Company Limited and 70% in both Be Eco World Investment Company Limited and Eco World London Development Company Limited at 31 October 2021. For the financial year ended 31 October 2021, the share of profit of joint ventures amounted to RM47.2 million.

The accounting for the results of the joint ventures is identified as a key audit matter because the share of profit of joint ventures is a significant contributor to the Group's profit after tax.

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- We communicated with the component auditors of the joint ventures throughout the audit to satisfy our requirements under the international auditing standards;
- We issued group audit instructions to the component auditors to communicate our group audit strategy and directed the scope of work to be performed;

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ECO WORLD INTERNATIONAL BERHAD

Key Audit Matters (continued)

Share of profits of equity-accounted joint ventures (continued)

How the matter was addressed in our audit (continued)

- We obtained an understanding of the procedures planned to be performed by the component auditors and considered whether the planned procedures were appropriate for the purpose of the audit of the consolidated financial statements;
- We assessed the adequacy of the work performed by the component auditors and the consistent application of the Group's accounting policies;
- We discussed significant matters arising from the audit with the component auditors, in particular on identified significant risks of material misstatements to the consolidated financial statements; and
- We assessed whether the carrying amounts of the joint ventures are properly accounted for using the equity method, including checking the arithmetic accuracy of the calculation of share of profit of joint ventures and evaluated that the accounting policies of the joint ventures have been aligned to the Group's accounting policies.

Valuation of inventories

Refer to Note 2(g) - Significant accounting policy: Inventories and Note 8 - Inventories.

The key audit matter

Inventories of the Group include developed properties of RM250.4 million from its property development projects of overseas subsidiaries. The determination of the estimated net realisable value for the inventories is dependent upon the Group's expectation of future selling prices. Management has performed an assessment and concluded that the expected net realisable values for the inventories are above their carrying amounts. The expected net realisable values are determined after considering recent transacted prices for the developed properties, volume and pricing of other development within the vicinity and the current and future market conditions in the property development industry.

Valuation of inventories is identified as a key audit matter because of the uncertainty in the global property market and the resultant market volatility, which may lead to downward pressure on transaction volumes and prices. This in turn poses a challenge on the sustainability of expected future selling prices of the Group's properties.

How the matter was addressed in our audit

We requested the component auditors to perform the following audit procedures and assessed the adequacy of work performed:

- We compared the budgeted selling prices of developed properties against historical selling prices in signed sale and purchase agreements to assess whether the Group's expected future selling prices are attainable;
- We compared the budgeted selling prices of developed properties against the market selling prices derived from sales data of comparable properties within the vicinity of the developed properties;
- We evaluated the anticipated timing of future sales for the developed properties to assess whether the Group's sales strategy is attainable; and
- We evaluated the sale of developed properties achieved by the Group against targeted sales to identify downward pressure on transaction volumes.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ECO WORLD INTERNATIONAL BERHAD

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ECO WORLD INTERNATIONAL BERHAD

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Eric Kuo Sze-Wei
Approval Number: 03473/11/2023 J
Chartered Accountant

Petaling Jaya, Selangor
Date: 10 February 2022

LIST OF PROPERTIES HELD BY THE GROUP
AS AT 31 OCTOBER 2021

(i) Details of the properties held by the Group are as follows:

NO.	LOCATION	DESCRIPTION	DATE OF ACQUISITION	LAND AREA (SQ. M.)	TENURE	NET BOOK VALUE^ (RM'000)
1	**West Village, Parramatta** Lot 100 in Deposited Plan 792374 Lot 504 in Deposited Plan 701136/ 76-82 and 100, Church Street Parramatta New South Wales 2150 Australia	Developed properties	30 November 2015	4,778	Freehold	65,549
2	**Yarra One, Melbourne** 16-22, Claremont Street South Yarra, Victoria 3141 Australia	Developed properties	10 April 2017	2,128	Freehold	184,826
3	**Macquarie Park** 1-3 Lachlan Avenue Macquarie Park Sydney New South Wales 2113 Australia	Development site for Macquarie Park Project	9 November 2018	2,751	Freehold	143,995

Note:
^ *Based on the exchange rate of AUD1.00 : RM3.1210, being the closing rate for AUD to RM as at 31 October 2021*

LIST OF PROPERTIES HELD BY THE GROUP
AS AT 31 OCTOBER 2021

(ii) Details of the properties held by a Joint Venture, EcoWorld-Ballymore are as follows:

NO.	LOCATION	DESCRIPTION	DATE OF ACQUISITION	LAND AREA (SQ. M.)	TENURE	NET BOOK VALUE^# (RM'000)
1	**Eco World-Ballymore London City Island Company Limited** EGL442847/Land at Middle Wharf Baldwins Upper Wharf and Crown Wharf, Orchard Place London E14 United Kingdom	Development site for the London City Island Phase 2 Project	11 January 2015	23,553	Freehold	433,950
	EGL489449/Land on the west side of Orchard Place London E14 United Kingdom			526	Leasehold Expiring: Year 2130	
2	**Eco World-Ballymore Embassy Gardens Company Limited** TGL423144/Phase 2 Embassy Gardens Nine Elms Lane London SW8 5BL United Kingdom	Development site for the Embassy Garden Phase 2 Project	11 January 2015	22,015	Freehold	1,849,559
3	**Eco World-Ballymore Arrowhead Quay Company Limited** NGL501731 and EGL531989/ Land at South Quay Isle of Dogs London E14 United Kingdom	Developed properties	11 January 2015	5,463	Freehold	580,025

Note:

^ *Based on the exchange rate of GBP1.00 : RM5.7051, being the closing rate for GBP to RM as at 31 October 2021*

These amount represent 100% of the net book value of the properties held by the joint ventures

(iii) Details of the properties held by the Joint Venture, EcoWorld London are as follows:

NO.	LOCATION	DESCRIPTION	DATE OF ACQUISITION	LAND AREA (SQ. M.)	TENURE	NET BOOK VALUE^# (RM'000)
1	**Be (M&J) LLP** The Quadrant Kilburn Lane London W10 4AH United Kingdom	Development site for Moberly Project (Kensal Rise)	16 March 2016	6,600	Leasehold	137,127
	Jubilee Sports Centre Caird Street London W10 4RR United Kingdom	Development site for Jubilee Project (Maida Hill)	16 March 2016	5,900	Leasehold	N/A~
2	**Prime Place (Millbrook) LLP** Millbrook Park Project Office Inglis Way London NW7 1FJ United Kingdom	Development site for Millbrook Park Project	17 December 2015	10,800	Freehold	350,310
3	**Be Living (Lampton) LLP** Nantly House 33, Lampton Road Middlesex TW3 4DN United Kingdom	Development site under framework agreement with London Borough of Hounslow for Nantly House Project	N/A*	N/A*	N/A*	N/A*
	Be Living (Lampton) LLP Acton Lodge Site 84 London Road Brentford TW8 8JJ	Development site under framework agreement with London Borough of Hounslow	N/A*	N/A*	N/A*	N/A*
4	**Be (Barking) LLP** Tesco Car Park Highbridge Rd Barking IG11 7BS United Kingdom	Development site for Barking Tesco Phase 1	7 August 2019	10,000	Freehold	109,213

LIST OF PROPERTIES HELD BY THE GROUP
AS AT 31 OCTOBER 2021

NO.	LOCATION	DESCRIPTION	DATE OF ACQUISITION	LAND AREA (SQ. M.)	TENURE	NET BOOK VALUE^# (RM'000)
5	**Prime Place (Woking Goldsworth Road North) LLP** 15-29 Goldsworth Road Woking GU21 6JT United Kingdom	Development site for Woking Project	26 January 2016	1,700	Freehold	32,617
6	**Goldsworth Road Development LLP** 30-32 Goldsworth Road Woking GU21 6JT United Kingdom	Development site for Woking Project	12 October 2015	3,885	Freehold	255,202
7	**Aberfeldy New Village LLP** Aberfeldy Marketing Gallery Lighterman Point 2A Abbott Road London E14 0ND United Kingdom	Development site for Aberfeldy Village Project Phase 3 – 6	23 March 2017	66,000	Leasehold	321,251
8	**Kew Bridge Gate Developments LLP** Land at the site of Kew Bridge Community Stadium Brentford TW8 0EX and Griffin Park TW8 0NT United Kingdom	Development site for Kew Bridge Project	30 August 2018	47,300	Leasehold	994,993

Notes:

^ *Based on the exchange rate of GBP1.00 : RM5.7051, being the closing rate for GBP to RM as at 31 October 2021*

These amount represent 100% of the net book value of the properties held by the joint ventures

* *Not applicable due to no ownership of land*

~ *Planning obligation to deliver to local council*

ANALYSIS OF SHAREHOLDINGS
AS AT 17 JANUARY 2022

Issued share capital : 2,400,000,000
Class of share : Ordinary shares
Voting rights : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
Less than 100	23	0.15	480	0.00
100 - 1,000	3,088	19.50	1,849,750	0.08
1,001 - 10,000	7,661	48.40	41,081,661	1.71
10,001 - 100,000	4,366	27.58	147,987,062	6.17
100,001 to less than 5% of issued shares	689	4.35	666,540,249	27.77
5% and above of issued shares	3	0.02	1,542,540,798	64.27
Total	**15,830**	**100.00**	**2,400,000,000**	**100.00**

DIRECTORS' SHAREHOLDINGS AS PER REGISTER OF DIRECTORS' SHAREHOLDINGS

	NO. OF ORDINARY SHARES HELD			
NAME	DIRECT	%	INDIRECT	%
Tan Sri Azlan Bin Mohd Zainol	5,120,000	0.21	67,200[1]	negligible
Tan Sri Dato' Sri Liew Kee Sin	246,540,798	10.27	45,700,000[2]	1.90
Dato' Teow Leong Seng	15,263,000	0.64	-	-
Cheah Tek Kuang	3,000,000	0.13	-	-
Dato' Chang Khim Wah	1,471,400	0.06	-	-
Choong Yee How	-	-	-	-
Cheng Hsing Yao	-	-	-	-
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	-	-	5,000,000[3]	0.21
Dato' Siow Kim Lun	2,000,000	0.08	-	-
Dato' Kong Sooi Lin	-	-	-	-
Pauline Wong Wan Voon	-	-	-	-
Wong Hock Chuan	-	-	-	-

(1) *Deemed interested by virtue of his child's interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016 ("**Act**")*
(2) *Deemed interested by virtue of his spouse and child's interest in the Company pursuant to Section 59(11)(c) of the Act*
(3) *Deemed interested by virtue of her spouse's interest in the Company pursuant to Section 59(11)(c) of the Act*

ANALYSIS OF SHAREHOLDINGS
AS AT 17 JANUARY 2022

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

NAME	NO. OF ORDINARY SHARES HELD			
	DIRECT	%	INDIRECT	%
Eco World Capital (International) Sdn Bhd	648,000,000	27.00	-	-
GLL EWI (HK) Limited	648,000,000	27.00	-	-
Tan Sri Dato' Sri Liew Kee Sin	246,540,798	10.27	45,700,000[1]	1.90
Sinarmas Harta Sdn Bhd	78,726,900	3.28	648,000,000[2]	27.00
Dato' Leong Kok Wah	2,000,000	0.08	726,726,900[3]	30.28
Syabas Tropikal Sdn Bhd	-	-	726,726,900[4]	30.28
Eco World Development Group Berhad	-	-	648,000,000[2]	27.00
Davos Investment Holdings Private Limited	-	-	648,000,000[5]	27.00
Hong Leong Investment Holdings Pte Ltd	-	-	648,000,000[5]	27.00
Kwek Holdings Pte Ltd	-	-	648,000,000[5]	27.00
GLL (Malaysia) Pte Ltd	-	-	648,000,000[5]	27.00
GuocoLand Limited	-	-	648,000,000[5]	27.00
GuocoLand Assets Pte Ltd	-	-	648,000,000[5]	27.00
Guoco Group Limited	-	-	648,000,000[5]	27.00
GuoLine Overseas Limited	-	-	648,000,000[5]	27.00
GuoLine Capital Assets Limited	-	-	648,000,000[5]	27.00
Hong Realty (Private) Limited	-	-	648,000,000[5]	27.00
Kwek Leng Kee	-	-	648,000,000[5]	27.00
Kwek Leng Beng	-	-	648,000,000[5]	27.00
Tan Sri Quek Leng Chan	-	-	648,000,000[5]	27.00

(1) *Deemed interested by virtue of his spouse and child's interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016 ("**Act**")*
(2) *Deemed interested by virtue of its interest in Eco World Capital (International) Sdn Bhd pursuant to Section 8 of the Act*
(3) *Deemed interested by virtue of his interest in Syabas Tropikal Sdn Bhd pursuant to Section 8 of the Act*
(4) *Deemed interested by virtue of its interest in Sinarmas Harta Sdn Bhd pursuant to Section 8 of the Act*
(5) *Deemed interested by virtue of their interest in GLL EWI (HK) Limited pursuant to Section 8 of the Act*

THIRTY (30) LARGEST SHAREHOLDERS

NO.	NAME OF SHAREHOLDERS	NO. OF SHARES	%
1	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT-CIMB INVESTMENT BANK BERHAD FOR ECO WORLD CAPITAL (INTERNATIONAL) SDN BHD (SSCA)	648,000,000	27.00
2	GLL EWI (HK) LIMITED	648,000,000	27.00
3	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW KEE SIN	246,540,798	10.27
4	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	119,930,600	5.00
5	SINARMAS HARTA SDN BHD	49,738,700	2.07
6	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LIEW TIAN XIONG (PB)	40,500,000	1.69
7	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SINARMAS HARTA SDN BHD (M09)	28,988,200	1.21
8	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ECO WORLD DEVELOPMENT HOLDINGS SDN BHD	22,000,000	0.92
9	TEE TIAM LEE	18,461,100	0.77
10	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEOW LEONG SENG	15,200,000	0.63
11	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 2 - WAWASAN	15,000,000	0.63
12	ONG AUN KUNG	14,150,000	0.59
13	HSBC NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR SAXO BANK A/S (MY-NONMYR)	8,143,900	0.34
14	SIGMA SELEKSI SDN BHD	6,809,200	0.28
15	ONG AUN KUNG	6,500,000	0.27
16	VOON TIN YOW	6,056,000	0.25
17	AMANAHRAYA TRUSTEES BERHAD ASN UMBRELLA FOR ASN IMBANG (MIXED ASSET BALANCED) 2	5,642,800	0.24
18	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAH LILY (E-BBB/SNG)	5,200,000	0.22

ANALYSIS OF SHAREHOLDINGS
AS AT 17 JANUARY 2022

THIRTY (30) LARGEST SHAREHOLDERS (CONTINUED)

NO.	NAME OF SHAREHOLDERS	NO. OF SHARES	%
19	AZLAN BIN MOHD ZAINOL	5,120,000	0.21
20	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JAYASANKARAN A/L K.K.SANKARAN	5,000,000	0.21
21	TAN HENG TA	4,819,000	0.20
22	DERRICK FERNANDEZ	4,500,000	0.19
23	KENANGA NOMINEES (TEMPATAN) SDN BHD KHO CHAI YAM	4,341,900	0.18
24	CARTABAN NOMINEES (ASING) SDN BHD SSBT FUND ZYEF FOR VANGUARD GLOBAL EX-U.S. REAL ESTATE INDEXFUND	4,131,600	0.17
25	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG AUN KUNG (100187)	4,000,000	0.17
26	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG AUN KUNG	3,950,000	0.16
27	PUBLIC INVEST NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MUHAMAD ALOYSIUS HENG (M)	3,690,800	0.15
28	AMANAHRAYA TRUSTEES BERHAD ASN IMBANG (MIXED ASSET BALANCED) 1	3,500,000	0.15
29	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW TIAN XIONG	3,500,000	0.15
30	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW JEW FOOK (E-PDG)	3,274,500	0.14
		1,954,689,098	**81.46**

ANALYSIS OF WARRANTHOLDINGS
AS AT 17 JANUARY 2022

Total no. of warrants issued : 960,000,000
Exercise price of warrants : RM1.45
Expiry date : 4 April 2022

DISTRIBUTION OF WARRANTHOLDINGS

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
Less than 100	1,304	14.75	63,928	0.01
100 - 1,000	3,003	33.98	1,263,480	0.13
1,001 - 10,000	2,598	29.39	9,873,944	1.03
10,001 - 100,000	1,393	15.76	52,428,444	5.46
100,001 to less than 5% of issued warrants	538	6.09	296,773,524	30.91
5% and above of issued warrants	3	0.03	599,596,680	62.46
Total	**8,839**	**100.00**	**960,000,000**	**100.00**

DIRECTORS' WARRANTHOLDINGS AS PER REGISTER OF DIRECTORS' WARRANTHOLDINGS

	NO. OF WARRANTS HELD			
NAME	DIRECT	%	INDIRECT	%
Tan Sri Azlan Bin Mohd Zainol	2,048,000	0.21	27,280[(1)]	negligible
Tan Sri Dato' Sri Liew Kee Sin	98,616,319	10.27	680,000[(2)]	0.07
Dato' Teow Leong Seng	6,105,200	0.64	-	-
Cheah Tek Kuang	1,200,000	0.13	-	-
Dato' Chang Khim Wah	8,000	negligible	-	-
Choong Yee How	-	-	-	-
Cheng Hsing Yao	-	-	-	-
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	-	-	-	-
Dato' Siow Kim Lun	800,000	0.08	-	-
Dato' Kong Sooi Lin	-	-	-	-
Pauline Wong Wan Voon	-	-	-	-
Wong Hock Chuan	-	-	-	-

(1) *Deemed interested by virtue of his child's interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016 ("**Act**")*
(2) *Deemed interested by virtue of his spouse's interest in the Company pursuant to Section 59(11)(c) of the Act*

ANALYSIS OF WARRANTHOLDINGS
AS AT 17 JANUARY 2022

THIRTY (30) LARGEST WARRANTHOLDERS

NO.	NAME OF WARRANTHOLDERS	NO. OF WARRANT	%
1	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT-CIMB INVESTMENT BANK BERHAD FOR ECO WORLD CAPITAL (INTERNATIONAL) SDN BHD (SSCA)	259,200,000	27.00
2	GLL EWI (HK) LIMITED	259,200,000	27.00
3	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW KEE SIN	81,196,680	8.46
4	SINARMAS HARTA SDN BHD	31,490,760	3.28
5	LIEW KEE SIN	17,419,639	1.81
6	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ECO WORLD DEVELOPMENT HOLDINGS SDN BHD	8,800,000	0.92
7	TEOW LEONG SENG	6,105,200	0.64
8	WAN MOHAMAD MIRZAN BIN WAN HANAPI	5,743,400	0.60
9	LOW WEE LI	5,235,200	0.55
10	ONG AUN KUNG	5,100,000	0.53
11	TEOW YANG SOCK	3,833,540	0.40
12	NEW KOK CHAI	3,482,000	0.36
13	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR LING BIM DING	3,020,000	0.31
14	WONG JEE SHYONG	3,000,000	0.31
15	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PHUA SIN MO	2,974,500	0.31
16	AFFIN HWANG INVESTMENT BANK BERHAD IVT (YIH)	2,889,900	0.30
17	SIGMA SELEKSI SDN BHD	2,723,680	0.28
18	VOON TIN YOW	2,422,400	0.25

THIRTY (30) LARGEST WARRANTHOLDERS (CONTINUED)

NO.	NAME OF WARRANTHOLDERS	NO. OF WARRANT	%
19	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE KWAN SENG (E-BPJ)	2,324,500	0.24
20	CHUA AH HOO	2,239,000	0.23
21	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CH'NG JIN HOWE (E-PPG)	2,200,000	0.23
22	TANG SHOK BOAY	2,102,700	0.22
23	AZLAN BIN MOHD ZAINOL	2,048,000	0.21
24	CHEW MING CHAI	2,010,000	0.21
25	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAU KHENG TONG (E-TCS)	2,000,000	0.21
26	ZOLKEFLEE BIN ABD HAMID	1,860,000	0.19
27	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR POH SENG KIAN (TJJ/KEN)	1,810,000	0.19
28	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR ALLIANZ LIFE INSURANCE MALAYSIA BERHAD (MEF)	1,591,280	0.17
29	TANG CHIN CHUAI	1,520,000	0.16
30	ONG SIEW HONG	1,511,500	0.16
		727,053,879	**75.73**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Eighth Annual General Meeting ("**8th AGM**") of Eco World International Berhad ("**Company**") will be held as a virtual meeting at the broadcast venue at Bukit Bintang City Centre Sales Gallery, No. 2, Jalan Hang Tuah, 55100 Kuala Lumpur, Wilayah Persekutuan, Malaysia ("**Broadcast Venue**") on Thursday, 24 March 2022 at 10.30 a.m. for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1 To receive the Audited Financial Statements for the financial year ended 31 October 2021 together with the Reports of the Directors and Auditors thereon. *[Please refer to Explanatory Note (i)]*

2 To approve the payment of Directors' Fees to each of the following Independent Non-Executive Directors of the Company quarterly in arrears from the 8th AGM until the 9th AGM of the Company:

(i) Tan Sri Azlan Bin Mohd Zainol **Ordinary Resolution 1**
(ii) Mr Cheah Tek Kuang **Ordinary Resolution 2**
(iii) Tan Sri Datuk Dr Rebecca Fatima Sta Maria **Ordinary Resolution 3**
(iv) Dato' Siow Kim Lun **Ordinary Resolution 4**
(v) Dato' Kong Sooi Lin **Ordinary Resolution 5**
(vi) Ms Pauline Wong Wan Voon **Ordinary Resolution 6**
[Please refer to Explanatory Note (ii)]

3 To approve the payment of Directors' Benefits to the Independent Non-Executive Directors of the Company from the 8th AGM until the 9th AGM of the Company. **Ordinary Resolution 7** *[Please refer to Explanatory Note (iii)]*

4 To re-elect the following Directors who are retiring pursuant to Clause 114 of the Constitution of the Company:

(i) Tan Sri Azlan Bin Mohd Zainol **Ordinary Resolution 8**
(ii) Tan Sri Dato' Sri Liew Kee Sin **Ordinary Resolution 9**
(iii) Mr Cheah Tek Kuang **Ordinary Resolution 10**
(iv) Ms Pauline Wong Wan Voon **Ordinary Resolution 11**
[Please refer to Explanatory Note (iv)]

5 To re-appoint KPMG PLT as Auditors of the Company until the conclusion of the 9th AGM of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 12**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions:

6 **Authority to issue and allot shares** **Ordinary Resolution 13** *[Please refer to Explanatory Note (v)]*

"THAT subject always to the Companies Act 2016 ("**Act**"), the Constitution of the Company, the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approvals of the relevant governmental or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Section 76 of the Act to issue and allot shares in the Company to such persons, at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being."

7 **Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") and Proposed New Shareholders' Mandate for Additional RRPT ("Proposed Shareholders' Mandate")**

Ordinary Resolution 14
[Please refer to Explanatory Note (vi)]

"THAT subject to the provisions of the MMLR of Bursa Securities, the Company and/or its subsidiaries and/or joint ventures ("**Group**") be and is/are hereby authorised to enter into any of the transactions falling within the types of existing and additional RRPT of the Group from time to time with related parties who may be a Director, a major shareholder of the Group or a person connected with such a Director and major shareholder, as specified in Section 2.2 of the Company's Circular dated 23 February 2022 which are necessary for the day to day operations and are in the ordinary course of business and are carried out at arms' length basis on normal commercial terms of the Group on terms not more favourable to the related parties than those generally available to the public and are not, in the Company's opinion, detrimental to minority shareholders of the Company.

THAT the mandate given by the shareholders of the Company shall only continue to be in force until:

(i) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;

(ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the Proposed Shareholders' Mandate."

8 To transact any other business for which due notice shall have been given in accordance with the Act.

By Order of the Board

TAI YIT CHAN (SSM PC No. 202008001023) (MAICSA 7009143)
TAN AI NING (SSM PC No. 202008000067) (MAICSA 7015852)
Company Secretaries

Selangor Darul Ehsan
23 February 2022

NOTICE OF ANNUAL GENERAL MEETING

NOTES

(i) The 8th AGM will be conducted virtually through live streaming and online remote voting using the Remote Participation and Voting ("**RPV**") facilities to be provided by SS E Solutions Sdn Bhd via Securities Services e-Portal platform ("**SS e-Portal**") at https://sshsb.net.my/. Please follow the procedures set out in the Administrative Guide for the 8th AGM to register, attend, speak (in the form of real time submission of typed texts) and vote (collectively, "**participate**") remotely via the RPV facilities.

(ii) The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Act, which stipulates that the Chairman of the meeting shall be present at the main venue of the AGM and in accordance with Clause 78 of the Company's Constitution which allows a meeting of members to be held at more than one venue, using any technology or method that enables the members of the Company to participate and exercise their right to speak and vote at the general meeting. Members, proxies and/or corporate representatives will not be allowed to be physically present nor admitted at the Broadcast Venue on the day of the 8th AGM.

(iii) In respect of deposited securities, only members whose names appear on the Record of Depositors on 17 March 2022 (General Meeting Record of Depositors) shall be eligible to participate in the 8th AGM or appoint proxy(ies) to attend and/or vote on his/her behalf.

(iv) A member entitled to attend and vote at the 8th AGM is entitled to appoint not more than two (2) proxies to participate and vote in his/her stead at the same meeting. A proxy may but need not be a member of the Company. There shall be no restriction to the qualification of the proxy. Where a member appoints up to two (2) proxies, the appointments shall be invalid unless the member specifies the proportions of his/her shareholdings to be represented by each proxy. A proxy appointed to participate and vote at the 8th AGM shall have the same rights as the member to participate at the 8th AGM.

The members, proxies or corporate representatives may submit questions before the 8th AGM to the Chairman or Board of Directors electronically by email to eservices@sshsb.com.my no later than Tuesday, 22 March 2022 at 10.30 a.m. or via real time submission of typed texts via RPV facilities during the live streaming of the 8th AGM as the primary mode of communication.

(v) Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

(vi) Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it is entitled to appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where an Authorised Nominee appoints two (2) proxies to attend and vote at the 8th AGM, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing of the proxies, failing which, the appointment shall be invalid.

(vii) The instrument appointing a proxy by a member who is entitled to participate at the AGM, shall be executed by the appointor or of his/her attorney duly authorised in writing or via electronic submission. If the appointor is a corporation, either under its common seal or the hand of its officer or its duly authorised attorney.

(viii) The appointment of proxy may be made in the form of hardcopy or by electronic means as specified below and must be received by the Poll Administrator, SS E Solutions Sdn Bhd no later than Tuesday, 22 March 2022 at 10.30 a.m. or any adjournment thereof:

In hardcopy form

Deposited at the office of the Poll Administrator, SS E Solutions Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

By electronic means

Alternatively, the instrument appointing of proxy may also be lodged electronically via SS e-Portal at https://sshsb.net.my/ or by fax to +603-2094 9940 or by email to eservices@sshsb.com.my.

If you have submitted your proxy form(s) prior to the 8th AGM and subsequently decide to appoint another person or wish to personally participate in the 8th AGM via RPV facilities, please write in to eservices@sshsb.com.my to revoke the earlier appointed proxy(ies) no later than Tuesday, 22 March 2022 at 10.30 a.m. or any adjournment thereof.

EXPLANATORY NOTES

(i) Item 1 of the Agenda - Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval from the shareholders for the Audited Financial Statements. Hence, this agenda item is not put forward for voting.

(ii) Ordinary Resolutions 1 to 6 – Directors' Fees from the 8th AGM until the 9th AGM of the Company

At the 7th AGM of the Company, the shareholders have approved the payment of RM160,000 per annum for each Independent Non-Executive Director from the 7th AGM until the 8th AGM of the Company to be paid quarterly in arrears. In cognisance of the current challenging economic environment and as part of cost rationalisation plan and to ensure the Group remain in good cash flow footing to support the business operations, the Independent Non-Executive Directors have voluntarily agreed to take a further 20% reduction in their fees effective from 1 January 2022 ("**Reduced Directors' Fees**") to demonstrate their support of the initiatives undertaken by the Group, details of which are set out in the table below and our Corporate Governance Report 2021:

APPROVAL SOUGHT/ TO BE SOUGHT	PERIOD	AMOUNT OF DIRECTORS' FEES APPROVED/ TO BE APPROVED	AMOUNT PAID/ TO BE PAID
At the 7th AGM held on 31 March 2021	From the 7th AGM until the 8th AGM	RM960,000	RM912,000
At the upcoming 8th AGM	From the 8th AGM until the 9th AGM	RM768,000* *(RM128,000 per annum for each Independent Non-Executive Director)*	-

* *Based on the assumption that the 9th AGM of the Company will be held in March 2023.*

The payment of the Directors' Fees of RM128,000 per annum for each Independent Non-Executive Director from the 8th AGM until the 9th AGM of the Company will only be made quarterly in arrears if the proposed Ordinary Resolutions 1 to 6 have been passed at the 8th AGM pursuant to Clause 122 of the Constitution of the Company. The resolutions on approval of the fees for each Independent Non-Executive Director which tabled separately at this AGM are in accordance with Guidance 7.2 of Malaysian Code on Corporate Governance 2021 ("**MCCG 2021**").

(iii) Ordinary Resolution 7 – Directors' Benefits payable to the Independent Non-Executive Directors from the 8th AGM until the 9th AGM of the Company

There is no revision to the proposed Directors' Benefits payable to the Independent Non-Executive Directors from the 8th AGM to the 9th AGM of the Company. The proposed Directors' Benefits of RM230,000 from the 8th AGM until the 9th AGM of the Company will only be made by the Company as and when incurred if the proposed Ordinary Resolution 7 has been passed at the 8th AGM. In determining the estimated total amount of the Directors' Benefits, the Board has considered the number of scheduled and special meetings for the Board and Board Committees as well as the number of Independent Non-Executive Directors involved in the meetings. Details of the Directors' Benefits are available in our Corporate Governance Report 2021.

NOTICE OF ANNUAL GENERAL MEETING

(iv) Ordinary Resolutions 8 to 11 – Re-election of Directors

The profiles of the Directors who are standing for re-election as per Agenda item no. 4 are set out in the Board of Directors' profile of the Annual Report 2021.

Based on the recommendation of the Nomination & Remuneration Committee, the Board is satisfied with the performance and contributions of the following Directors and supports the re-election based on the following justifications:

(a) Ordinary Resolution 8 – Re-election of Tan Sri Azlan Bin Mohd Zainol ("**Tan Sri Azlan**") as Independent Non-Executive Director

Tan Sri Azlan fulfills the requirement of independence set out in the MMLR of Bursa Securities as well as the prescribed criteria under the MCCG 2021. As the Chairman of the Board, he demonstrates sound leadership skills and encourages open communication which allows the Board members to raise important matters without inhibition. He also exercised his due care and carried out his professional duties proficiently during his tenure as an Independent Non-Executive Director of the Company.

(b) Ordinary Resolution 9 – Re-election of Tan Sri Dato' Sri Liew Kee Sin ("**Tan Sri Dato' Sri Liew**") as Executive Director

Tan Sri Dato' Sri Liew shows exemplary leadership in building businesses and creating value, he has contributed significantly to the Group by providing valuable inputs and steered the Group forward in the past years with notable achievements during his tenure as an Executive Director of the Company.

(c) Ordinary Resolution 10 – Re-election of Mr Cheah Tek Kuang ("**Mr Cheah**") as Senior Independent Non-Executive Director

Mr Cheah fulfills the requirement of independence set out in the MMLR of Bursa Securities as well as the prescribed criteria under the MCCG 2021. He has demonstrated his independence through his engagement in the meetings by providing external perspectives on the business and constructively feedback to the Company in developing the Group's business strategies. He also exercised his due care and carried out his professional duties proficiently during his tenure as the Senior Independent Non-Executive Director of the Company.

(d) Ordinary Resolution 11 – Re-election of Ms Pauline Wong Wan Voon ("**Pauline**") as Independent Non-Executive Director

Ms Pauline fulfills the requirement of independence set out in the MMLR of Bursa Securities as well as the prescribed criteria under the MCCG 2021. She has demonstrated her independence through her engagement in the meetings by proactively giving valuable insights to the Management in developing the Group's business strategies. She also exercised her due care and carried out her professional duties proficiently during her tenure as an Independent Non-Executive Director of the Company.

(v) Ordinary Resolution 13 – Authority to issue and allot shares

The Company had during its 7th AGM held on 31 March 2021, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 76 of the Act. The Company did not issue any new shares pursuant to this mandate obtained and accordingly no proceeds were raised.

The proposed Ordinary Resolution 13 is a renewal general mandate for issuance of shares by the Company pursuant to Section 76 of the Act, the Constitution of the Company and the MMLR of Bursa Securities. The mandate, if passed, will provide flexibility for the Company and empower the Directors to issue and allot new shares speedily in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company for the purpose of funding future investments project(s), working capital and/or acquisitions. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the 9th AGM.

(vi) Ordinary Resolution 14 – Proposed Shareholders' Mandate

The proposed Ordinary Resolution 14, if passed, will allow the Group to enter into the RRPT under the Proposed Shareholders' Mandate pursuant to the provisions of the MMLR of Bursa Securities and the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPT occur would not arise. This will reduce substantially the expenses associated with the convening of general meetings on ad hoc basis, improve administrative efficiency considerably and allow manpower resources and time to be focused on attaining the Group's corporate objectives and business opportunities. The Proposed Shareholders' Mandate is subject to renewal on an annual basis.

Please refer to the Circular to Shareholders dated 23 February 2022 which is available on the Company's website https://ecoworldinternational.com for further information.

PERSONAL DATA PRIVACY

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*

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PROXY FORM

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

ECOWORLD INTERNATIONAL
CREATING TOMORROW & BEYOND

I/We, ____ NRIC/Passport/Company No. ____________________________
(NAME IN FULL AND BLOCK LETTERS)

of ____
(FULL ADDRESS)

and Telephone No./Email Address ______________________________________ being a member/members of **ECO WORLD INTERNATIONAL BERHAD** ("**Company**"), hereby appoint ____
(NAME IN FULL AND BLOCK LETTERS)

NRIC/Passport No. _________________________ of ____
(FULL ADDRESS)

____ , ______________________________ (Proportion: ______%)
(FULL ADDRESS) (TELEPHONE NO./EMAIL ADDRESS)

and/or failing him/her, ____ NRIC/Passport No. __________________________ of
(NAME IN FULL AND BLOCK LETTERS)

____ , ______________________________ (Proportion: ______%)
(FULL ADDRESS) (TELEPHONE NO./EMAIL ADDRESS)

or failing him/her, THE CHAIRMAN OF THE MEETING as my/our proxy/proxies to vote for me/us and on my/our behalf at the Eighth Annual General Meeting ("**8th AGM**") of the Company, to be held as a virtual meeting at the broadcast venue at Bukit Bintang City Centre Sales Gallery, No. 2, Jalan Hang Tuah, 55100 Kuala Lumpur, Wilayah Persekutuan, Malaysia ("**Broadcast Venue**") on Thursday, 24 March 2022 at 10.30 a.m. and, at any adjournment thereof.

I/We indicate with an "x" in the spaces below how I/we wish my/our vote to be cast:

RESOLUTIONS		FOR	AGAINST
Ordinary Resolution 1	Approval for the payment of Directors' Fees to Tan Sri Azlan Bin Mohd Zainol		
Ordinary Resolution 2	Approval for the payment of Directors' Fees to Mr Cheah Tek Kuang		
Ordinary Resolution 3	Approval for the payment of Directors' Fees to Tan Sri Datuk Dr Rebecca Fatima Sta Maria		
Ordinary Resolution 4	Approval for the payment of Directors' Fees to Dato' Siow Kim Lun		
Ordinary Resolution 5	Approval for the payment of Directors' Fees to Dato' Kong Sooi Lin		
Ordinary Resolution 6	Approval for the payment of Directors' Fees to Ms Pauline Wong Wan Voon		
Ordinary Resolution 7	Approval for the payment of Directors' Benefits		
Ordinary Resolution 8	Re-election of Tan Sri Azlan Bin Mohd Zainol		
Ordinary Resolution 9	Re-election of Tan Sri Dato' Sri Liew Kee Sin		
Ordinary Resolution 10	Re-election of Mr Cheah Tek Kuang		
Ordinary Resolution 11	Re-election of Ms Pauline Wong Wan Voon		
Ordinary Resolution 12	Re-appointment of KPMG PLT as Auditors of the Company		
Ordinary Resolution 13	Authority to issue and allot shares		
Ordinary Resolution 14	Proposed Shareholders' Mandate for Recurrent Related Party Transactions		

Signed this __________________ day of __________________, 2022

Subject to the abovestated voting instructions, my/our proxy/proxies may vote or abstain from voting on any resolutions as he/she/they may think fit.

If appointment of proxy is under hand .... Signed by individual member/officer or attorney of member/authorised nominee of .... (beneficial owner)	No. of shares held: .... Securities Account No: .... (CDS Account No.) (Compulsory) Date: ....
If appointment of proxy is under seal The Common Seal of .... was hereto affixed in accordance with its Constitution in the presence of: .... Director Director/Secretary In its capacity as member/attorney of member/authorised nominee of .... (beneficial owner)	Seal No. of shares held: .... Securities Account No: .... (CDS Account No.) (Compulsory) Date: ....

Fold this flap for sealing

Then fold here

Affix Stamp

SS E Solutions Sdn Bhd
(Registration No. 202001010461 (1366781-T))

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan,
Malaysia.

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NOTES

(i) The 8th AGM will be conducted virtually through live streaming and online remote voting using the Remote Participation and Voting ("**RPV**") facilities to be provided by SS E Solutions Sdn Bhd via Securities Services e-Portal platform ("**SS e-Portal**") at https://sshsb.net.my/. Please follow the procedures set out in the Administrative Guide for the 8th AGM to register, attend, speak (in the form of real time submission of typed texts) and vote (collectively, "**participate**") remotely via the RPV facilities.

(ii) The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which stipulates that the Chairman of the meeting shall be present at the main venue of the AGM and in accordance with Clause 78 of the Company's Constitution which allows a meeting of members to be held at more than one venue, using any technology or method that enables the members of the Company to participate and exercise their right to speak and vote at the general meeting. Members, proxies and/or corporate representatives will not be allowed to be physically present nor admitted at the Broadcast Venue on the day of the 8th AGM.

(iii) In respect of deposited securities, only members whose names appear on the Record of Depositors on 17 March 2022 (General Meeting Record of Depositors) shall be eligible to participate in the 8th AGM or appoint proxy(ies) to attend and/or vote on his/her behalf.

(iv) A member entitled to attend and vote at the 8th AGM is entitled to appoint not more than two (2) proxies to participate and vote in his/her stead at the same meeting. A proxy may but need not be a member of the Company. There shall be no restriction to the qualification of the proxy. Where a member appoints up to two (2) proxies, the appointments shall be invalid unless the member specifies the proportions of his/her shareholdings to be represented by each proxy. A proxy appointed to participate and vote at the 8th AGM shall have the same rights as the member to participate at the 8th AGM.

The members, proxies or corporate representatives may submit questions before the 8th AGM to the Chairman or Board of Directors electronically by email to eservices@sshsb.com.my no later than Tuesday, 22 March 2022 at 10.30 a.m. or via real time submission of typed texts via RPV facilities during the live streaming of the 8th AGM as the primary mode of communication.

(v) Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

(vi) Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it is entitled to appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where an Authorised Nominee appoints two (2) proxies to attend and vote at the 8th AGM, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing of the proxies, failing which, the appointment shall be invalid.

(vii) The instrument appointing a proxy by a member who is entitled to participate at the AGM, shall be executed by the appointor or of his/her attorney duly authorised in writing or via electronic submission. If the appointor is a corporation, either under its common seal or the hand of its officer or its duly authorised attorney.

(viii) The appointment of proxy may be made in the form of hardcopy or by electronic means as specified below and must be received by the Poll Administrator, SS E Solutions Sdn Bhd no later than Tuesday, 22 March 2022 at 10.30 a.m. or any adjournment thereof:

In hardcopy form

Deposited at the office of the Poll Administrator, SS E Solutions Sdn Bhd at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

By electronic means

Alternatively, the instrument appointing of proxy may also be lodged electronically via SS e-Portal at https://sshsb.net.my/ or by fax to +603-2094 9940 or by email to eservices@sshsb.com.my.

If you have submitted your proxy form(s) prior to the 8th AGM and subsequently decide to appoint another person or wish to personally participate in the 8th AGM via RPV facilities, please write in to eservices@sshsb.com.my to revoke the earlier appointed proxy(ies) no later than Tuesday, 22 March 2022 at 10.30 a.m. or any adjournment thereof.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the 8th AGM dated 23 February 2022.

www.ecoworldinternational.com

Eco World International Berhad
(201301030020 (1059850-A))

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40170 Shah Alam, Selangor Darul Ehsan, Malaysia

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