ECOWORLD INTERNATIONAL

CREATING TOMORROW & BEYOND

CONSOLIDATING STRENGTHS

ANNUAL REPORT **2022**

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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, EcoWorld International
ewi@ecoworldinternational.com

Printed on environmentally friendly paper

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INTRODUCTION

The integrated annual report ("**IAR**") of Eco World International Berhad ("**EcoWorld International**") for the financial year ended 31 October 2022 ("**FY2022**") marks the Group's adoption of the integrated reporting ("**<IR>**") principles-based framework of the Value Reporting Foundation ("**VRF**").

The adoption of **<IR>** is in line with the Board of Directors' ("**Board**") and Senior Management's aspirations to provide more strategic disclosures and insightful information on matters material to enterprise value creation, as well as the reporting entity's continued ability to sustain financial and non-financial value creation over the short, medium and long-term perspectives.

In essence, IAR FY2022 aims to meet the increased information needs of providers of capital, in particular, investors, institutional shareholders and other stakeholders who desire a more comprehensive perspective of how emerging external trends as well as matters pertaining to environmental, social and governance ("**ESG**") performance can or will impact EcoWorld International's ability to generate stakeholder value.

Hence, IAR FY2022 goes beyond pure financial disclosures to provide information on EcoWorld International's business model, its risks and opportunities, business strategies, consumption of capitals (resources), how emerging environmental and social considerations impact the business model and in turn value creation.

THE DISTINCTION BETWEEN INTEGRATED REPORTING AND SUSTAINABILITY REPORTING

With the adoption of <IR>, sustainability reporting remains a core part of EcoWorld International's overall reporting suite for FY2022.

Sustainability reporting continues to provide a detailed account of the Group's ESG journey, including progress and achievements made in relation to the environmental and social performance indicators as well as challenges faced during the reporting year. This includes specific information such as the management's approach adopted for material ESG matters, the disclosure of three-year performance data and other disclosures as required by local and international reporting frameworks.

In essence, Sustainability Report ("**SR**") for FY2022 provides a comprehensive account on which ESG topics have a significant impact on the environment and society. IAR FY2022 focuses on matters pertinent to value creation, including ESG matters that can, have or will impact the creation of financial and non-financial stakeholder values.

BASIS OF PREPARATION

With IAR FY2022 being EcoWorld International's first year of adoption of the <IR> principles-based framework, this report is intended to be a foundational report that provides a firm base for enhancements in disclosures going forward. Disclosures will be enhanced progressively towards achieving full adoption of the <IR> principles-based framework over several years.

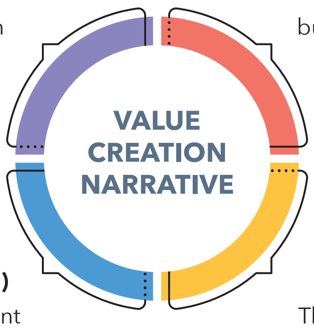
In determining the contents for inclusion in IAR FY2022, the following topics were discussed between the senior leadership teams and key information owners across EcoWorld International's United Kingdom ("**UK**"), Australia and Malaysia operations to collate a more connected and collective value creation narrative:

Capitals utilised by the business model

- Availability and dependence on capitals
- ESG impacts arising from the consumption of capitals
- Resource allocation strategies going forward

Stakeholders' growing role and influence

How the "voice" of key stakeholder groups such as the community, investors, regulators, government and others impact the business model including business strategies and processes, sustainability performance and future business plans



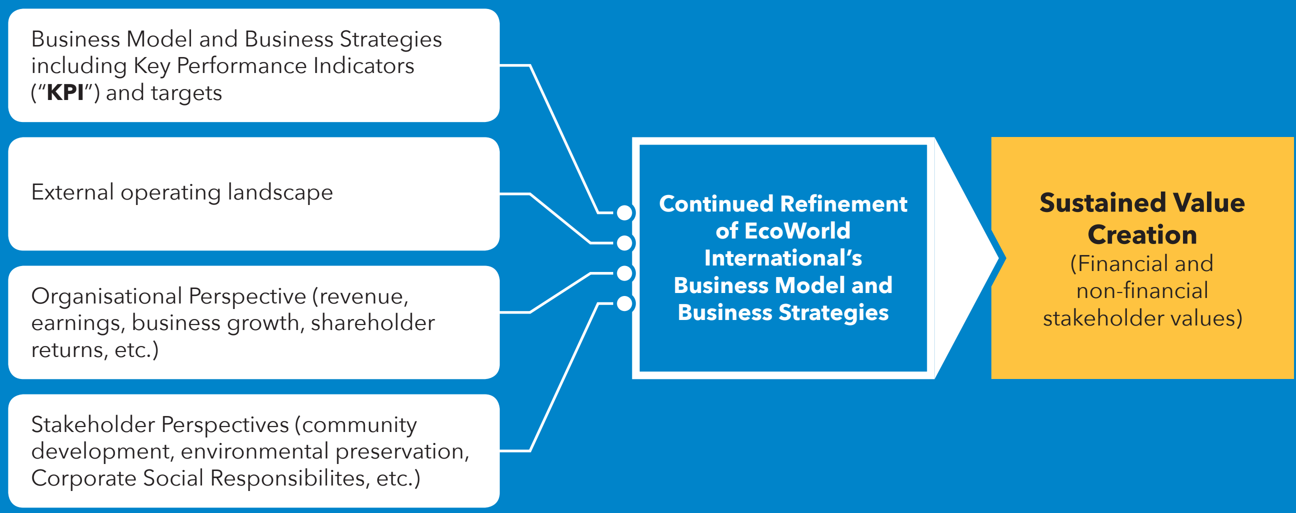
ESG impacts caused by the business model (across the value chain)

- Environmental footprint
- Social impacts
- Governance of the business model
- ESG risks and opportunities

Emerging external trends and developments

The emergence of a wide range of Political, Economic, Social, Technological, Legal and Environmental (PESTLE)^ factors that may/would necessitate changes to the business model, strategies and processes

^ *PESTLE is only applicable for business operations in EcoWorld London as construction of the development projects in Australia has been completed whilst construction of EcoWorld Ballymore projects were largely completed in FY2022.*



Drawing from insights gleaned from these discussions, the contents for IAR FY2022 was developed in accordance with the <IR> framework. In addition, the following reporting/governance frameworks have been applied (in part or full) or referred to in the development of other sections of the IAR FY2022:

- VRF Principles Based Framework
- Main Market Listing Requirements of Bursa Malaysia Securities Berhad
- Companies Act 2016 ("**CA 2016**")
- Malaysian Code on Corporate Governance 2021
- Bursa Malaysia Sustainability Reporting Guide, 2nd Edition 2018
- Global Reporting Initiative
- Sustainability Accounting Standards Board Standards 2018

All financial statements have been prepared in accordance with the requirements of CA 2016 and the Malaysian Financial Reporting Standards ("**MFRS**").

REPORTING SCOPE AND BOUNDARY

IAR FY2022 provides disclosures on EcoWorld International's business operations, activities, processes, employees, subsidiaries and/or joint ventures in the UK and Australia as well as the corporate headquarters and international sales gallery in Malaysia.

TIME PERIOD

IAR FY2022 covers the reporting period from 1 November 2021 to 31 October 2022, also known as FY2022.

FORWARD LOOKING STATEMENTS

Throughout IAR FY2022, forward-looking statements have been used to provide a perspective of EcoWorld International's outlook and prospects given the existing operating environment, risks and opportunities. These statements are premised on current assumptions and circumstances, which could change, hence they unavoidably involve uncertainty. Various factors could cause actual results or outcomes to differ materially from those expressed or implied by these forward-looking statements.

While every effort has been taken to ensure the optimum possible accuracy on all disclosures, EcoWorld International 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 both these forward-looking statements and the historical information presented in this IAR FY2022.

DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of EcoWorld International has applied its collective mind to present a balanced and comprehensive IAR FY2022 based on good governance practices and guided by the <IR> Framework.

The Board of EcoWorld International provides assurance that the financial statements audited by KPMG PLT were prepared in accordance with the relevant standards and frameworks, including the MFRS, IFRS and the CA 2016.

FULL REPORTING SUITE FOR FY2022

EcoWorld International's corporate reporting suite for FY2022 includes the following reports:

- **Integrated Annual Report 2022**
  https://ecoworldinternational.com/investor-relations/#annualreports
- **Sustainability Report 2022**
  https://ecoworldinternational.com/investor-relations/#sustainabilityreports
- **Corporate Governance Report 2022**
  https://ecoworldinternational.com/investor-relations/#corporategovernancereports

The aforementioned reports provide detailed disclosures as well as specific information pertaining to other aspects of EcoWorld International's business operations, and serve to provide a comprehensive perspective of the Group's performance in FY2022.

PROJECT OVERVIEW

THE CLAVES

The Claves in Millbrook Park,
North London

PRIME PLACE

Kensal Rise in North West London

BARKING WHARF

Barking Wharf in East London

Quayside Barking in East London

NANTLY HOUSE

Nantly House in Hounslow,
West London

OXBOW

Oxbow (Aberfeldy Village)
in East London

VERDO

Verdo-Kew Bridge in Brentford,
West London

WOKING

Woking in Surrey,
South East England

TULSE HILL

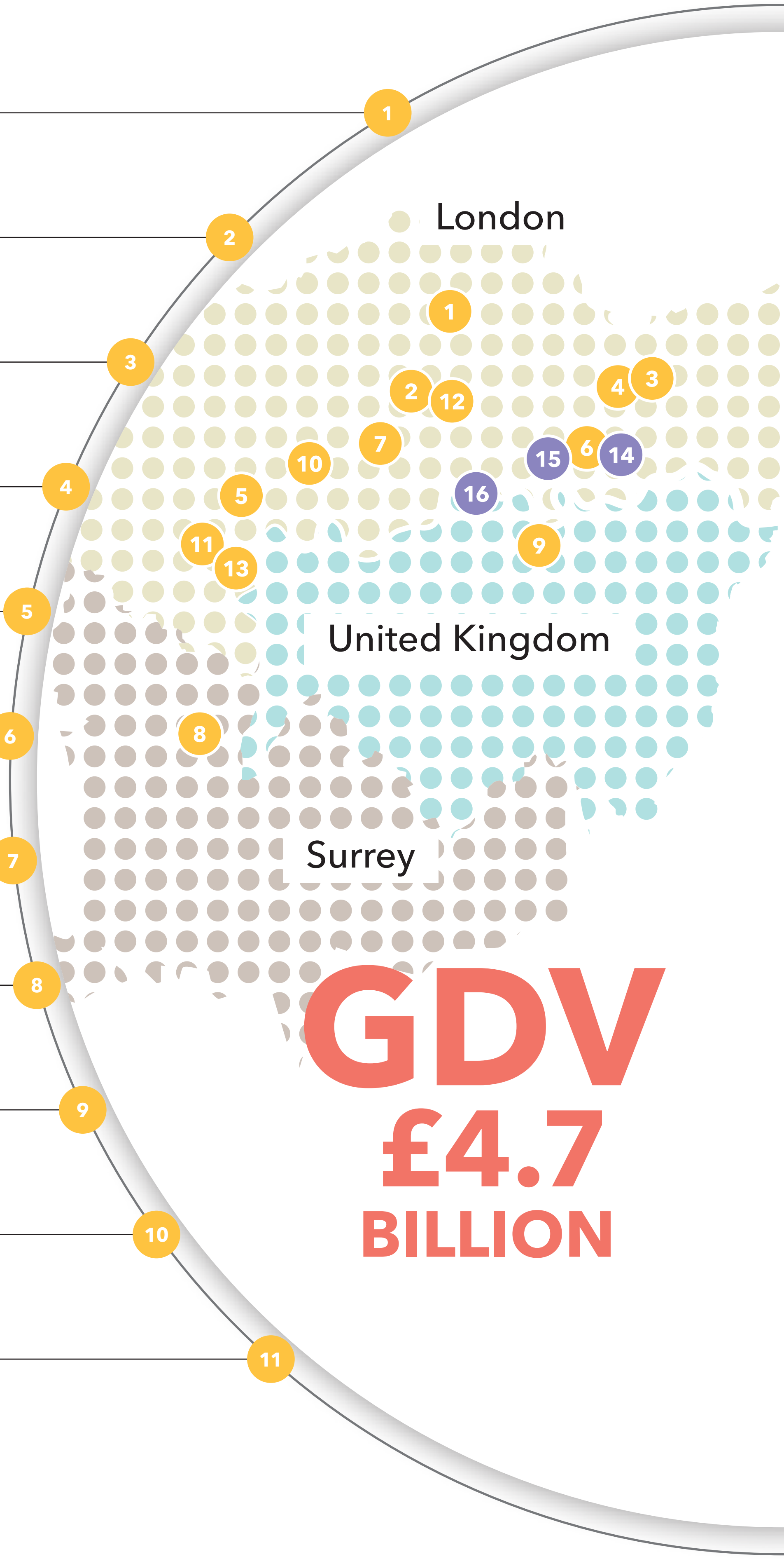
Tulse Hill in Lambeth,
South London#

ACTON LODGE

Acton Lodge in Hounslow,
West London

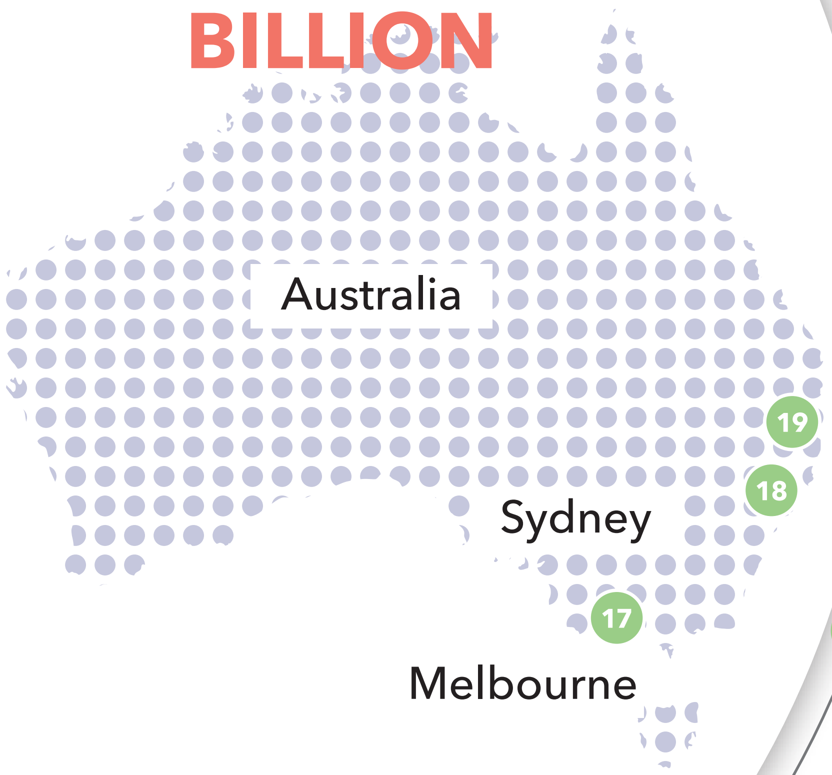
TWO BRIDGES

Two Bridges in Hounslow,
West London



GDV
£4.7
BILLION

GDV A$0.7 BILLION



12 — Third & Caird in Westminster, London

13 — NEW ROAD TRIANGLE
New Road Triangle in Hounslow, West London

14 — London City Island on the Leamouth Peninsula, East London

15 — Wardian London situated next to Canary Wharf, East London

16 — Embassy Gardens in Nine Elms, South West London

17 — Yarra One in South Yarra, Melbourne

18 — WEST VILLAGE PARRAMATTA
West Village in Parramatta, Greater Sydney

19 — MACQUARIE PARK
Macquarie Park in North Sydney

CORPORATE INFORMATION

BOARD OF DIRECTORS

Acting Chairman/
Senior Independent Non-Executive Director
Cheah Tek Kuang

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

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

Non-Independent Non-Executive Directors
Dato' Chang Khim Wah
Tang Hong Cheong
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

NOMINATION & REMUNERATION COMMITTEE

Cheah Tek Kuang (Chairman)
Tan Sri Datuk Dr Rebecca Fatima Sta Maria
Dato' Siow Kim Lun

RISK MANAGEMENT COMMITTEE

Cheah Tek Kuang (Chairman)
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 (MAICSA 7009143)
(SSM PC No. 202008001023)

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

REGISTERED OFFICE

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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
Web: www.ecoworldinternational.com

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

PRINCIPAL BANKERS

Bangkok Bank Berhad
CIMB Bank Berhad
Malayan Banking Berhad
Standard Chartered Bank (Malaysia) Berhad
United Overseas Bank (Malaysia) Berhad

STOCK EXCHANGE

Bursa Malaysia Securities Berhad (Main Market)
Stock Name : EWINT
Stock Code : 5283

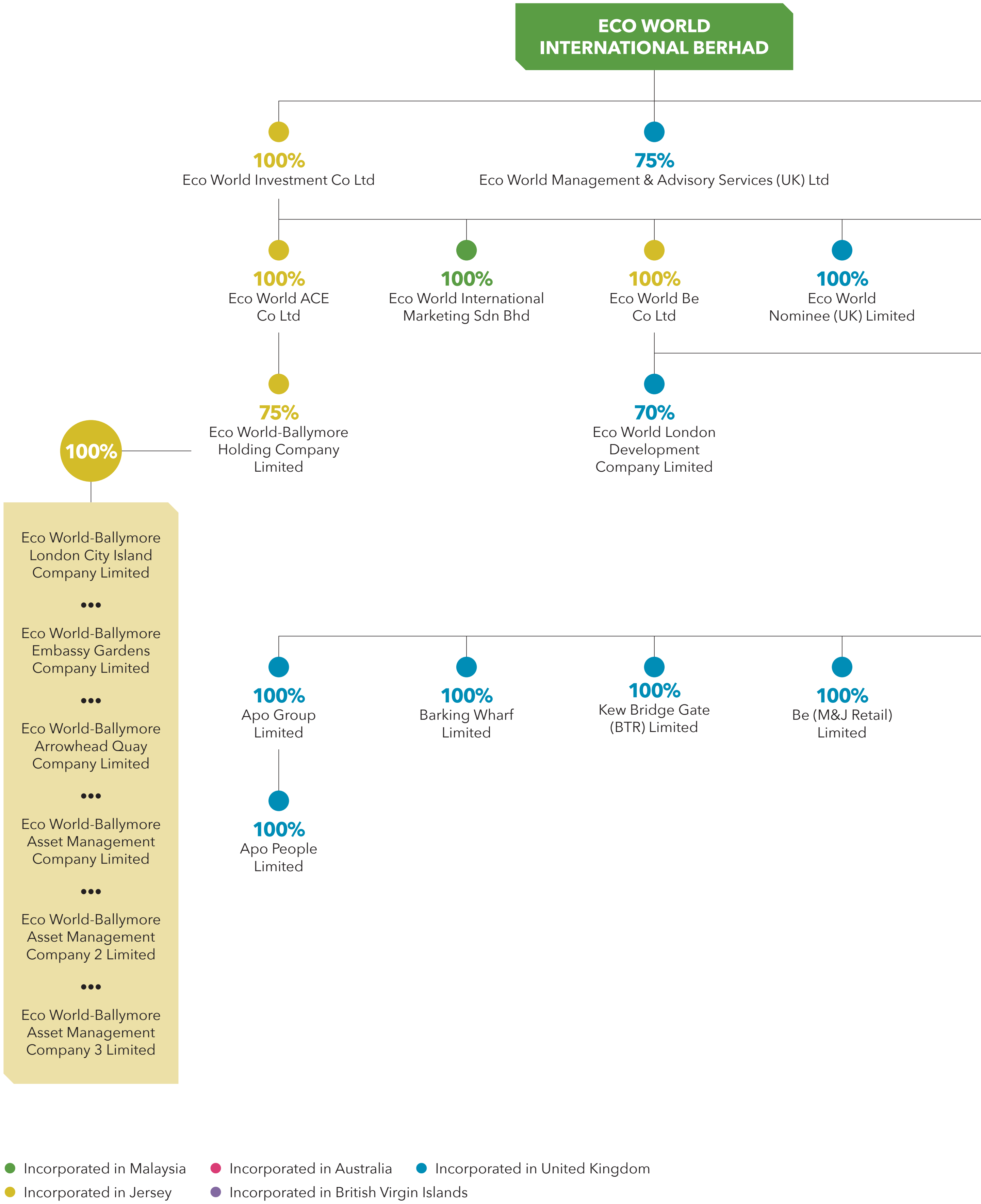
FINANCIAL HIGHLIGHTS

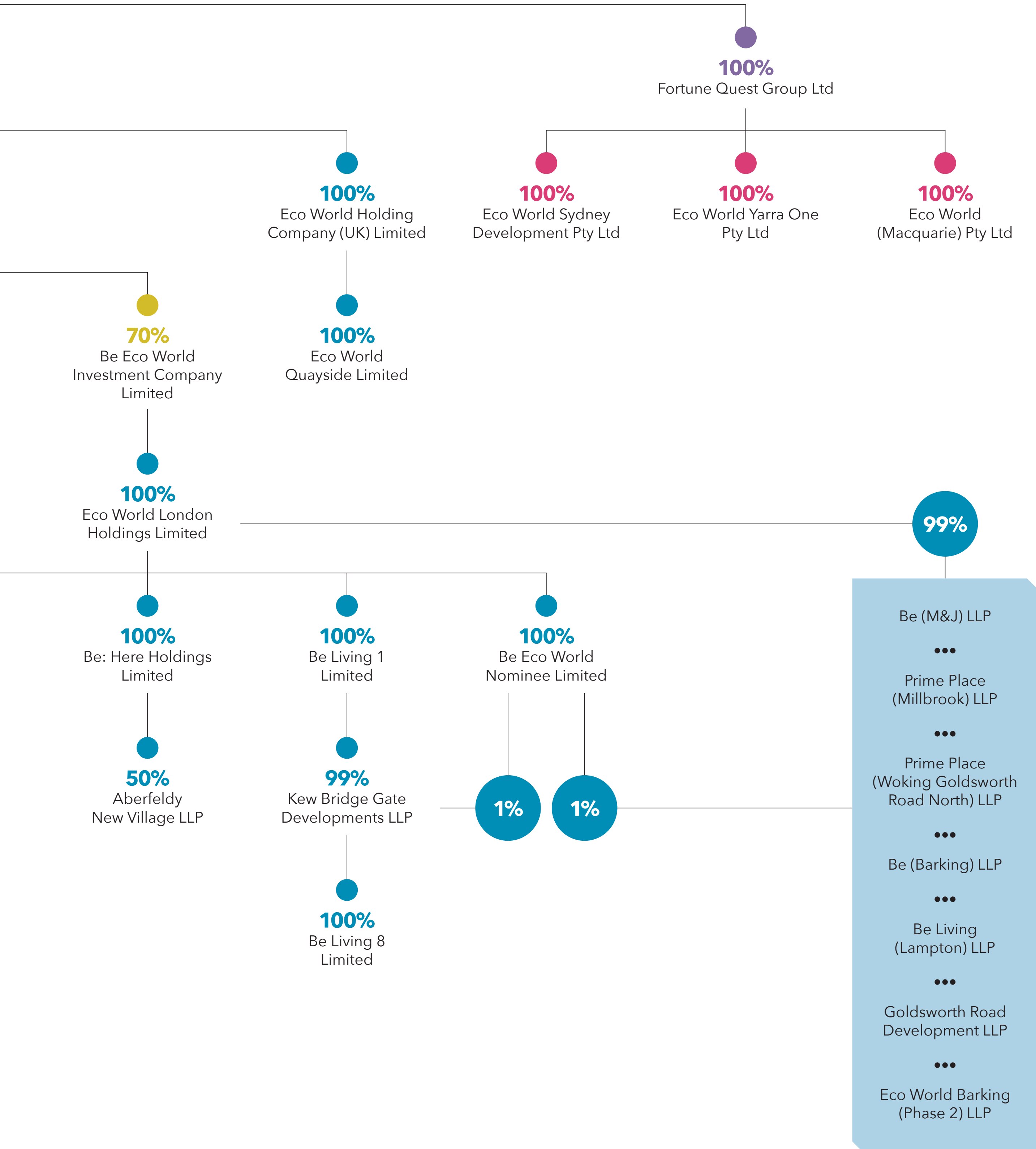
Year Ended	**Audited 31 October 2022**	Audited 31 October 2021	Audited 31 October 2020	Audited 31 October 2019	Audited 31 October 2018 Restated
FINANCIAL RESULTS (RM'000)					
Revenue	**159,964**	572,712	672,985	478	1,303
(Loss)/Profit before taxation	**(229,360)**	50,802	113,891	190,305	(15,303)
(Loss)/Profit attributable to owners of the Company	**(234,418)**	13,570	80,326	187,004	(11,230)
FINANCIAL POSITION (RM'000)					
Total other investments	**41,123**	-	-	-	-
Total cash, bank balances and deposits	**614,220**	336,115	284,014	439,995	436,960
Total assets	**2,952,660**	3,748,269	4,067,462	4,362,843	3,389,756
Total borrowings	**482,816**	900,538	1,228,359	1,463,745	836,078
Total net tangible assets	**2,447,901**	2,816,579	2,737,477	2,585,010	2,382,301
Share capital	**2,592,454**	2,592,451	2,592,451	2,592,451	2,592,451
Equity attributable to owners of the Company	**2,447,187**	2,815,298	2,739,072	2,685,641	2,475,021
FINANCIAL RATIOS					
Basic earnings/(loss) per share (sen)	**(9.77)**	0.57	3.35	7.79	(0.47)
Net assets per share attributable to owners of the Company (RM)	**1.02**	1.17	1.14	1.12	1.03
Return on equity (%)	**(9.6)**	0.5	2.9	7.0	(0.5)
Net gearing ratio (times)	**-**	0.20	0.35	0.38	0.16
Share price - High (RM)	**0.49**	0.62	1.04	0.92	1.15
- Low (RM)	**0.25**	0.36	0.32	0.61	0.88

GROUP 2022 SUMMARY

	3 months ended 31 October 2022	3 months ended 31 July 2022	3 months ended 30 April 2022	3 months ended 31 January 2022
(RM'000)				
Revenue	**43,145**	34,498	33,077	49,244
(Loss)/Profit before tax	**(94,645)**	(55,449)	(66,528)	(12,738)
(Loss)/Profit attributable to owners of the Company	**(95,729)**	(56,678)	(67,351)	(14,660)
Share capital	**2,592,454**	2,592,454	2,592,454	2,592,451
Equity attributable to owners of the Company	**2,447,187**	2,528,431	2,600,624	2,742,926
Total assets	**2,952,660**	3,077,409	3,415,047	3,560,996
Total net tangible assets	**2,447,901**	2,529,410	2,602,695	2,744,759
Basic (loss)/earnings per share (sen)	**(3.99)**	(2.36)	(2.81)	(0.61)
Net assets per share attributable to owners of the Company (RM)	**1.02**	1.05	1.08	1.14

CORPORATE STRUCTURE




100%
Fortune Quest Group Ltd
100%
Eco World Holding Company (UK) Limited
100%
Eco World Sydney Development Pty Ltd
100%
Eco World Yarra One Pty Ltd
100%
Eco World (Macquarie) Pty Ltd
70%
Be Eco World Investment Company Limited
100%
Eco World Quayside Limited
100%
Eco World London Holdings Limited
99%
100%
Be: Here Holdings Limited
100%
Be Living 1 Limited
100%
Be Eco World Nominee Limited
50%
Aberfeldy New Village LLP
99%
Kew Bridge Gate Developments LLP
1%
1%
100%
Be Living 8 Limited
Be (M&J) LLP
Prime Place (Millbrook) LLP
Prime Place (Woking Goldsworth Road North) LLP
Be (Barking) LLP
Be Living (Lampton) LLP
Goldsworth Road Development LLP
Eco World Barking (Phase 2) LLP

CHAIRMAN'S STATEMENT

Mr Cheah Tek Kuang
Acting Chairman/
Senior Independent Non-Executive Director

Dear Shareholders,

On behalf of the Board, I wish to present EcoWorld International's Integrated Annual Report for the financial year ended 31 October 2022.

REAL ESTATE DEVELOPMENT

The Group's operating environment became significantly more challenging in FY2022. Global economic factors have not been favourable to the real estate development industry. The tight labour market, supply chain disruptions and Russia-Ukraine war have triggered significant cost inflation, which exerted pressures on the development costs of our projects. These higher costs are not able to be passed on to homebuyers as home prices had to be managed to maintain affordability following the sharp increase in interest rates. The higher interest rates coupled with the higher energy prices have also reduced homebuyer's purchasing power.

FOCUS ON MONETISING ASSETS

Against the above backdrop, the key focus for FY2022 was on monetising our completed stocks along with cash generation and preservation to strengthen the balance sheet. I am pleased to report that the Group achieved RM2.158 billion sales in FY2022, 57% higher than that achieved in FY2021. The stronger sales enabled the Group to turn into a net cash position earlier than anticipated with cash balances having exceeded total borrowings as at 31 October 2022. The Group also has sufficient funds now in place to fully settle the Company's Medium-Term Notes ("**MTN**") when it matures in May 2023.

FINANCIAL & OPERATIONAL RESULTS

Whilst the Group was successful in achieving our strategy of strengthening our balance sheet in FY2022, the cautionary stance over the last couple of years to hold back on sizeable new launches in view of the challenging economic environment has curtailed our revenue generation capabilities. This can be seen in the substantially lower numbers of properties sold and handed over as compared to the previous year.

Kew Bridge

RM2.158 billion
sales in FY2022, **57% higher** than FY2021

Company's Medium-Term Notes
to be settled by **May 2023**

Cash Balances exceeded Total Borrowings
at **31 October 2022**

Key focus for FY2022 was on monetising our completed stocks along with cash generation and preservation to strengthen the balance sheet.

CHAIRMAN'S STATEMENT

Cost revisions were also required on several ongoing projects due to the difficult operating conditions which reduced gross margins. As a result, the Group reported current year losses on its joint-ventures. We also recognised a RM74 million impairment on our investment in EcoWorld Ballymore in FY2022. The impairment was to account for changes in expected sales rate and to factor in higher yield expectations for valuation of commercial properties. In addition, a higher weighted average cost of capital was applied in determining the recoverable amount of the investment in EcoWorld Ballymore to reflect the more than 200 basis points increase in the UK risk-free rates as at 31 October 2022 as compared to 31 October 2021 – this contributed to the larger impairment recognised.

FY2023 STRATEGY

The Group will continue to adopt a cautious stance with regards to new projects as cost pressures are expected to outstrip property price increases in the near to mid-term. New launches will be undertaken only if cost pressures stabilise and desired returns can be forecast with greater certainty. Development activities will be measuredly paced and progressed until the sectoral outlook improves and our organisational resources will be appropriately rationalised. Similarly, potential acquisition of new landbank will also be evaluated stringently based on required rates of return before funds are committed for any major investment.

"Given the Group's net cash positive balance sheet and good track record of completion and delivery of sizeable projects in the UK, we should be well-positioned to take advantage of such opportunities when the market recovers."

Oxbow

In the meantime, the cash-generation strategy which served the Group well in FY2022 will continue to be pursued with the goal of selling most of the completed stocks by the end of FY2023. Premised on this, the Board has set a sales target of RM1.4 billion for FY2023. With completed stocks making up the bulk of the sales target, the Group expects to generate cash of more than RM1 billion from the sale of such stocks.

After setting aside funds for the Company and EcoWorld London's working capital requirements, the Group targets to have excess cash of approximately RM900 million by the end of FY2023. Subject to achieving the sales target, the Board aims to distribute excess cash in the Group to shareholders in the later part of 2023, following settlement of the Company's MTN and receipt of the necessary regulatory and shareholders approvals.

Wardian London

NOTE OF APPRECIATION

I would like to pay tribute to our Board chairman the late Tan Sri Azlan Bin Mohd Zainol who passed away in January 2023. The late Tan Sri Azlan was an inspiring chairman appointed to the Board of EcoWorld International in September 2014. We have benefited immeasurably from his breadth and depth of experience as well as wisdom in leading the Board throughout his tenure. Further, in addition to guiding the Company towards our successful listing in April 2017, he contributed immensely by providing valuable insights and steadying influence as the Group worked hard to navigate through the market turbulence of the last few years.

I would also like to thank Mr Choong Yee How, who retired from EcoWorld International's Board, and Ms Melissa Tan Swee Peng, who resigned as EcoWorld International's Chief Financial Officer, for all their contributions to the Group. I extend my welcome to Mr Tang Hong Cheong as a new Board member and Mr Leong Chain Hong as the new Chief Financial Officer of the Group.

In closing, I wish to express my sincere appreciation to the management team, all employees, bankers and business associates for their efforts and partnership towards the attainment of our strategic goals amidst the numerous challenges of the past year. I also wish to thank our board members and shareholders for your continued trust and support in us.

Once the existing completed stocks are sold, the Group will still have a significant presence in the UK via EcoWorld London. Given the Group's net cash positive balance sheet and good track record of completion and delivery of sizeable projects in the UK, we should be well-positioned to take advantage of such opportunities when the market recovers.

ADOPTION OF INTEGRATED REPORTING

The Group has commenced adopting the integrated reporting ("**<IR>**") principles-based framework of the Value Reporting Foundation ("**VRF**") in FY2022 by presenting this inaugural Integrated Annual Report.

The Board hopes that the adoption of <IR> will provide more strategic disclosures and insightful information on matters material to enterprise value preservation and creation, as well as the reporting entity's continued ability to sustain financial and non-financial values over the short, medium and long-term perspectives.

CHEAH TEK KUANG
Acting Chairman/
Senior Independent Non-Executive Director

RM1.4 billion
sales target for **FY2023**

RM900 million
targeted excess cash by **end FY2023**

Excess cash to be distributed to shareholders
by late 2023

PRESIDENT'S MANAGEMENT DISCUSSION & ANALYSIS

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

In FY2022, EcoWorld International persevered through a period of uncertainty, navigating a challenging climate to record a notable increase in sales and secure value for our stakeholders.

SUMMARY

EcoWorld International reported RM160 million revenue and RM233 million loss after tax for FY2022. The revenue was driven by handover of units in Yarra One and West Village, while the loss was mainly due to impairment in EcoWorld Ballymore and share of losses in joint ventures.

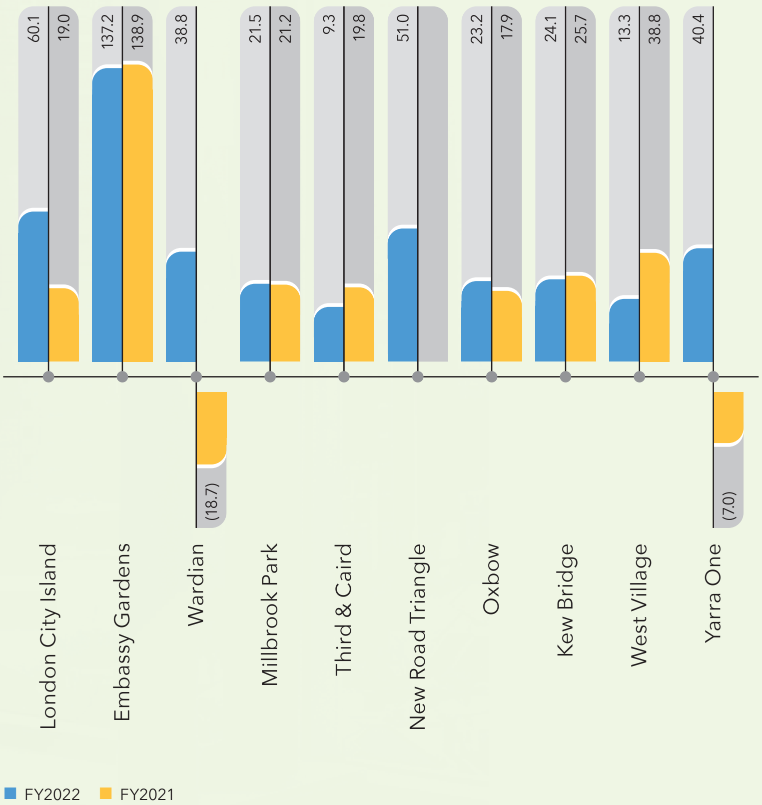
Annual sales stood at RM2.158 billion, 57% higher than that achieved in FY2021. The Group has turned into a net cash position with cash balances exceeding gross borrowings as at 31 October 2022.

SALES PERFORMANCE

EcoWorld International's RM2.158 billion sales in FY2022 was 57% higher than that achieved in FY2021. Most projects in the Group's portfolio recorded increase in sales, driven by stronger post-COVID lockdown demand from local buyers. Resumption of cross-border travels has also improved the buying interest from overseas buyers.

Sales recorded by Embassy Gardens and Kew Bridge dropped marginally due to lower availability of units while sales by Third & Caird and West Village recorded larger declines as the units in these projects are substantially sold.

Sales in Local Currency Terms (million)



GROUP FINANCIAL PERFORMANCE

The Group recorded RM160 million revenue in FY2022, 72% lower than in FY2021. 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 63 private apartments to purchasers in FY2022, compared with 217 units in FY2021.

The Group's reported revenue does not include those achieved by the UK joint ventures due to the accounting treatment whereby only the profit or loss of joint ventures are included as a single-line item in the Group's profit and loss statement.

Direct expenses comprise mostly the cost of sales of Australian units that were handed over during the financial year. Direct expenses at RM130 million were 71% lower in FY2022 compared to FY2021, in line with fewer number of units handed over in Australia.

Gross margin declined from 21% in FY2021 to 19% in FY2022 due to additional discounts provided for Australian projects.

Other income dropped 74% year-on-year to RM9 million due mainly to lower realisation of forex gains and lower rescission income.

Marketing expenses reduced to RM7 million in FY2022 from RM22 million in FY2021. Lower sales commissions were recognised in relation to projects in Australia in line with the lower revenue recognised.

Third & Caird

PRESIDENT'S MANAGEMENT DISCUSSION & ANALYSIS

Administrative and general expenses reduced to RM38 million in FY2022 from RM56 million in FY2021 due to lower losses arising from cash flow hedge reserves. In FY2021, the Group recognised RM22 million losses arising from cash flow hedge reserves upon unwinding of foreign exchange hedging instruments. This expense was minimal in FY2022.

The Group, however, recorded a RM74 million impairment in its investment in EcoWorld Ballymore in FY2022. This was due to changes in market environment that led to slowdown in sales, higher yield expectations for valuation of commercial properties and higher weighted average cost of capital applied in determining the recoverable amount of its investment in the joint venture.

Despite significant increases in interest rates during the year, finance costs reduced to RM42 million in FY2022 from RM59 million in FY2021, following the substantial repayment of borrowings.

Total share of results in joint ventures was a RM103 million loss in FY2022 compared to profit of RM47 million in FY2021 as both EcoWorld Ballymore and EcoWorld London joint ventures reported losses for FY2022.

FINANCIAL PERFORMANCE OF JOINT VENTURES

The Group has two business units in the United Kingdom. The first is held through the 75%-owned EcoWorld-Ballymore Holding Company Limited ("EcoWorld 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".

EcoWorld Ballymore

ECOWORLD BALLYMORE PROFIT & LOSS

IN MILLION	FY2022	FY2021
Revenue	£280.5	£407.4
Gross profit	£3.3	£21.4
Gross profit margin	1%	5%
Other operating (losses)/ income	(£1.2)	£3.4
Admin & other expenses	(£12.9)	(£11.3)
Net finance costs	(£2.0)	(£5.4)
Tax expenses	(£2.0)	(£2.6)
(Loss)/Profit after tax	(£14.8)	£5.4

Despite significant increases in interest rates during the year, finance costs reduced to RM42 million in FY2022 from RM59 million in FY2021.

EcoWorld Ballymore recorded lower revenue of £281 million in FY2022, compared to £407 million in FY2021, as fewer units in Wardian were handed over in FY2022 versus FY2021. Wardian commenced handover in late 2020 which resulted in a significant number of handovers and recognition of sizeable revenue in FY2021.

Gross profit margin reduced to 1% in FY2022 from 5% in FY2021 due to higher incentives given to purchasers and different product mix. Higher development costs also contributed to the lower margin recognised.

EcoWorld Ballymore recorded other operating losses of £1.2 million due to higher yield expectations for valuation of commercial properties following the recent surge in interest rates, which in turn led to fair value losses. These properties are the commercial spaces that are currently being leased to long-term tenants. EcoWorld Ballymore intends to sell these assets in the future.

Administrative and other expenses increased to £12.9 million in FY2022 from £11.3 million in FY2021 mainly because of higher holding costs in relation to maintenance of unsold units.

£448 million
Revenue recorded by EcoWorld Ballymore and Be EW Investment collectively in FY2022

The joint venture recorded lower net finance costs of £2.0 million in FY2022, against £5.4 million in FY2021, following prepayment of bank loans. EcoWorld Ballymore's bank loans were fully repaid in April 2022.

Despite reporting a loss before tax of £13 million, a tax expense of £2 million was recognised in FY2022. The tax expense was driven by non-tax deductible items and a restriction on the tax deductibility of interest expenses due to UK Corporate Interest Restriction rules.

Be EW Investment

BE EW INVESTMENT		
IN MILLION	**FY2022**	**FY2021**
Revenue	£167.2	£101.5
Gross profit	(£12.0)	£23.4
Gross margin	(7%)	23%
Other operating income/losses	(£3.8)	(£18.9)
Net finance costs	(£1.4)	(£0.5)
Share of results from JV	£1.8	£0.3
Tax	£2.0	(£0.9)
(Loss)/Profit after tax	(£13.4)	£3.5

Be EW Investment's revenue increased 65% to £167 million in FY2022 from £101 million in FY2021 due to higher numbers of units handed over in FY2022 compared to FY2021. It reported a gross loss in FY2022 mainly due to cost inflation in Kew Bridge and Millbrook Park arising from prolongation of the construction programme due to the COVID pandemic.

Other net operating expenses were £3.8 million in FY2022, lower than the £18.9 million recognised in FY2021 on the back of lower development management expenses.

Net finance cost increased to £1.4 million in FY2022, from £0.5 million in FY2021 due mainly to cessation of interest cost capitalisation following project completion.

Barking Wharf

Be EW Investment's share of results from joint ventures improved to £1.8 million in FY2022 from £0.3 million in FY2021 on the back of higher number of units handed over at Oxbow.

Arising from the loss before tax, Be EW Investment recognised a net tax credit of £2.0 million in FY2022.

CASHFLOWS

EcoWorld International generated RM107 million of cash from operating activities in FY2022. 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 RM643 million from investing activities in FY2022. The key drivers for the investing cashflows are repayment of shareholder advances amounting to RM662 million from EcoWorld Ballymore.

The Group recorded a net cash outflow of RM462 million in relation to its financing activities. The key drivers for the financing cashflows are i) net repayment of borrowings of RM418 million, and ii) interest payment of RM41 million.

BALANCE SHEET

Compared against October 2021, the Group's total assets as at October 2022 reduced by 21% to RM2,953 million as the Group utilised advances repaid by joint ventures to pare down borrowings.

Inventories under current assets reduced by 54% to RM114 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 decreased slightly to RM142 million as at October 2022 from RM144 million as at October 2021 due to weaker AUD against Ringgit.

Investment in joint ventures reduced to RM264 million as at October 2022 from RM464 million as at October 2021. The reduction reflects the losses recognised by EcoWorld Ballymore and EcoWorld London, as well as the impairment charge on EcoWorld Ballymore recognised in FY2022.

PRESIDENT'S MANAGEMENT DISCUSSION & ANALYSIS

The amounts owing by joint ventures reduced to RM1.749 billion as at October 2022 from RM2.532 billion as at October 2021 following partial repayment of advances by the joint ventures during FY2022. As EcoWorld Ballymore and EcoWorld London have positive net assets (see Note 7 of the financial statements), the entire amount owing by joint ventures should be fully recoverable. RM808 million out of the RM1.749 billion amount owing by joint ventures is expected to be repayable within FY2023 and are therefore classified as current assets.

Total liabilities reduced to RM504 million as at October 2022 from RM931 million as at October 2021. The Group managed to reduce its borrowings by 46% to RM483 million during the financial year under review. The Group is in a net cash position as at 31 October 2022 with cash balance exceeding gross borrowings by RM173 million. The Group expects significant repayments of advances by its joint ventures in FY2023. This, plus the sales proceeds generated from sales of Australia projects, will be the key sources of funding with regards to the Group's intention to distribute a portion of its excess cash to shareholders in the near future.

REVIEW OF OPERATIONS

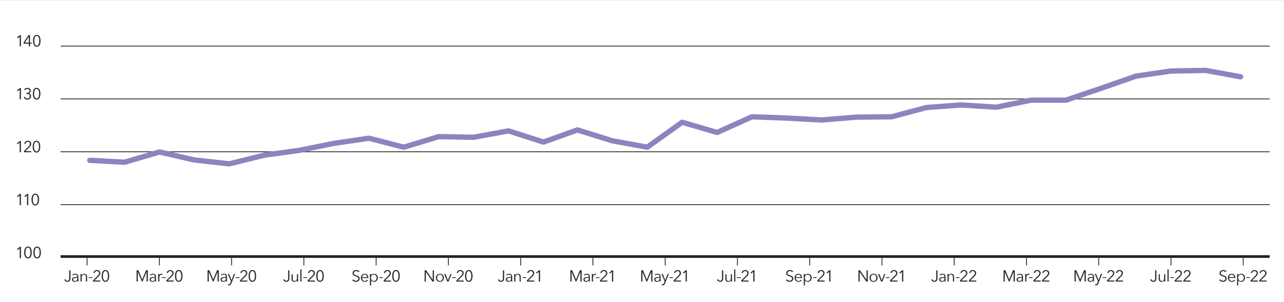
All active phases of the Group's projects are completed, with the exception of Millbrook Park Phase 2 and New Road Triangle. The status and anticipated completion of the Group's active projects are included in the table below.

PROJECTS	CURRENT CONSTRUCTION STATUS (AS AT 31 OCT 2022)	ANTICIPATED FULL COMPLETION
London City Island	Completed	Completed
Embassy Gardens	Completed	Completed
Wardian	Completed	Completed
Millbrook Park	• Phase 1 - completed • Phase 2 (apartment units) – completed • Phase 2 (townhouses) – expected to be completed in FY2024	FY2024
Moberly & Jubilee	Completed	Completed
Lampton	Lampton is a joint venture with the local council. It has so far developed four projects: • Nantly House - completed • Acton Lodge - completed • Two Bridges – completed • New Road Triangle – expected to be completed by early FY2024	n.a.
Kew Bridge	Phase 1 (BtR) - completed Phase 2 (Verdo) – completed Phase 3 & 4 – yet to be launched	n.a.
Oxbow	Phase 3A - completed Phase 3B – completed Phase 4 – yet to be launched	n.a.
Barking Wharf	Completed	Completed
West Village	Completed	Completed
Yarra One	Completed	Completed

REAL ESTATE MARKET

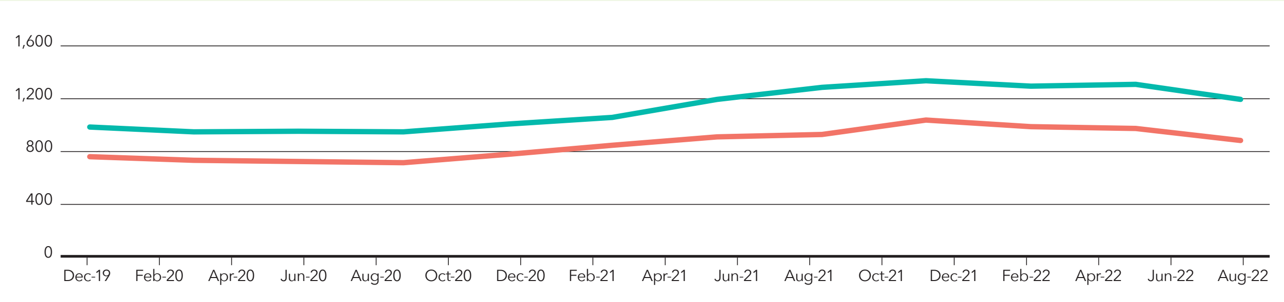
Home prices in the UK and Australia showed improvement in the early part of FY2022. However, prices started to soften in the later part of the year after a series of interest rate hikes and higher cost of living which affected homebuyers' purchasing power. Based on official data, house prices in London fell marginally in October 2022 while the median transacted price for houses in both Sydney and Melbourne fell 9% quarter-on-quarter in September 2022.

London House Price Index



Source: UK Office for National Statistics

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

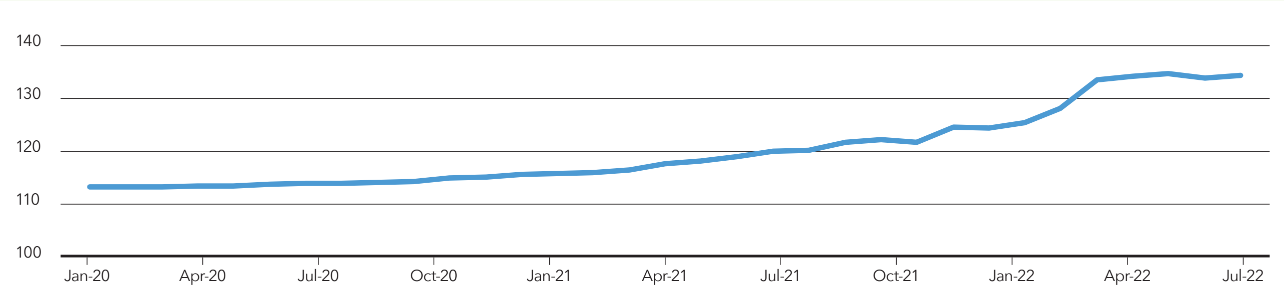


Source: Australian Bureau of Statistics

Sydney Melbourne

On the other hand, construction costs have increased significantly as a result of high energy prices, labour shortages and supply chain disruptions. Average cost for new construction works in the UK was 12% higher year-on-year in September 2022.

UK Construction Output Prices For New Construction Works



Source: UK Office for National Statistics

OUTLOOK

The Board expects the combination of weakening real estate market sentiment and elevated construction costs to persist into FY2023, affecting the profitability of new launches. Accordingly, while the Group continues to review the upcoming phases of existing projects and potential land acquisition opportunities, the key focus for FY2023 is to generate cash through sales of completed stocks. The management is also working towards a distribution to shareholders in late-2023 after getting the necessary regulatory and shareholder approvals.

OUR BUSINESS MODEL

EcoWorld International's primary business involves real-estate development in the UK and Australia. In the UK, EcoWorld International's business operations are centred in London while in Australia, our projects are located in Melbourne and Sydney.

A snapshot of the businesses of EcoWorld International Group is as follows:

EcoWorld International

Real-Estate Development

- Development and sale of open market ("**OMS**") properties and Build-to-Rent ("**BtR**") properties.
- OMS properties are usually sold to individual purchasers, small investors and affordable housing providers whilst BtR properties are usually sold to large institutional investors.

EcoWorld Ballymore, EcoWorld London, EcoWorld Sydney, EcoWorld Yarra One and EcoWorld International Marketing

Development Management Services

- Provision of development management services which includes land identification, securing planning permission, delivery management, sales & marketing, funding, post completion services, investor identification which support the development and operations of EcoWorld London.

Eco World London Development Company Limited

Residential Management Services

- Specialist BtR management company which uses a consumer-driven approach to create the best living experience for residents and highest return to a range of third-party investors and developer clients.

Apo Group Limited ("**Apo**")

Project Monitoring Services

- Project monitoring services for UK projects, and business development function to identify new opportunities.

Eco World Management & Advisory Services (UK) Ltd

EcoWorld International's entry into the UK began with the EcoWorld-Ballymore Holding Company Limited ("**EcoWorld Ballymore**") joint venture which is involved in the development of three prime waterside residential projects namely Embassy Gardens, London City Island and Wardian in London. In 2018, the Eco World London Holdings Limited ("**EcoWorld London**") joint venture was launched giving us an immediate presence in the highly resilient UK mid-mainstream market and the fast-growing BtR sub-sector.

Apo is the residential manager of completed BtR schemes at Hayes, Barking, Kew and Liverpool, plus it oversees the development of another BtR scheme in Birmingham.

We have two completed projects in Australia namely 'West Village' in Sydney's second central business district of Paramatta and 'Yarra One' in Melbourne's charming South Yarra neighbourhood.

DISTINCTIVE AND DEFINED APPROACH TO VALUE CREATION

The key distinction of EcoWorld International's business model is the integration of the three key focus areas, i.e. '**E**nvironment, **C**ommunity and **O**rganisation', into our approach to real-estate development and related activities.

EXCEPTIONAL ENVIRONMENT

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

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

OUTSTANDING ORGANISATION

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

By placing the **ECO** approach at the centre of value creation, the development of real-estate and the provision of related services invariably leads to the creation of both financial as well as a wide range of positive outcomes for stakeholders such as the community and the environment.

A cultural festival at the Atrium, Yarra One

EXCEPTIONAL ENVIRONMENT

- In London, we have committed to be Net Zero Carbon ("**NZC**") in our business operations by no later than 2025 and across our developments by no later than 2040
- Our business operations at Victoria Street, London is 100% backed by electricity generated from renewable sources supplied by EDF, a generator of zero carbon electricity in UK
- The ground floor courtyard area in West Village is a massive green area which serves as a great community area
- The storm water recycle system entails a single rainwater tank installed with a capacity to capture storm water of up to 40 kilo litres from the tower roof and trellis canopy. Captured storm water is used for watering of landscapes as well as for toilet flushing in some of the apartments in Yarra One
- A 10 kilowatt solar power installed on the rooftop of Yarra One generates approximately 12,000 kilowatt-hour of renewable energy per annum to partially offset power consumption in common areas

CONNECTED COMMUNITY

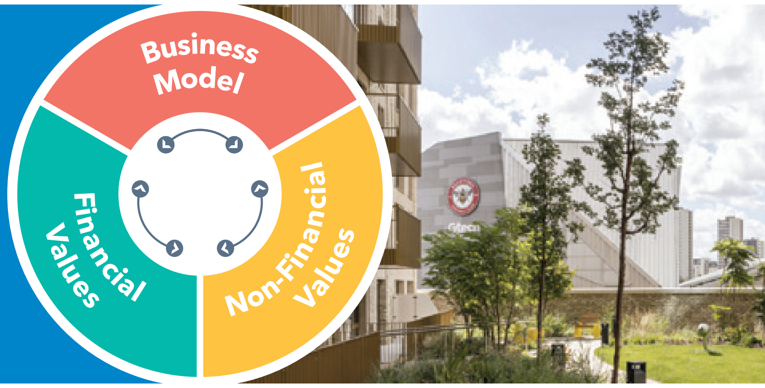
- Achieved customer satisfaction scores of 95% for UK projects in FY2022 based on In-house Research
- The timber-look trellis enclosing the Yarra One Atrium is a signature feature that acts to create a sense of retreat and allows light to filter within the space throughout the day resulting in an ever-changing environment. The atrium serves as a gathering point for local communities
- Provision of community facilities and new commercial amenities, delivering jobs, infrastructure and economic value added such as land appreciation, appreciation of homes, increased commercial activities and other socio-economic multiplier effects that catalyse the progress of the community and the surroundings
- Uplifting overall real-estate prices in the vicinity of West Village located on the southern end of Parramatta, Australia
- Apo creates a significantly better living experience than 99% of the wider Private Rented Sector (which largely comprises units under individual ownership)
- Apo application's social networking functions and regular community events help to connect residents and foster community building among its over 1,500 users

OUTSTANDING ORGANISATION

- Award winning projects
- Innovative design of completed schemes

VALUE CREATED FROM THE BUSINESS MODEL

The progressive integration of **ECO** across the real-estate value chain is aimed at creating a unique value proposition and differentiation for EcoWorld International. The **ECO** approach is aimed to achieve a better management of environmental and social performance as well as supports the generation of financial returns and business performance.



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 & 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

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

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

ECO is aligned not just to EcoWorld International's business model, but is an intrinsic link in the realisation of the overarching Vision and Mission. **ECO** serves as the bridge between the business focus: the tangible "hard" aspects of the business model such as business processes, operations and activities with the higher purpose of creating positive socio-economic multiplier effects that benefit society and the environment.

Beyond financials, returns are measured in terms of outputs and outcomes created across a multi-capital lens, in particular social values. At EcoWorld International, we understand that needs can only be met when there is an understanding of what matters to the communities and customers. It is important that this understanding is built into the design and delivery of projects and community initiatives.

Over in the UK, EcoWorld London is delighted to work in partnership with MIT Skills, one of the top providers for apprentice training in the delivery of pre-employment training programmes. Apprenticeships are key to EcoWorld International's social value commitments because they provide opportunities for local residents to access employment and training, particularly in the real estate and construction industry. The Pre-Employment Training Programme is designed to attract as many local unemployed participants as possible to work at our Kew Bridge site. It is a good opportunity to not only engage local participants but to offer them training with long-term sustainable employment.

The Pre-Employment Training Programme comprises a two-week course delivering accredited industry-specific qualifications and training, followed by two weeks of work experience on our Kew Bridge site. EcoWorld London has provided opportunities to 80 unemployed residents who have not only gained confidence, but also valuable qualifications and work experience on a live site. Over 50% of the programme participants have since gained long-term employment, resulting in a social value saving in excess of £1 million. EcoWorld London is working with social value framework partner HACT to develop a comprehensive Social Return of Investment system which entails a range of quantified metrics such as wellbeing valuations which are widely used in the housing and development industry in the UK to understand changes in people's experiences around safety, belonging, confidence, environment and health. This will enable more precise measurement of non-financial values generated.

Embassy Gardens

VALUE CREATED FROM THE BUSINESS MODEL

Aberfeldy (Oxbow)

VALUE CREATION FOR ABERFELDY (OXBOW) EAST LONDON

Aberfeldy (Oxbow) is designed to enhance the lives and wellbeing of its residents in a regeneration of the former Aberfeldy estate in Poplar, Tower Hamlets.

Aberfeldy (Oxbow) has 900 homes of all tenures, a new public park, retail amenities, community centre and public square on site. The next phase of the masterplan aims to create more value and opportunities for the area and its residents, with plans for over 1,600 new homes, shops, workspaces and enhanced green spaces which exemplifies EcoWorld London's commitment to partnership and collaboration, enhancing community connections and creating outstanding sustainable developments.

Oxbow East London has won numerous awards, including Best Housing Partnership at the British Home Awards and Regeneration of the Year at the WhatHouse? Awards.

1. Homes of all tenures provide a variety of choices and price points for homeowners whilst meeting London's need for high quality homes and ensuring an inclusive and diverse community within the development.
2. The mix of homes is also based on the 'Life Cycle Housing' concept, where a development has a variety of housing types suitable for residents at different stages of life. This encourages residents to stay within the area, develop and evolve their lifestyle without the need to leave the area and this brings stability and greater sense to community ownership.
3. New retail & commercial elements will create economic activity and job opportunities as well as draw visitors from outside the development. Our commercial strategy prioritises local up-and-coming businesses and social enterprises, which further enhances opportunities for the local community.
4. Leisure facilities (community centre, resident amenities) will be the hub of daily activities and socialising for both residents and people from the wider area.
5. Health and wellbeing is integral to the masterplan design, with a new general practitioners surgery, pharmacy, improved walking and cycle routes and green spaces.
6. Improved east-west connectivity of the area and safer, healthier routes for all ages, with easy access to the public transport facilities.
7. Emphasis on 'blue' and 'green' spaces promoting biodiversity.
8. Support of small medium enterprises and creative fashion businesses in the area (Aberfeldy Street, Poplar Works) further promotes economic activity and job opportunities, whilst giving the area a distinct identity as a hub for sustainable businesses.
9. Social value creation through initiatives with our partner Poplar HARCA to promote community cohesion (Aberfeldy Street revitalization, placemaking and CSR activities).

VALUE CREATION PROCESSES

The following is a depiction of the key processes of real-estate development:

Land Opportunites	• Upon identification of a potential development site, a preliminary study is performed to evaluate the viability, profitability and risk of the project	• Key considerations include location, strategic fit, and funding requirements to undertake the project
Real-estate Development	• Scheme design and planning • We embrace, respond to and incorporate social and environmental considerations into our planning scopes and submissions	• For example, changes to the new London Plan imposing greater demand on the ratio of affordable housing is a material planning consideration
Real-estate Delivery	• Detailed design, procurement and main contractor management	• We are exploring a centralised procurement strategy with novation of contracts to main contractors to achieve economies of scale benefits
Sales and Marketing	• Sales and marketing, customer relationship management including management of the needs of BtR investors where applicable • Market sentiment in the real-estate industry is driven by external factors such as global and local economic environments, introduction of new government policies and bank lending policies	• We monitor sales and marketing plans closely to anticipate and accommodate market changes • We are mindful of the role and place we will have in the community even before we start work on developments • Vacant site in our Woking project has transformed into a new pop-up community and events space during summer
Post Customer Handover	• Estate planning, defects rectification and ultimate handover to owners • We conduct regular surveys to track residents' experience and manage performance of the estate management company	• We organise regular resident events at each project • Communications to residents are conducted through online applications

The following is a depiction of the key processes of residential management services:

01 Site Selection
- Providing advice to the developer/investor on location, rental values, operating costs, investment value and deal structures

02 Master Planning
- Advising on optimal unit mix, phasing, estate management, division of scheme into blocks to maximise investment sale flexibility/options

03 Development
- Overseeing on behalf of the developer/investor to shape interior design of amenity spaces, furniture selection, review design changes and value engineering proposals for operational impact

04 Operational Business Planning
- Production of detailed annual asset-level business plan for the investor including lettings income and operational costs

05 Handover and Lease-up
- Representing the developer/investor in the handover process and launch marketing and lettings

06 Property Management
- Undertaking property management service on behalf of the developer/investor
- Our aim is to maximise investment returns through highest rental income and efficient operating costs

07 Exit
- Support the investor's asset sale process and work to maximise net operating income at point of sale

RISKS TO OUR VALUE CREATION

IDENTIFIED RISKS	IMPACT TO BUSINESS MODEL AND/OR VALUE CREATION	ACTIONS TAKEN
Weak Market Sentiment	Our performance depends to a large extent on the buoyancy of the real-estate markets in the UK and Australia where we have a strong presence. This in turn is affected by domestic and global economies, as well as political and social factors. Rising interest rates and the cost of living crisis have dampened the demand for real estate.	We are reassessing the development plans of future launches and will focus on realising the value of the completed stocks in the UK and Australia. We monitor real estate trends closely in the markets we operate, and plan developments that meet current demand. We conduct internal meetings regularly and share information to ensure alignment in awareness, understanding and approach to address macroeconomic risks. We maintain appropriate, reliable and secure IT software to support continuation of business functions from any location.
Financial Risk	Financial risk exposures include business and earnings risk as a result of not meeting the financial targets, liquidity risk arising from the inability to efficiently meet our Group's present and future financial obligations, and fluctuations in foreign exchange rates may negatively impact return of capital from the UK and Australia.	We diligently monitor sales targets, inventory levels, adopt agile sales and marketing strategies to suit the current market conditions to maintain adequate cash flow requirements and liquidity throughout the year. To mitigate adverse currency exchange fluctuations, the Group has obtained funding sources in foreign currencies such as GBP and AUD to serve as a natural hedge. We monitor the movements of GBP and AUD against RM closely in order to decide on the timing of funds remittance and currency conversion of funds to minimise potential losses from adverse currency exchange fluctuations.
Health & Safety Risks	Any occupational health and safety incidents could lead to site closures which impact revenue directly. Such incidents will also cause business reputational damages and/or result in fines or other punitive measures imposed by regulatory authorities.	We have well-defined health and safety policies and procedures. We constantly raise awareness of health and safety via training. We enforce controls and regulations on-site and engage external consultants to conduct periodic audits on health and safety processes and controls. EcoWorld London H+S procedures are accredited to ISO45001 with continual assessments conducted.

IDENTIFIED RISKS	IMPACT TO BUSINESS MODEL AND/OR VALUE CREATION	ACTIONS TAKEN
Non-compliance with regulatory requirements	Any incident of non-compliance with legislations pertaining to environmental performance, local town planning and building requirements or even in areas of corporate governance could lead to adverse financial impacts such as fines or even temporary shutdown of operations. EcoWorld International's perceived inability to live up to its **ECO** philosophy would lead to reputational damage, as well as loss of customers. Reputational damage is potentially another factor as the organisation's image is affected, especially among key stakeholders i.e. investors, customers, local communities, government, local authorities and others.	We have put in place a compliance framework to minimise financial, reputational and operational risks arising from regulatory non-compliance. We keep 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.
Poor Performance of 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.	For EcoWorld London projects, the business model is transiting from direct delivery model to the appointment of main contractors to better manage the risk exposure of project costs escalation and project progress delays. Apart from that, costs monitoring and reporting is in the process of being automated via the 4PS system to ensure stronger tracking and reporting of costs against budget and program delivery.
Non-compliance with Sustainability Commitments	Our Group's Sustainability Policy sets out a series of commitments and actions to support delivery of ESG objectives. As ESG issues are becoming increasingly important to our shareholders and stakeholders, there is a risk to the business if we are unable to deliver and demonstrate compliance and progress in meeting targets and plans for future betterment against our strategies under the ECO philosophy.	We are putting in place structures, processes and targets that help ensure we are delivering on strategy commitments.
Talent Management	Resignation of key personnel, especially experienced personnel who have been with the organisation for a longer period, would likely lead to a certain extent of knowledge loss as such individuals would have an inherent understanding of the business model and processes. This in turn maybe detrimental to the Group.	There are continuing initiatives to develop highly skilled and competent people. We 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 planning.
Cybersecurity Risk	Cyber-attacks may cause exposure of confidential information/data of the Group which in turn may cause business disruption.	The Group monitors and implements controls to protect its critical business systems from the cyber-threat landscape and challenges through appropriate security solutions. Apart from that, professionals are engaged to perform system security testing. EcoWorld London has completed the assessment of its maturity for cyber security capabilities based on the NIST and ISO27001/27002 international frameworks.

FUTURE ORIENTATION AND STRATEGIC PRIORITIES

Going forward, EcoWorld International's Vision and Mission and the **ECO** principles remain relevant, perhaps more so, amidst a highly unpredictable, fast-changing and increasingly complex operating landscape where ESG related matters and stakeholder perceptions including more stringent regulations continue to have a growing role in influencing financial and non-financial value creation.

EcoWorld International has identified the following strategic priorities as being essential for sustainable value creation and in ensuring the competitiveness of the business model:

Realising value of the completed stocks in London and Australia

- Our strategy to pursue monetisation of stocks, cash preservation and generation will continue in FY2023. The Board of EcoWorld International has set a sales target of RM1.4 billion for FY2023 with the intention of selling most of the completed units by October 2023.
- Given macroeconomic uncertainties remain with cost pressures expected to continue outstripping real-estate price increases in the near to mid-term, the Group will continue to review the feasibility of its remaining projects with a view towards proceeding with launches only after cost pressures stabilise and desired returns can be forecasted with greater certainty. Similarly, potential acquisition of new land bank will also be evaluated stringently based on required rates of return before funds are committed for any acquisition.
- With completed units making up the bulk of the sales target, the Group expects to generate cash of more than RM1 billion from the sale of such stocks. After setting aside funds for the Company and EcoWorld London's existing working capital requirements, EcoWorld International targets to have an excess cash of approximately RM900 million.
- Subject to achieving the sales target, the Board of EcoWorld International aims to distribute excess cash within the Group to shareholders in the second half of year 2023, following settlement of the Company's Medium Term Notes and receipt of the necessary regulatory and shareholders' approvals.

Further integration of ECO into the business model and business operations

- EcoWorld International's **ECO** pillars enable brand distinction among consumers and other stakeholders amidst a highly competitive market environment.
- However, the challenge remains in consistently reflecting the **ECO** approach across the value chain and throughout projects. The integration of more "green" principles or features from master planning, building design and construction would entail increased costs.
- Beyond construction and completion, **ECO** should be incorporated in ways that reduce the environmental footprint of homeowners i.e. more efficient water and energy consumption, use of renewable energy, reduced emissions by encouraging less vehicular traffic use, increased waste recycling and more.

Enhancing customer experience

- Improving customer satisfaction across the real-estate value chain and real-estate ownership process would be crucial in improving market perception of the EcoWorld International brand.
- Digitalisation and technology shall be increasingly tapped towards enhancing customer engagement i.e. improving communication, response times and service and also to develop deeper insights into customers through data analytics.
- Such information can be used to enable more informed decision making with regard to market strategies.
- The investments into technology will yield significant capital investments made progressively over time.

Strengthening brand perceptions and market positioning

- It is imperative that the EcoWorld International brand continues to resonate in a positive manner among stakeholders, especially among real-estate buyers, JV partners and town councils.
- This would support sales (including referral and repeat sales), attract and retain talent and improve relations with local town councils and industry regulators. It may also contribute to improved perception among local communities.
- EcoWorld London has developed a stakeholder engagement and branding plan.

OUR CAPITAL

Typically, real-estate development and related business operations are dependent on a wide range of capitals or resources. These include financial as well as non-financial capitals.

This section on capitals refers to the tangible and intangible resources consumed by the EcoWorld International business model for the creation of financial and non-financial values. This includes strategic plans to sustain availability and access to capitals.

NATURAL CAPITAL

- We endeavour to minimise environmental impacts and optimise use of resources in our projects by mapping a pathway for our developments and our operations to be NZC in the UK, integrating natural systems and promote biodiversity in future developments, and waste and water consumption to create sustainable living environments
- Under the **ECO** approach, EcoWorld International has established plans supported by KPIs and targets for more sustainable consumption models
- The focus is on how operations can be made more efficient, productive and "greener". This includes using renewable energy to power tangible assets (where appropriate), use of more "green" materials and to ensure unsold stock can be disposed of to free up capital
- While this impacts financial values, benefits include improved environmental performance in the medium to long term

HUMAN CAPITAL

- Our workforce comprises a wide range of professional talents that contribute their expertise and experience across the Group
- The focus is in further developing the competence and capabilities of human capital. Emphasis is also placed on cultivating a conducive organisational culture and providing benefits that promote employee satisfaction and retention

SOCIAL CAPITAL

- Comprises relationships and rapport developed with stakeholders over time. Social capital is vital to EcoWorld International where brand reputation and perception is essential to generate long-term value
- Investment in stakeholder relationships consume financial capital in the short term but contribute to improved brand awareness and appeal, stronger relationships and the generation of goodwill for the Group

MANUFACTURED CAPITAL

- In both the UK and Australia, the largest aspect of manufactured capital comprises unsold inventory
- It is imperative to monetize such assets with an aim of repatriating funds and building up sizeable cash reserves to position EcoWorld International strongly to be able to reinvest for growth when the real-estate market recovers and be able to repay its shareholders from the excess cash generated

INTELLECTUAL CAPITAL

- The collective knowledge, experience and expertise within the Group. This includes all forms of intellectual property including business processes, strategies and proprietary information, tools and trademarks such as the APO Application and data gathered from our consumer base and asset performance

FINANCIAL CAPITAL

- All financial assets employed to drive the business model. These include cash and cash equivalents, assets, borrowings and share capital

OUR VALUE CREATION MODEL

CAPITALS		INPUTS
Financial	All financial assets employed to drive the business model. These include cash and cash equivalents, assets, borrowings and share capital	Beginning of FY2022 • Share capital: **RM2,592 million** • Cash and cash equivalents: **RM336 million** • Total assets: **RM3,748 million** • Total liabilities: **RM931 million** • Borrowings: **RM901 million**
Manufactured	In both the UK and Australia, the largest aspect of manufactured capital comprises unsold inventory	• Unsold units across EcoWorld Ballymore, EcoWorld London and Australia
Intellectual	The collective knowledge, experience and expertise within the Group. This includes all forms of intellectual property including business processes, strategies and proprietary information, tools and trademarks such as the APO App and data gathered from our consumer base and asset performance	• ISO14001: Environmental management systems certification • EcoWorld London's PESTLE risk assessment • Trademark protected APO brand in the UK and Europe • Data gathered from consumer base and asset performance of APO projects
Human	We remained devoted to keep our workforce engaged, retaining quality talent by promoting a diverse and inclusive workforce as well as creating a platform for continuous learning	• 151 total number of employees • ISO45001 & OHSAS18001: Occupational health and safety management systems
Social	Relationships and rapport developed with stakeholders is vital to EcoWorld International where brand reputation and perception is essential to generate long-term value	• Partnership with MIT Skills to deliver Pre-Employment Training Programmes • Engagement with regulatory bodies, industry and professional associations
Natural	We endeavour to minimise environmental impacts and optimise use of resources in our projects through mapping a pathway for our developments and our operations to be NZC in the UK, integrating natural systems and promote biodiversity in future developments, reduce waste and water consumption to create sustainable living environments	• Diesel and electricity consumption • Water consumption

OUR BUSINESS MODEL

- Development and sale of OMS properties and BtR properties
- OMS properties will be sold to individual purchasers, small investors and affordable housing providers whilst BtR properties will be sold to large institutional investors

Project monitoring services for UK projects, and business development function to identify new opportunities

VALUE CREATION PROCESS → **Land Opportunites** → **Real-estate Development**

FUTURE ORIENTATION AND STRATEGIC PRIORITIES

1. Realising value of completed stocks in London and Australia
2. Further Integration of **ECO** into the business model and business operations

Provision of development management services which includes land identification, securing planning permission, delivery management, sales & marketing, funding, investor identification which support the development and operations of EcoWorld London

Development Management Services

Residential Management Services

Special BtR management company which uses a consumer-driven approach to create the best living experience for residents and highest return to a range of third-party investor and developer clients

Real-estate Delivery → **Sales and Marketing** → **Post Customer Handover**

3 Enhancing customer experience

4 Strengthening brand perceptions and market positioning

OUTPUTS	OUTCOMES
Financial End of FY2022 • Share capital: **RM2,592 million** • Cash and cash equivalents: **RM614 million** • Total assets: **RM2,953 billion** • Total liabilities: **RM504 million** • Borrowings: **RM483 million**	• Achieved **RM2.158 billion** sales in FY2022 • Project development loans of EcoWorld Ballymore and Australia fully repaid • Net cash/(debt): **RM172 million** as at FY2022
Manufactured Remaining Launched GDV: • EcoWorld Ballymore: **£274 million** (RM1,496 million) • EcoWorld London: **£64 million** (RM349 million) • West Village & Yarra One: **AUD50 million** (RM151 million)	• Launched **RM18.8 billion** worth of properties with **89%** of these launches sold by value since the Group's debut in 2015
Intellectual • All EcoWorld London's development sites are certified with **ISO14001**, **ISO45001** and **OHSAS 18001** • **1,500** active APO app users • Over **6,600** registered users for the resident apps across the EcoWorld Ballymore developments	• Strengthening of business model • Improvements of brand credibility • Customers satisfaction score for UK projects: **95%**
Human • Workforce Participation > Female in the Company: **48%** > Female in managerial position: **39%** > Female in Board: **30%** • **25%** employee turnover rate • Average **86 training hours** per employee • **317** total health and safety training hours	• A diverse and inclusive workforce • Achieved zero fatalities
Social • **81%** and **70%** of EcoWorld Ballymore and EcoWorld London procurement contracts were awarded to local companies respectively • Provided opportunities to **80 unemployed** residents and a total of **41 candidates** have been employed in the local Hounslow area	• Making a positive impact in the places we build and help foster strong, flourishing communities for generations to come
Natural • **28,847** CO_2 across scope 1, 2 and 3 of EcoWorld London's operation and projects • Successfully offset **576,846** pages of paper consumption by reforesting **69.22** standard trees since EcoWorld London joined PrintReleaf Exchange on 12 November 2020 • **99.9%** of construction waste diverted from landfill • Zero reported fines for environmental non-compliance • Development of ESG KPIs and Targets	• Advanced carbon screening measures with the inclusion of Scope 3 emissions and carbon intensity disclosures

BASIS OF PREPARATION

Eco World International is pleased to present its Sustainability Statement for the period from 1 November 2021 to 31 October 2022 ("**SS FY2022**"). This statement provides a comprehensive account of the Group's ESG performance in the three focus areas of ECO.

Full disclosure of EcoWorld International's sustainability practices can be found in EcoWorld International's Sustainability Report 2022 ("**SR FY2022**").

SCOPE AND BOUNDARY

The information disclosed herein covers the business operations and activities of EcoWorld International's operations in the UK and Australia, as well as the Headquarters and International Sales Gallery in Malaysia. As the development projects in Australia have already been completed whilst EcoWorld Ballymore projects were largely completed in FY2022, we have focused our disclosures on the UK operations to cover active projects under EcoWorld London and Apo Group.

Third party impacts attributed to our supply chain have been largely excluded. However, where meaningful data is available, the Group has endeavoured to provide related data i.e. on occupational health and safety, and environmental performance disclosures such as fuel, electricity and water consumption as well as waste management data from our project sites.

GUIDELINES AND FRAMEWORKS

EcoWorld International's SS FY2022 is developed in accordance with Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Listing Requirements") with reference to its Sustainability Reporting Guidelines (2nd Edition). Other frameworks referred to/adopted in full or partially include:

- Global Reporting Initiative ("GRI") Core Option*
- FTSE4Good Bursa Malaysia Index ("FTSE4Good")*
- Sustainability Accounting Standards Board ("SASB") Sector Specific Disclosures*
- Task Force on Climate-related Financial Disclosures ("TCFD")
- United Nations Sustainable Development Goals ("UNSDGs")

* *GRI, FTSE4Good and SASB content indices are provided in the SR FY2022.*

ASSURANCE AND FEEDBACK

The GRI principles of stakeholder inclusiveness, sustainability context, materiality, completeness, accuracy, balance, clarity, comparability, reliability and timeliness have been applied in the determination of topics and data for inclusion in the SS FY2022. All data disclosed in this report has been sourced internally and has been verified by the respective information owners.

The SS FY2022 has been reviewed by the Board of Directors of EcoWorld International, which is satisfied that the SS FY2022 complies with the Listing Requirements and provides a fair representation of the Group's ESG performance in FY2022.

Feedback can be directed to ewi@ecoworldinternational.com to support the continued improvement of EcoWorld International's sustainability practices and reporting.

SUSTAINABILITY AT ECOWORLD INTERNATIONAL

EcoWorld International's Value Creation aspirations are supported by a robust and effective sustainability governance structure and framework which places its ECO development and management philosophy at the centre of value creation. With clearly defined policies, roles and responsibilities to provide the necessary controls as part of its overall corporate governance function to ensure the sustainability of EcoWorld International.

EcoWorld International's ESG Framework is outlined below:

VISION

Creating Tomorrow & Beyond

The EcoWorld 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**.

By committing to create **E**xceptional Environment, **C**onnected Community and an **O**utstanding Organisation, we are embodying '**ECO**' in our name. These three focus areas form a key part of our overall vision, focus and strategy in **Changing the world one community at a time** and mapping a sustainable path in achieving our vision of **Creating Tomorrow & Beyond**.

In order to become the brand we want to be, we will leverage on the power of positive collaboration, passionate energy and fresh ideas that move communities, as outlined in our Mission Statement.

MISSION

- **Create world-class Eco-Living** by providing products and services that continue to exceed expectations
- Generate & 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

FOCUS AREAS

	EXCEPTIONAL ENVIRONMENT	CONNECTED COMMUNITY	OUTSTANDING ORGANISATION
FOCUS AREAS	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	Making a positive impact in the places we build and help foster strong, flourishing communities for generations to come	Be a trusted civic partner in all of our interactions and nurture a culture where innovation, creativity, and pride in our work are at the heart of everything we do
MATERIAL TOPICS	• Energy & Carbon • Climate Change Adaption, Mitigation & Resilience • Biodiversity & Green Infrastructure • Water Consumption • Circular Economy & Resource Use	• Purposeful Construction & Placemaking • Building Wellbeing & Productivity • Community Cohesion • Quality of Life • Education & Skills • Local Economic Development/ Enterprising Communities	• Equality, Diversity & Inclusion • Education & Skills • Stakeholder Engagement & Partnership • Responsible Supply Chain Management • Transparent Disclosure • Culture • Corporate Governance
UNSDGS ALIGNMENT	9 Industry, Innovation and Infrastructure 11 Sustainable Cities and Communities 13 Climate Action	3 Good Health and Well-Being 4 Quality Education 16 Peace, Justice and Strong Institutions 17 Partnerships for the Goals	5 Gender Equality 8 Decent Work and Economic Growth

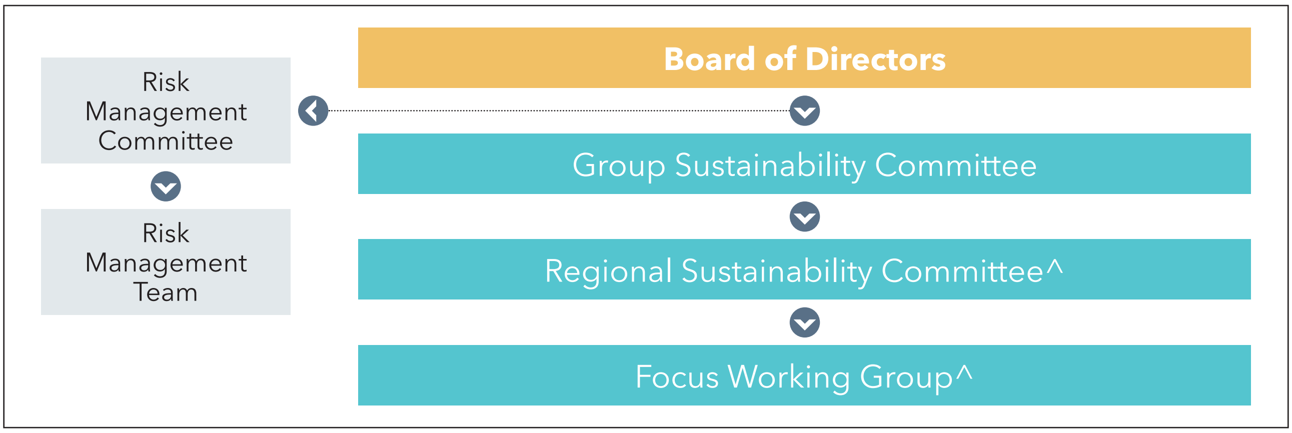
EXTERNAL VALIDATION OF EFFORTS VIA

Considerate Constructor's (CCS) Scheme score of 38 and above (for applicable projects), Building Research Establishment Environmental Assessment Method (BREEAM) certification, other external awards and accreditations

The formalisation of this ESG framework in FY2022 reflects the Board and Management's commitment to prioritise sustainability as integral to the Group's value creation approach, and to streamline the management of these material matters and identified initiatives across the Group's various business divisions and projects.

SUSTAINABILITY GOVERNANCE STRUCTURE

Alongside EcoWorld International's ESG framework, an effective sustainability governance structure has been established to champion the ESG agenda across the Group. This structure has been revised in FY2022 to incorporate additional tiers to strengthen the ESG functions at the working level and regional level while providing greater clarity on the roles, responsibilities and composition of each function as disclosed below. It also highlights the integration of ESG into the Group's risk management and mitigation efforts through the Risk Management Committee and Risk Management Team.



ROLES	RESPONSIBILITIES	COMPOSITION
Board of Directors (Board)	• Ultimately accountable for ensuring that sustainability is integrated into the corporate strategies, governance and decision-making. • Maintains strategic oversight on sustainability.	• Executive and Non-Executive Directors
Risk Management Committee (RMC)	• Reviews the adequacy and effectiveness of the Group's risk management system, which includes consideration of ESG risks and opportunities.	• Independent Non-Executive Directors and Executive Director
Risk Management Team	• Works closely with business and support units on identification, assessment and controlling of ESG risks and opportunities as part of the overall Enterprise Risk Management effort. • Provides guidance to the Group Sustainability Committee, business and support units on the Group's risk appetite and tolerance; when exceeded, trigger an obligation to report upwards to the RMC and Board.	• President and CEO (Chair) • Senior Management
Group Sustainability Committee	• Sets the direction, objective and targets for ESG matters. • Oversees stakeholders' engagement and material assessment. • Oversees and monitors sustainability trends, governance and reporting. • Evaluates ESG risks and opportunities within the Group. • Meets at least twice a year to monitor the progress of the Group's sustainability performance. • Reports progress to the Board twice a year.	• President and CEO (Chair) • Senior Management
Regional Sustainability Committee^	• Meets once every two months to drive the ESG implementation in the respective businesses. • Executes sustainability initiatives and gathers performance data.	• Business division heads • Line managers
Focus Working Group^	• Champions sustainability initiatives as well as to put in place processes and procedures in achieving the ESG goals and targets.	• Executives • Information owners

^ *Only applicable for business operations in the UK because development projects in Australia have been completed*

Sustainability governance at EcoWorld International is supported by a dynamic set of policies, codes, charters, and terms of references, which are assessed periodically and can be viewed at the Group's Governance portal at https://ecoworldinternational.com/about-us/governance/.

STAKEHOLDER & MATERIALITY

Effective stakeholder communication is crucial in ensuring that EcoWorld International's sustainability journey and agenda remain relevant to its stakeholders as their feedback and concerns help us identify and prioritise the management of ESG topics with the most material impact on EcoWorld International's business sustainability in the short, medium and long term.

ECOWORLD INTERNATIONAL'S KEY STAKEHOLDERS

The Group defines key stakeholder as any individual or entity whose actions and decisions can influence the Group's business growth, as well as anyone that may be affected by EcoWorld International and its real estate development and management activities.

EMPLOYEE
Individuals employed on permanent or contract basis

Priority: Very High
Approach: Keep Satisfied

CUSTOMER
Existing and potential customers of real estate products and services

Priority: Very High
Approach: Keep Satisfied

SHAREHOLDER AND INVESTOR
Retail and institutional investors

Priority: High
Approach: Keep Informed

REGULATORY BODY/GOV AGENCY
Government agencies, regulatory authorities and town councils in Malaysia, UK and Australia

Priority: Very High
Approach: Keep Satisfied

SUPPLIER, BUSINESS PARTNER OR VENDOR
Providers of materials and services

Priority: High
Approach: Keep Informed

FINANCIAL INSTITUTIONS
Banks and lenders

Priority: High
Approach: Keep Informed

MEDIA
Online and print media establishments

Priority: Medium
Approach: Monitor

JOINT VENTURE PARTNERS
Development partners and landowners

Priority: Medium
Approach: Monitor

COMMUNITY/PUBLIC
Individual citizens and members of the local communities

Priority: Medium
Approach: Monitor

NGO/CIVIL SOCIETY GROUP
Non-governmental special interest groups

Priority: Medium
Approach: Monitor

STAKEHOLDER & MATERIALITY

MATERIALITY ASSESSMENT PROCESS

Identification of Material Matters from stakeholders' concerns, operating environment, ESG standards and peer analysis.

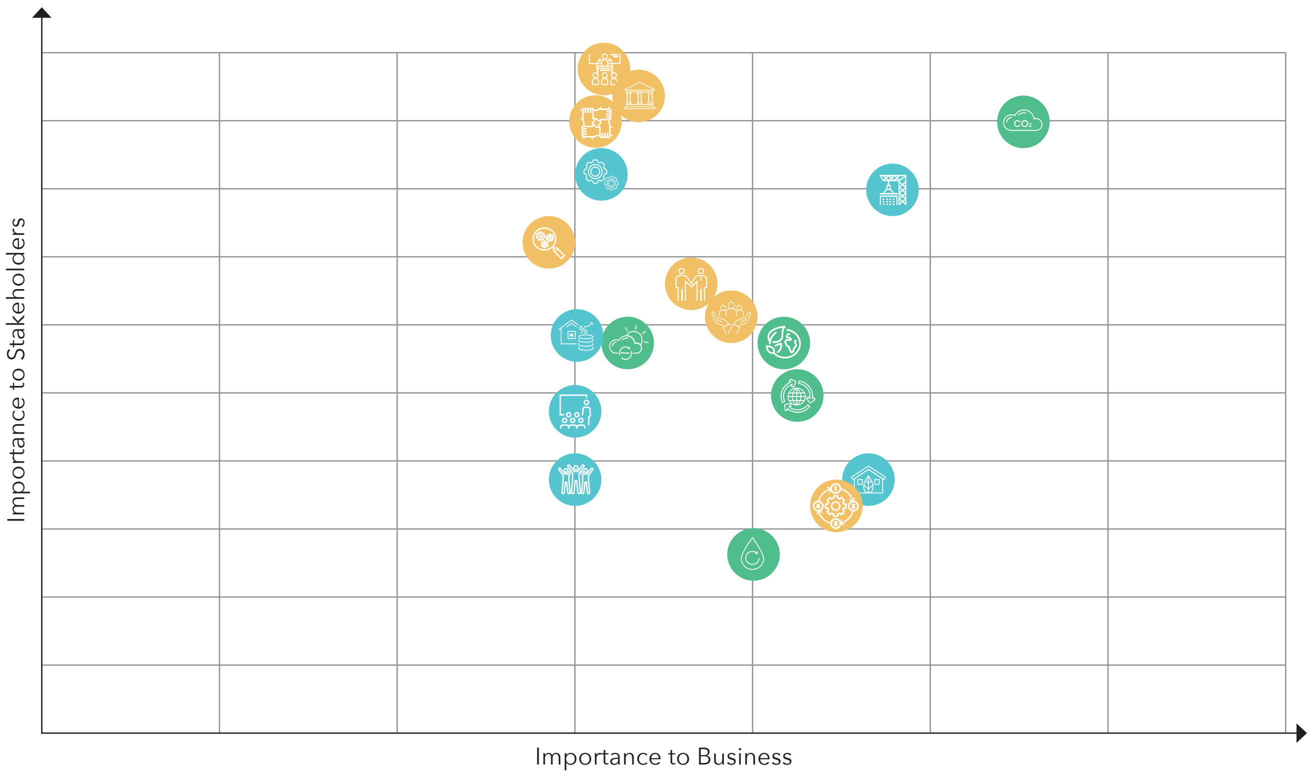
Refinement and Categorisation of Material Matters into Exceptional Environment, Connected Community and Outstanding Organisation pillars.

Assessment and Prioritisation of Material Matters through an online survey with 44 responses collected from internal and external stakeholders.

Analysis and Creation of Materiality Matrix where EcoWorld London's own materiality assessment was integrated to plot each topics' relative importance to the Group's business and stakeholders.

Validation and Presentation of Material Matrix and additional findings to the Board for approval.

MATERIALITY MATRIX



Energy & Carbon	Purposeful Construction & Placemaking	Local Economic Development/ Enterprising Communities	Transparent Disclosure
Climate Change Adaptation, Mitigation & Resilience	Building Wellbeing & Productivity	Equality, Diversity & Inclusion	Culture
Biodiversity & Green Infrastructure	Community Cohesion	Education & Skills	Corporate Governance
Water Consumption	Quality of Life	Stakeholder Engagement & Partnership	
Circular Economy & Resource Use	Education & Skills	Responsible Supply Chain Management	

ECO PERFORMANCE REVIEW

EXCEPTIONAL ENVIRONMENT

9 Industry, Innovation and Infrastructure

11 Sustainable Cities and Communities

13 Climate Action

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.

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
ENERGY & CARBON **Goal:** Our developments and operations will be NZC **Target:** We will be NZC in our own business operations in London by no later than 2025 To commence our journey to ensure all our developments are NZC by no later than 2040	**Why It Matters:** The real estate industry accounts for approximately 40% of total greenhouse gas ("GHG") emissions globally. **How We Manage:** • Continuous reduction of operational resource use, increased focus on renewables as the Group's key energy sources, and the execution of lifestyle costing and whole-life carbon modelling for our real estate creations. • Moving from consumption-volume-based indicators to disclosure on intensity levels as a better measure of the Group's rate of environmental pressure relative to business growth. • Added Scope 3 Emissions in baseline carbon calculation and performance reporting. • Our business operations at Victoria Street, London is 100% backed by electricity generated from renewable sources. • EcoWorld London has an agreement in place for all sites connected to the mains to be powered by renewable energy and intends for this requirement to be passed onto our Principal Contractors for future schemes.	**EcoWorld London has calculated its baseline carbon emissions for FY2022** in accordance with the Greenhouse Gas Protocol. **Total Electricity Consumption (kWh):** 425,719 **Total GHG Emissions ($kgCO_2e$):** Scope 1: 3,342 Scope 2: 132,528 Scope 3: 28,777,790 **Carbon Intensity ($kgCO_2e/m^2$):** Scope 1: 2.0 Scope 2: 44.7 Scope 3: 849.6

ECO PERFORMANCE REVIEW

EXCEPTIONAL ENVIRONMENT

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
CLIMATE CHANGE ADAPTATION, MITIGATION & RESILIENCE **Goal:** We will design resilience into our schemes by mitigating the effects of climate change and incorporating adaption measures **Target:** We will publish and implement Climate Change Policy	**Why It Matters:** EcoWorld International recognises the urgent need to limit global temperature rise to 1.5 degrees to reduce climate change impacts. **How We Manage:** • EcoWorld International has continued to improve the way it develops, designs, builds and manages buildings to generate a lower carbon footprint throughout its life cycle. • The Board maintains ultimate accountability for ensuring the integration of climate-change risk mitigation action into the Group's strategies and decision making. • The Group's Risk Management Team compiles and reviews the risk profiles of all business units, including climate-related risks, for reporting to the RMC. The Group Risk Register is updated quarterly. • EcoWorld London is considering the feasibility of setting intensity levels and targets during construction, and developing specifications to be more prescriptive on energy requirements for appliances installed.	In FY2022, EcoWorld International has committed to align its sustainability reporting to the recommendations of the **TCFD**. **Climate-related impacts are quantified and reported in SS FY2022 and SR FY2022** in the form of energy, emissions, waste, water and intensity indicators under the respective material topics.
BIODIVERSITY & GREEN INFRASTRUCTURE **Goal:** Our schemes will integrate natural systems and will promote biodiversity **Target:** All new schemes will deliver a minimum of 10% Net Biodiversity Gain	**Why It Matters:** Biodiversity is important to the health of the planet's ecosystems, food security and the wellbeing of EcoWorld International's stakeholders. **How We Manage:** • Developments focused on urban environments, which does not require land clearing. • Preserve natural habitats, flora and fauna, particularly species named in the IUCN Red List of Threatened Species. • Collaboration with individual organisations to help spread awareness on biodiversity importance, facilitate community conservation initiatives, and drive the biodiversity conservation agenda during the design and masterplanning stage. • Perform biodiversity assessments on any potential project sites to determine key areas of conservation and establish conservation priorities before project commencement.	**London Wildlife Trust was brought on as a holistic advisor** to sit in our design team meetings and examine design development in relation to the use of native species within our developments. EcoWorld London has made good progress on this with schemes such as **Griffin Park and New Road Triangle** that have seen **Net Biodiversity Gain of 100% and 50%** respectively.

EXCEPTIONAL ENVIRONMENT

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
WATER CONSUMPTION **Goal:** To commence our journey to ensure all our developments are water neutral and achieve net environmental gain on our sites by 2035 **Target:** We will design our schemes to use water efficiently and will reduce water use during production	**Why It Matters:** Disruption of water supply can have detrimental effects on the lives of people, the environment and our business operations. **How We Manage:** • Ensuring that water is consumed efficiently and discharged responsibly to prevent pollution. • All operational sites comply with the ISO 14001 standards. • Adherence to the London Plan's Policy 5.15 Water Use and Supplies stipulation. • Incorporation of water-saving initiatives such as rainwater harvesting, water efficient fittings, regular inspections for leaks and drips, to reduce water use throughout the developments' life cycle. • Strengthened water consumption data collection processes at project sites and offices and included disclosure on intensity measurements in FY2022.	Work is under way to establish what **water neutrality** means to our business and projects in the future. **Total Water Withdrawal (Litre):** Offices: 940,000 Project Site: 3,965,508 **Project Site Water Consumption Intensity (Litre per £100 construction spend):** 3,305
CIRCULAR ECONOMY & RESOURCE USE **Goal:** We will reduce waste across the building life cycle, incorporate recycled materials and design homes for disassembly and reuse **Target:** We shall ensure at least 90% of the construction waste is diverted from landfill	**Why It Matters:** Adopting circular economy helps to reduce the environmental impacts of our developments across its life cycle and enhances our efficiency and competitiveness in the long run. **How We Manage:** • Incorporate eco-friendly features and passive green design elements such as building orientation, energy-efficient lighting, water-efficient fittings, and natural lighting and ventilation, to help occupants reduce resource consumption and carbon footprint. • Managing the construction process of our developments to enhance process efficiency, reduce resource consumption and close building material loops by reusing, repairing, refurbishing, recycling and upcycling wherever possible. • EcoWorld London employs a specialist waste management company to ensure the safe collection, transportation and disposal of construction waste at legal dumpsites. • Stringent monitoring to prevent or reduce any air, water, noise and ground pollution that may arise from construction activities and ensure regulatory compliance at all project sites.	EcoWorld London has historically **diverted in excess of 98% construction waste**. A working group will be set up to embrace circular economy in our approach to building design and construction. **Total Waste Generation (Tonnes):** 1,457 **Total Waste Diverted from Disposal (Tonnes):** Waste Recycled: 1,280 Refuse Derived Fuel: 175 **Percentage of Waste Diverted from Landfill (%):** 99.90

ECO PERFORMANCE REVIEW

CONNECTED COMMUNITY

- 3 Good Health and Well-Being
- 4 Quality Education
- 16 Peace, Justice and Strong Institutions
- 17 Partnerships for the Goals

Objective:

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

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
PURPOSEFUL CONSTRUCTION & PLACE-MAKING **Goal:** We will create beautiful places that have a measurable positive legacy in the surrounding area **Target:** We target all schemes to achieve a Considerate Constructors Scheme ("CCS") score of 38 and above	**Why It Matters:** Purposeful construction and placemaking creates environments that help its communities realise ecological and socio-economic sustainability. **How We Manage:** • Ensure effective and inclusive communication with communities to identify their needs, which inform the design of new developments and initiatives to affect the greatest amount of social change and urban regeneration across the project life cycle. Measuring Social Value impact and identifying areas of improvement for future projects. • Minimise construction projects' impact on the community such as avoiding congestion on local roads, noise and pollution reduction, and providing advance notice for disruptions.	CCS scores of Jubilee dropped to 31/50 mainly due to delay in practical completion. **A minimum CCS score of 38 has been added to Main Contractors' contracts.**

CONNECTED COMMUNITY

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
BUILDING WELLBEING & PRODUCTIVITY **Goal:** Our buildings will deliver excellent indoor environmental quality, enable active lifestyles and provide access to nature **Target:** We will undertake Building Performance Evaluation (BPE) on all developments We will integrate lessons learnt into our design guide	**Why It Matters:** Quality built environments enable its inhabitants to lead an active and healthy lifestyle. **How We Manage:** • Leveraging EcoWorld London's Social Value Framework and Toolkit to incorporate sustainable urban design principles. • Space is allocated for the development of infrastructure such as community halls, recreational facilities, and easy access to natural spaces and public transport that benefit the wellbeing of the community. • Promote sustainable living practices to EcoWorld London's community through the Habitats and Healthy Spaces CSR programme. • We are putting in place plan and strategy to meet the requirements of London plan and FHS (Future Homes Standard) on all future developments. • Lessons learnt have been incorporated into key stages of the new development SOP (Standard Operating Procedures).	In 2022, EcoWorld London **held 3 lessons learnt sessions** with the project leads on the Jubilee and Barking Wharf schemes. Throughout FY2022, the pop-up community and event space from the converted vacant site at Goldsworth Road near Woking has **hosted monthly vegan markets** organised by a local resident, featuring ethical, sustainable and local products and traders.
COMMUNITY COHESION **Goal:** We will create warm and welcoming developments for all, collaborating with communities to enhance a sense of belonging and pride of place **Target:** We will develop a framework for community cohesion which allows partner to select areas of prime importance for their community to enhance pride of place and community cohesion	**Why It Matters:** EcoWorld London's focus on fostering social value in our developments is a key business and reputational driver. **How We Manage:** • Collaborating with locals to organise community events and encourage participation from residents. • The health club at Wardian runs 10 classes a week and monthly themed gym floor challenges to encourage residents to be active and engage with each other. • Regular events are hosted for our residents to enjoy and to get to know their neighbours, such as cheese and wine tasting, live music, stand-up comedy, salsa dancing classes, coffee clubs, board game nights, festive celebrations, summer garden parties, rooftop BBQs, and open days.	**Key events hosted at our UK developments** include Embassy Gardens' World Heart Beat events, The Embassy Gardens Pawfect Street Party, Wardian's Observatory Talks, Embassy Gardens' Sunset Sessions, The Islander Festival 2022, Aberfeldy Stories, Wellness Week at Apo, Barking Bike Fest Sponsorship, Unveiling of Catching Colour for London City Island's The Line, Ride for Freedom Partnership, and Aberfeldy Festival of Light.

ECO PERFORMANCE REVIEW

CONNECTED COMMUNITY

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
QUALITY OF LIFE **Goal:** We will work towards improving quality of life for our communities through providing affordable amenities, good quality homes, access to nature and public transport **Target:** Have a positive impact on the lives of 5,000 people in the next 10 years. (Of this number 50% to come from "priority disadvantaged groups")	**Why It Matters:** Developments that ensure a good quality of life for its inhabitants is the key to ensuring customer satisfaction and maintaining our brand reputation. **How We Manage:** • Ensure alignment with the Social Values policies of local authorities. • EcoWorld London's Social Value Framework and Toolkit developed in October 2021 sets out targets and action plans to systematically embed socially conscious development practices in its operations. • Staff receive training on Social Value principles, themes, concepts and key impact areas to strengthen their understanding of how to deliver the most effective community impact. • EcoWorld International UK has engaged In-house Research Ltd to review customer satisfaction measurements and identify areas of improvement. Target to achieve at least a 90% likelihood for EcoWorld International to be recommended to a friend or family.	Starting in FY2022, **a Social Value reporting dashboard is presented to EcoWorld London's Sustainability Council for scrutiny**, which features key quarterly performance measured against its Social Value targets. We have achieved **customer satisfaction scores of 95%** for UK projects in FY2022 based on In-house Research.
EDUCATION & SKILLS **Goal:** We will create a positive legacy for London by engaging with young people to inspire the future generation of professionals within the development and construction sectors **Target:** We will increase engagement to 400 students a year through a formalised schools/ colleges engagement programme by 2024	**Why It Matters:** Providing job training opportunities help to support local industry development and reduce youth unemployment. **How We Manage:** • In November 2020, EcoWorld London's pre-employment training programme at our Kew Bridge project was launched in partnership with MIT Skills to provide a fundamental pathway to full-time employment for unemployed Hounslow residents. • Several videos featuring case studies of this pre-employment training programme were featured at the UK's National Apprenticeship Week in February 2022 to showcase this great example of social value project.	EcoWorld London's Kew Bridge pre-employment training programme has achieved a **60% success rate** and delivered Social value saving in excess of £1 million. **Provided opportunities to 80 unemployed residents** with 41 candidates employed in the local Hounslow area, and **delivered 480 qualifications**.

CONNECTED COMMUNITY

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
LOCAL ECONOMIC DEVELOPMENT/ ENTERPRISING COMMUNITIES **Goal:** We will create a positive legacy for local enterprise by providing opportunities for local businesses, including social enterprises, through our procurement portal **Target:** At least 60% of all supply chain procurement contracts signed by value to be with UK Local Companies At least 50% annual procurement spend on SMEs	**Why It Matters:** EcoWorld International believes in engendering shared prosperity with the local community to leave a positive legacy wherever we go. **How We Manage:** • Community-needs focused masterplans and urban regeneration initiatives to catalyse growth for local businesses and create a thriving development through infrastructure development, enhancing accessibility and connectivity, and injection of commercial and recreation components. • EcoWorld London's Sustainable Procurement Policy stipulates a preference for sourcing from local labour pool and supply chain partners, particularly from SMEs and the voluntary sector.	**Total economic value distributed to stakeholders: RM94.2 million** **81%** and **70%** of EcoWorld London and EccoWorld Ballymore's total procurement spend in FY2022 were spent on **Local Companies within the UK**. EcoWorld London **procurement spend** on **SMEs: 73%**

ECO PERFORMANCE REVIEW

OUTSTANDING ORGANISATION

5 Gender Equality

8 Decent Work and Economic Growth

Objective:

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

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
EQUALITY, DIVERSITY & INCLUSION **Goal:** We will create an inclusive environment that inspires employees to collaborate and stimulate creativity, attracting a diverse and talented workforce **Targets:** To create a new set of recruitment terms and conditions to ensure a suitably diverse pool of candidates are considered for all permanent roles within our business operations Target for no greater than 23% turnover in employees	**Why It Matters:** Our diverse workforce is responsible for the Group's day-to-day operations and our continued competitiveness. **How We Manage:** • Putting in place robust talent management strategies governing every aspect from recruitment to retention, remuneration, reward, and professional development of the Group's staff. • Adherence to human rights practices and local labour standards. • Promoting diversity, inclusion and equality and preventing unfair discrimination, bullying or harassment. • Providing safe channels for employees to raise grievances. • Undertake due diligence and human rights risk assessments on our supply chain.	Total workforce of 151, with full-time staff **voluntary turnover rate of 25%** while new hires rate is at 21%. **Achieved 30% women representation on the Board.** 100% of male employees and 75% of female employees returned to work after their parental leave period.

OUTSTANDING ORGANISATION

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
EDUCATION & SKILLS **Goal:** We will equip our employees with the skills they need to deliver our ambitions, meet their career aspirations and maximise job satisfaction **Targets:** All staff to receive sustainability training programme 80% of employees to receive training	**Why It Matters:** Talent development provides employees the expertise needed for their role and to support their career progression. **How We Manage:** • Staff are given on-the-job training by their line managers and peers. • Training and professional development needs of employees are determined as part of formal performance review process. • For all courses run by EcoWorld London, the effectiveness of the training programmes are assessed using feedback forms. • EcoWorld London has held two sessions to explain its sustainability strategy to all staff and a working session with its NZC consultants to define NZC's relevance to the business. • The Board and Senior Management of EcoWorld International have attended the "Sustainability & Impact on Organisations: What Directors Need to Know" training. • Health and safety training programmes, Toolbox Talks and HSE Forums are also held to increase awareness and share best practices on HSE standards.	**2,623 total training hours** with RM480,237 spent. **95% of employees attended training in FY2022.** EcoWorld London recorded a total of **317 hours of health and safety related training, with 108 staff trained**. EcoWorld London has **no reportable incidences** and **no fatalities** as a result of work-related injury recorded with 1,269,021 manhours worked.
STAKEHOLDER ENGAGEMENT & PARTNERSHIP **Goal:** Engage at the earliest opportunity with all our stakeholders to create a joint vision for our developments **Targets:** We will create a stakeholder engagement strategy to help structure a consistent approach and build on best practices	**Why It Matters:** Effective stakeholder communication enables us to understand and incorporate stakeholders' needs, expectations and views to guide the Group's business strategies. **How We Manage:** • Stakeholders' feedback are sought to identify and prioritise the management of material ESG topics which may have an impact on EcoWorld International's business sustainability in the short, medium and long term. • A variety of engagement channels are used to monitor, measure and manage stakeholders' concerns and expectations effectively.	A stakeholder management approach has been formulated based on the priority level of the respective stakeholders determined through the materiality assessment process in FY2022. We have also identified means to measure the success of our engagement with each stakeholder group.

ECO PERFORMANCE REVIEW

OUTSTANDING ORGANISATION

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
RESPONSIBLE SUPPLY CHAIN MANAGEMENT **Goal:** We will collaborate with our supply chain to improve their environmental and social impacts and that of the materials used in our developments **Targets:** Work with top 4 partners to collaborate and set out a 3-year plan for reducing our environmental impact	**Why It Matters:** Sustainable procurement practices serve to reduce our risk exposure from regulatory non-compliance and negative ESG impacts from our supply chain. **How We Manage:** • Prioritise local suppliers and vendors for procurement contracts, particularly SMEs, based on a local-where-we-operate principal. • Goods and services are selected on the basis of their sustainability, competitiveness and environmental merits. • Engagement with EcoWorld International's supply chain partners to ensure compliance with all applicable laws and regulatory standards, EcoWorld International's Code of Conduct and Business Ethics and Anti-Corruption policies, and occupational safety standards. • Ensure compliance with the Personal Data Protection Act 2010 ("PDPA").	EcoWorld London actively looks to foster collaboration with its supply chain partners to identify best practice and innovative solutions. **Zero fines, penalties or warnings** resulting from incidents of non-compliance with regulations or voluntary codes concerning customer data privacy.
TRANSPARENT DISCLOSURE **Goal:** We will ensure regular disclosure of relevant information to all stakeholders **Targets:** We are committed to align our reporting to the recommendations of the globally recognised framework	**Why It Matters:** Providing transparent disclosures ensures that we meet our Listing Requirements and fulfil our fiduciary responsibility to stakeholders. **How We Manage:** • Timely publication of the Group's annual and quarterly financial performance, corporate announcements, and governance-related disclosures on our website. • Engage stakeholders to keep apprised of their concerns to determine material matters for disclosure in our reports.	EcoWorld International has committed to align its sustainability reporting to the recommendations of the TCFD. **30 days** between our AGM Notice filing date and the date of the meeting.

OUTSTANDING ORGANISATION

MATERIAL TOPICS	ECOWORLD INTERNATIONAL'S MANAGEMENT APPROACH	FY2022 PERFORMANCE
CULTURE **Goal:** We will embed sustainability into the culture of the business and ensure it is at the forefront of every decision made **Targets:** We will implement programmes to encourage our staff to live sustainable lifestyles	**Why It Matters:** Sustainability culture strengthens operational efficiency, reduces negative social and environmental impact, and creates a high-performance workforce that enhances our competitiveness. **How We Manage:** • Sustainability-related knowledge and messages are disseminated to EcoWorld International staff through sustainability training and the various employee engagement channels. • EcoWorld international aims to update its remuneration policy for senior management by 2024 to include accountability for the achievement of sustainability targets as part of their key performance indicators. • EcoWorld International also encourages its staff to live sustainable lifestyles.	EcoWorld London has held two briefing sessions with all staff where the sustainability strategy was presented and explained, and a working session with NZC consultants on what NZC is and its relevance to our business. The Board and Senior Management of EcoWorld International have attended the "Sustainability & Impact on Organisations: What Directors Need to Know" training.
CORPORATE GOVERNANCE **Goal:** We will implement robust procedures to manage our sustainability and wider governance risks **Targets:** To review the sustainability governance structure and embed ESG related risks to the Group Risk Management Enterprise Framework	**Why It Matters:** Sound corporate governance cultivates a culture of integrity to insulate the organisation against enterprise risks. **How We Manage:** • Adherence to the Malaysian Code on Corporate Governance 2021 and Section 17A of the Malaysian Anti-Corruption Commission Act 2009. • Established a wide range of policies to reinforce ethical conduct applicable to all individuals while working for and/or dealing with the Group. • The Group's RMC monitors changes in the regulatory landscape to avoid infringing laws or regulations applicable in its respective operating markets. • ESG matters are given greater consideration in the Group's plans and priorities. • Establishing tangible goals, targets and KPIs to drive ESG performance. • The Board is evaluating the feasibility of linking its ESG Scorecard KPIs and targets with remuneration for the entire Group. • Annual assessments of the Group's internal controls to ensure its continued effectiveness.	**The Sustainability Policy was updated on 1 October 2022** to capture the revised Sustainability Governance Structure which integrates ESG into the Group's Risk Management Enterprise Framework. The Group's internal audit assessment has shown that our **corruption risk control measures remain effective**. **Zero incidents of corruption** and zero whistleblowing cases reported.

BOARD OF DIRECTORS' PROFILE

THE LATE TAN SRI AZLAN BIN MOHD ZAINOL

Past Immediate Chairman/
Independent Non-Executive Director
(Demised on 12 January 2023)

Male | 72 | Malaysian

Attendance: 8/8

Date of Appointment:
12 September 2014

Length of Service as Independent Director (as at 31 October 2022):
5 years 7 months*

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

Skills and Experience:
- More than 30 years of experience in the financial sector, having served as the Managing Director of AmBank Berhad and prior to that, as the Managing Director of AmFinance Berhad
- Former Chief Executive Officer of the Employees Provident Fund Board until his retirement in April 2013
- Former Chairman of RHB Bank Berhad, RHB Investment Bank Berhad, RHB Capital Berhad and Grand-Flo Berhad

Other Directorships in Public Companies and Listed Issuers:

Listed Companies
- Chairman of Malaysian Resources Corporation Berhad
- Chairman of Malaysia Building Society Berhad
- Chairman of YX Precious Metals Berhad
- Director of Kuala Lumpur Kepong Berhad

Public Companies
- Chairman of MBSB Bank Berhad
- Chairman of Amanat Lebuhraya Rakyat Berhad
- Chairman of Tokio Marine Life Insurance Malaysia Berhad
- Chairman/Trustee of Yayasan Astro Kasih
- Trustee of OSK Foundation
- Director of Rashid Hussain Berhad (In Members' Voluntary Liquidation)

Note:
* The length of service as an Independent Non-Executive Director is computed based on the date of listing (i.e. 3 April 2017).

CHEAH TEK KUANG

Acting Chairman/
Senior Independent Non-Executive Director

Male | 75 | Malaysian

Attendance: 8/8

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

Length of Service as Independent Director (as at 31 October 2022):
5 years 7 months*

RMC NRC WBC

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

Skills and Experience:
- Former Group Managing Director of AMMB Holdings Berhad Group until his retirement in March 2012 after serving AmBank Group for more than 33 years
- Former Director of Bursa Malaysia Berhad. Currently, he sits on the Appeals Committee of Bursa Malaysia Securities Berhad which looks into appeals by listed companies and market participants on violations of the Listing Requirements
- Former Director of Employees Provident Fund Board and served in its Investment Panel
- Former Director of various companies such as Berjaya Sports Toto Berhad, Cagamas Holdings Berhad, Danajamin Nasional Berhad, Velesto Energy Berhad etc

Other Present Directorships in Public Companies and Listed Issuers:

Listed Companies
- Director of UPA Corporation Berhad
- Director of IOI Corporation Berhad
- Director of A-Rank Berhad

Public Companies
- Director of Berjaya Hartanah Berhad
- Director of Malaysian Institute of Art
- Governor of Yayasan Bursa Malaysia

Note:
* The length of service as an Independent Non-Executive Director is computed based on the date of listing (i.e. 3 April 2017).

Chairman/Chairperson | Member
AC Audit Committee
NRC Nomination & Remuneration Committee
RMC Risk Management Committee
WBC Whistleblowing Committee

TAN SRI DATO' SRI LIEW KEE SIN

Executive Vice Chairman/ Executive Director

Male | 64 | Malaysian

Attendance: 8/8

Date of Appointment:
12 September 2014

Academic/Professional Qualification/ Membership:
- Honorary doctorates by INTI International University, MAHSA University, Heriot-Watt University Malaysia, and Binary University of Management & Entrepreneurship
- Bachelor of Economics (Business Administration), University Malaya, Malaysia

Skills and Experience:
- First Chairman of the Battersea Project Holding Company Limited
- Led the Malaysian consortium of S P Setia Berhad, Sime Darby Berhad and the Employees Provident Fund Board (EPF) in successfully bidding for the Battersea Power Station site in London, United Kingdom
- Former President & Chief Executive Officer/Group Managing Director of S P Setia Berhad
- Member of Authority of the Iskandar Regional Development Authority
- Set up own property development business
- Joined a property development company
- Worked at Asiavest Merchant Bankers (M) Berhad

Other Present Directorships in Public Companies and Listed Issuers:

Listed Company
- Executive Chairman of Eco World Development Group Berhad, a major shareholder of EcoWorld International

Public Company
- Nil

Academic Institution
- Board of University Malaya

International Awards/Recognition:
- Honorary Commander of the Most Excellent Order of the British Empire (CBE) 2022
- 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) at the Ernst & Young World Entrepreneur of the Year Awards

DATO' TEOW LEONG SENG

President & Chief Executive Officer/ Executive Director

Male | 64 | Malaysian

Attendance: 8/8

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

RMC

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

Skills and Experience:
- More than 30 years of experience in the real-estate development and finance related industries
- Former Chairman of the United Kingdom-based Battersea Power Station Development Company Limited
- Former Executive Director and Chief Financial Officer of S P Setia Berhad
- Vice President, Citibank N.A

Other Present Directorships in Public Companies and Listed Issuers:

Listed Company
- Nil

Public Company
- Nil

BOARD OF DIRECTORS' PROFILE

DATO' CHANG KHIM WAH
Non-Independent Non-Executive Director

Male | 58 | Malaysian

Attendance: 8/8

Date of Appointment:
25 June 2020

Academic/Professional Qualification/ Membership:
- 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

Skills and Experience:
- He has vast experience in the property development industry
- Former Director and Executive Vice President of S P Setia Berhad (Southern and Northern property divisions including its offices in Singapore and Indonesia)
- Joined S P Setia Berhad in 1994 and promoted to be the General Manager of Property South in 2000
- Joined KTA-Tenaga Sdn Bhd as Civil Engineer, one of the biggest consultancy firms in Malaysia, specialising in dam designs and water supply systems
- Former Consultant Engineer of Lyall & Macoun Consulting Engineers in Australia

Other Present Directorships in Public Companies and Listed Issuers:

Listed Company
- Executive Director, President & Chief Executive Officer of Eco World Development Group Berhad, a major shareholder of EcoWorld International

Public Companies
- Director of Eco World Capital Berhad
- Director of Eco World Capital Assets Berhad
- Director of Eco World Capital Services Berhad

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

TANG HONG CHEONG
Non-Independent Non-Executive Director

Male | 67 | Malaysian

Attendance: 3/3

Date of Appointment:
20 May 2022

Academic/Professional Qualification/ Membership:
- Malaysian Institute of Accountants (MIA)
- Chartered Secretary of Institute of Chartered Secretaries and Administrators
- Association of Chartered Certified Accountants (ACCA)

Skills and Experience:
- Present Director of GLM REIT Management Sdn Bhd, the Manager of Tower Real Estate Investment Trust, which is listed on the Main Market of Bursa Malaysia Securities Berhad
- Over 40 years of C-suite and broad-based expertise in finance, treasury, risk management, operations and strategic planning
- Held various senior management positions in different companies within Hong Leong Group, prior to his retirement as the President & Chief Executive Officer of Guoco Group Limited in December 2020. In the five years prior to his retirement, he held several Directorships in public listed companies such as Guoco Group Limited, Lam Soon Hong Kong Limited, Rank Group Plc, GuocoLand Limited and GL Limited

Other Present Directorships in Public Companies and Listed Issuers:

Listed Company
- Chairman of Guocoland (Malaysia) Berhad

Public Company
- Director of Hong Leong Islamic Bank Berhad

CHENG HSING YAO
Non-Independent Non-Executive Director

Male | 51 | Singaporean

Attendance: 7/8

Date of Appointment:
27 April 2017

Academic/Professional Qualification/ Membership:
- 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

Skills and Experience:
- Currently the Chief Executive Officer and Non-Independent Executive Director of GuocoLand Limited, which is listed on the Main Board of the Singapore Exchange and an indirect major shareholder of EcoWorld International
- Present Director of GLM REIT Management Sdn Bhd, the Manager of Tower Real Estate Investment Trust
- Joined GuocoLand Singapore and has assumed various positions, the last being the Group Managing Director of GuocoLand Singapore
- Prior to joining GuocoLand, he was with the Singapore public service, where he held leadership positions at the Centre for Liveable Cities (Ministry of National Development) and the Urban Redevelopment Authority (URA)
- Board Member of the National Parks Board, Singapore
- Member of URA's International Panel of Experts, Design Advisory Committee and Heritage and Identity Partnership
- Founding Chairman and Director of the Business Improvement Association for Tanjong Pagar, Singapore
- Appointed by the President of the Republic of Singapore as a Nominated Member of Parliament
- Executive Committee member of the Urban Land Institute Singapore
- Member of the Management Board of the Institute of Real Estate and Urban Studies at the National University of Singapore

Other Present Directorships in Public Companies and Listed Issuers:

Listed Company
- Director of GuocoLand (Malaysia) Berhad

Public Company
- Nil

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

TAN SRI DATUK DR REBECCA FATIMA STA MARIA
Independent Non-Executive Director

Female | 65 | Malaysian

Attendance: 8/8

Date of Appointment:
27 April 2017

Length of Service as Independent Director (as at 31 October 2022):
5 years 6 months

NRC

Academic/Professional Qualification/ Membership:
- 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

Skills and Experience:
- Present Executive Director of Asia-Pacific Economic Cooperation Secretariat
- Played a key role in ASEAN economic integration and chaired the ASEAN Senior Economic Officials Meeting as well as the ASEAN High Level Task Force for Economic Integration
- Held various key positions such as Secretary General of the Ministry of International Trade and Industry (MITI), Senior Policy Fellow, Economic Research Institute for ASEAN and East Asia, and Chief Administration and Procurement Officer of the ASEAN Plant Quarantine and Training Centre

Other Present Directorships in Public Companies and Listed Issuers:

Listed Companies
- Director of Sunway Berhad
- Director of Hartalega Holdings Berhad
- Director of RHB Bank Berhad
- Director of Dialog Group Berhad

Not-for Profit Organisations
- Director of Institute for Democracy & Economic Affairs Berhad
- Member of the Board of Trustees of MyKasih Foundation
- Member of the Board of Trustees of Yayasan Hartalega

International Awards/Recognition:
- Meritorious and Distinguished award 2021, Asian Productivity Organisation
- Rio Branco Order from Brazil in 2016
- Order of the Star of Italy in 2015
- Malcolm S. Knowles, Dissertation of the Year, 2000, Academy of Human Resource Development, USA

BOARD OF DIRECTORS' PROFILE

DATO' SIOW KIM LUN
Independent Non-Executive Director

Male | 72 | Malaysian

Attendance: 8/8

Date of Appointment:
12 September 2014

Length of Service as Independent Director (as at 31 October 2022):
5 years 7 months*

AC NRC WBC

Academic/Professional Qualification/ Membership:
- Master of 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

Skills and Experience:
- Held various positions within Securities Commission Malaysia and has served as the Director of Issues & Investment Division/Market Supervision Division/ Office of the Chairman until his retirement in December 2006
- Former Divisional Head, Corporate Finance Division of Permata Chartered Merchant Bank Berhad (now known as Affin Hwang Investment Bank Berhad)
- Former Director of various companies such as Kumpulan Wang Persaraan (Diperbadankan), Hong Leong Assurance Berhad, Citibank Berhad and UMW Holdings Berhad

Other Present Directorships in Public Companies and Listed Issuers:

Listed Companies
- Chairman of EITA Resources Berhad
- Chairman of Radiant Globaltech Berhad
- Director of Sunway Construction Group Berhad

Public Companies
- Director of RHB Bank Investment Berhad
- Director of Malaysian Trustees Berhad
- Director of RHB Trustees Berhad

Note:
* The length of service as an Independent Non-Executive Director is computed based on the date of listing (i.e. 3 April 2017).

DATO' KONG SOOI LIN
Independent Non-Executive Director

Female | 61 | Malaysian

Attendance: 8/8

Date of Appointment:
1 April 2019

Length of Service as Independent Director (as at 31 October 2022):
3 years 7 months

WBC AC

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

Skills and Experience:
- Over 30 years of investment banking experience and has extensive equity and debt transaction expertise
- Held various key positions within CIMB Group for 25 years until her retirement from CIMB Investment Bank Berhad as its Chief Executive Officer in March 2019. Dato' Kong has contributed significantly to entrenching CIMB as one of the top investment banking houses domestically and across ASEAN
- Former Director of Malaysia Venture Capital Management Berhad and Top Glove Corporation Berhad

Other Present Directorships in Public Companies and Listed Issuers:

Listed Companies
- Director of AMMB Holdings Berhad
- Director of IOI Corporation Berhad

Public Company
- Director of AmInvestment Bank Berhad

PAULINE WONG WAN VOON

Independent Non-Executive Director

Female | 55 | Malaysian

Attendance: 8/8

Date of Appointment:
2 April 2018

Length of Service as Independent Director (as at 31 October 2022):
4 years 7 months

AC RMC

Academic/Professional Qualification/ Membership:

- Bachelor of Laws (Honours), University of Leicester, United Kingdom
- Certificate in Legal Practice, Malaysia
- Certified Fraud Examiner
- Member of Association of Certified Fraud Examiners
- Member of the Membership Committee, Association of Certified Fraud Examiners (ACFE) Malaysia Chapter

Skills and Experience:

- Currently she is the Executive Director of Malaysian Investment Banking Association (MIBA) where for the past 24 years, she has been instrumental in driving organisational change as well as the development and implementation of key sustainable initiatives and strategies that ensured the steady growth and establishment of MIBA as a prominent and vital contributor towards the growth of a deep, dynamic and innovative capital market
- Representing MIBA on the Financial Industry Collective Outreach (FINCO) Steering Committee since 2016 and between 2003 and 2007, she represented MIBA on the Bursa Malaysia Continuing Education Programme Accreditation Committee
- She is the Secretary General and Council Member for 2022-2024 of the Malaysian Chapter of the Association of Certified Fraud Examiners (ACFE), the world's largest anti-fraud organisation and premier provider of anti-fraud training and education

Other Present Directorships in Public Companies and Listed Issuers:

Listed Company
- Nil

Public Company
- Nil

WONG HOCK CHUAN

Alternate Director to Mr Cheng Hsing Yao

Male | 51 | Singaporean

Attendance: 1/1

Date of Appointment:
1 July 2021

Academic/Professional Qualification/ Membership:

- Bachelor of Mechanical Engineering, Queensland University of Technology, Australia

Skills and Experience:

- He is currently the General Manager, Project & Facilities Management of the Singapore business of Guocoland Limited which is listed on the Main Board of the Singapore Exchange
- Joined the Guocoland Group in 2014 as General Manager, Project Management, GuocoLand Singapore
- He has vast experience in project development and currently managing Guocoland Group's flagship, Guoco Tower and the project development of Guoco Midtown
- Prior to joining Guocoland, he was with a private equity real estate fund, MGPA Ltd which he held leadership position overseeing project implementation in Singapore

Other Present Directorships in Public Companies and Listed Issuers:

Listed Company
- Nil

Public Company
- Nil

Notes:

(i) None of the Directors have any family relationship with any Director and/or major shareholder of the Company.

(ii) None of the Directors have any conflict of interest with the Company.

(iii) None of the Directors have been convicted of any offence within the past 5 years (other than traffic offences, if any), nor public sanction or penalties imposed by the regulatory bodies during the financial year ended 31 October 2022.

KEY SENIOR MANAGEMENT PROFILE

The summary of Key Senior Management as at 31 October 2022 is set out below:

AGE

20%	40%	40%
40-49 years old	50-59 years old	60 years old and above

GENDER

80%	20%
Male	Female

NATIONALITY

80%	20%
Malaysian	Non-Malaysian

TENURE AS KEY SENIOR MANAGEMENT

20%	80%
Less than 6 years	More than 6 years up to 9 years

Notes:

(i) None of the Senior Management holds any directorship in any listed companies and public companies.

(ii) None of the Senior Management has any family relationship with any other Director and/or major shareholder of the Company.

(iii) None of the Senior Management has any conflict of interest with the Company.

(iv) None of the Senior Management has been convicted of any offence within the past 5 years (other than traffic offences, if any), nor public sanction or penalties imposed by the regulatory bodies during the financial year.

ANDY LEONG CHAIN HONG

Chief Financial Officer

Male | 52 | Malaysian

Date of Appointment:
1 July 2022

Academic/Professional Qualification/ Membership:

- Fellow of Association of Chartered Certified Accountants (ACCA)
- Member of Malaysian Institute of Accountants (MIA)

Skills and Experience:

- As Chief Financial Officer of EcoWorld International, he is responsible for all the financial and corporate matters of the Group including financial reporting, corporate finance, treasury, investor relations and risk management.
- Over 25 years of working experience in both private and public listed companies in various industries such as property, construction, manufacturing, hospitality and plantation. He has extensive management experience in financial reporting, profit and loss management, tax planning, debt and equity financing, corporate restructuring etc.
- Prior to joining EcoWorld International, he was the Chief Financial Officer of GuocoLand (Malaysia) Berhad, SkyWorld Development Group, TAHPS Group Berhad (now known as Ayer Holdings Berhad) and Mahajaya Berhad. He also served as the Director, Property Division of KSK Group Berhad.

TAN CHENG YONG
Head of Global Development Operations

Male | 66 | Malaysian

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

Academic/Professional Qualification/ Membership:
- 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 Experience:
- Currently, he oversees the execution of EcoWorld International projects in the United Kingdom and Australia.
- He was previously 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 for the 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

Female | 58 | Malaysian

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

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

Skills and 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.
- She was previously the Managing Director of 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 of 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 reverse 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.

KEY SENIOR MANAGEMENT PROFILE

CHEONG HENG LEONG

Chief Executive Officer,
International Business (UK)

Male | 42 | Malaysian

Date of Appointment:
1 October 2015

Academic/Professional Qualification/ Membership:

- Master of Science in 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 Experience:

- As Chief Executive Officer of International Business (UK), he is responsible for growing EcoWorld International's business in the UK by identifying new real estate opportunities for both private residential and Build-to-Rent (BtR) whilst also overseeing the portfolio of existing sites.
- Under his role in the UK, he was instrumental in securing EcoWorld International's majority acquisition of Willmott Dixon residential development business in 2018, creating the EcoWorld London Group (EWL Group), where he is currently the Chief Executive Officer of Eco World London Development Company Limited. He serves on several boards of EWL Group companies, including Apo Group Limited, a specialist residential management company that sources and operates BtR homes at scale for institutional investor partners. He is also a Director of the EcoWorld Ballymore joint venture project companies.
- Served as the Chief Strategic Relations Officer of 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)

Male | 64 | Australian

Date of Appointment:
1 July 2014

Academic/Professional Qualification/ Membership:

- Chartered Institute of Management Accountants (CIMA), United Kingdom
- Diploma in Business (Real Estate Management), Macleay College, Australia
- Licensed Real Estate Agent, Class 1 (LREA), Australia

Skills and 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.
- Joined Australian-based 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 and thereafter 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

Financial Year ("FY") 2022 remains a challenging year as the Group faces macroeconomic uncertainties which has impacted the global economy and causing significant disruptions to our operations.

Despite the challenging economic environment, the Board remains committed to uphold and maintain its high standards of corporate governance throughout the Group by devoting considerable effort to identify and formalise best corporate governance 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.

This statement provides an overview of the corporate governance practices adopted by the Company for FY2022 based on the following statutory provisions:

(i) Companies Act 2016;

(ii) Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"); and

(iii) Malaysian Code on Corporate Governance ("**MCCG**").

COMPLIANCE WITH MCCG

Following the implementation of the revised MCCG effective from 28 April 2021, FY2022 is the first year for the Company to report the adoption of the practices set out in the said MCCG.

Although EcoWorld International is not a Large Company (defined as listed on FTSE Bursa Malaysia Top 100 Index or market capitalisation of RM2 billion and above) for FY2022, the Board is committed to ensure high standards of governance are practised wherein the Company has adopted and complied substantially with the practices of MCCG. The status of the application of practices is summarised as follows:

	APPLIED/ ADOPTED	DEPARTURE	NOT APPLICABLE	NOT-ADOPTED	TOTAL
Practices	41	1	1	-	**43**
Step-up practices	4	-	-	1	**5**

The following is the practice that the Company has departed from:

Practice 8.2	The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Meanwhile, the following is the step-up practice that the Company has not adopted:

Practice 8.3	Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

This statement is to be read together with the Corporate Governance Report 2022 of the Company which is available on the Company's corporate website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

CORPORATE GOVERNANCE MODEL

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

BOARD OF DIRECTORS

CHAIRMAN
Responsible for the leadership of the Board in ensuring the Board can perform its duties and responsibilities effectively

EXECUTIVE VICE CHAIRMAN
Assists the Chairman in performing the latter's duties and responsibilities and is responsible for the strategic planning of the Group

PRESIDENT & CEO
Responsible for the day-to-day operations of the Group's business and implementation of the policies, strategies and decisions made by the Board

SENIOR INDEPENDENT DIRECTOR
Serves as the principal conduit between the Chairman, Non-Executive Directors and shareholders

INDEPENDENT DIRECTORS
Provide independent views and demonstrate objectivity in reviewing and challenging the proposals by the Management

NON-INDEPENDENT NON-EXECUTIVE DIRECTORS
Constructively challenge and help to develop proposals on strategy

COMPANY SECRETARY

BOARD COMMITTEES

AUDIT COMMITTEE
Assists the Board in fulfilling its fiduciary duties on financial reporting as well as the development of sound internal controls of the Group

RISK MANAGEMENT COMMITTEE
Assists the Board to evaluate the Group's level of risk tolerance, assess and monitor risks, review the Company's internal controls

NOMINATION & REMUNERATION COMMITTEE
Assists the Board in reviewing the policies relating to the Board and Senior Management's appointments, remuneration, performance evaluation and succession planning

WHISTLEBLOWING COMMITTEE
Assists the Board to develop, implement and maintain an effective whistleblowing policy and procedures for the Group

PRESIDENT & CEO

- GROUP CORPORATE GOVERNANCE
- RISK MANAGEMENT TEAM
- EXECUTIVE COMMITTEE
- TENDER & PROCUREMENT COMMITTEE
- INTEGRITY TEAM
- GROUP SUSTAINABILITY COMMITTEE

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 in managing 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.

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. The Board Charter was last reviewed and adopted by the Board in September 2022 to keep the Board Charter up to date with the relevant regulations. The Board Charter is available on the Company's corporate website.

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, such as the following to ensure the direction and control of the Group are firmly in the hands of the Board:

- Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
- Material acquisitions and disposal of assets not in the ordinary course of business including significant capital expenditures;
- Strategic investments, mergers and acquisitions and corporate exercises;
- Limits of authority;
- Treasury policies;
- Risk Management policies; and
- Key human resource issues.

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 ToR of the Nomination & Remuneration Committee ("**NRC**") was reviewed and endorsed by the Board in June 2022, whilst the ToRs of the Audit Committee ("**AC**"), Risk Management Committee ("**RMC**") and Whistleblowing Committee ("**WBC**") were last reviewed and endorsed by the Board in September 2022. All the ToRs 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 oversight 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.

During the year under review, the late Chairman of the Board, Tan Sri Azlan Bin Mohd Zainol, who was an Independent Non-Executive Director, led the Board by setting the tone from the top and managing Board effectiveness by focusing on governance and compliance. He guided the Board through the decision-making process and ensured that the Board operates effectively as a team. Following the demise of the late Chairman on 12 January 2023, the Board has identified the Senior Independent Director of the Company, Mr Cheah Tek Kuang to be appointed as the Acting Chairman of the Company effective from 20 January 2023 to ensure that the Board is able to perform its duties and responsibilities well.

The Board appreciates the distinct roles and responsibilities of the Chairman, Executive Vice Chairman and the President & 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 is maintained.

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 corporate governance related matters and ensure the Board adheres to the relevant rules and regulatory requirements as well as Board policies and procedures.

BOARD COMPOSITION AND DIVERSITY

The composition of the Board is fundamental to its success in providing strong and effective leadership. The current Board composition comprises a strong mix of experienced individuals with half of the Board members 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

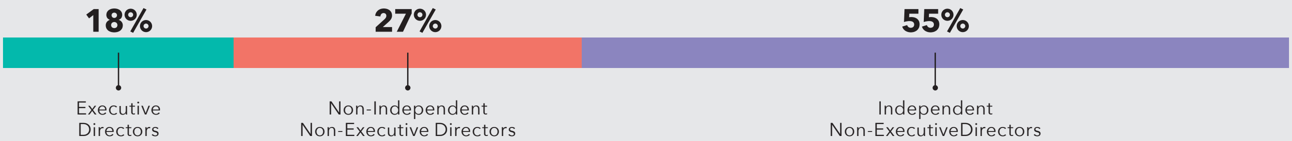
The Board acknowledged the Group's approach and commitment towards creating equality, diversity and inclusion in the workplace by adopting the revised Equality, Diversity & Inclusion Policy in June 2022, which has been revamped from the former Board Diversity Policy adopted in October 2017 based on the recommendation set out in MCCG to establish a gender diversity policy to support the participation of women on the board, as well as the senior management and also to align with the commitment of the Company to the Sustainable Development Goals approved by the United Nations.

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. As at 31 October 2022, there were 3 female Directors out of 11 Directors on the Board, which represents 27% and in practical terms, the Board has deemed the 30% threshold recommended by the MCCG as met.

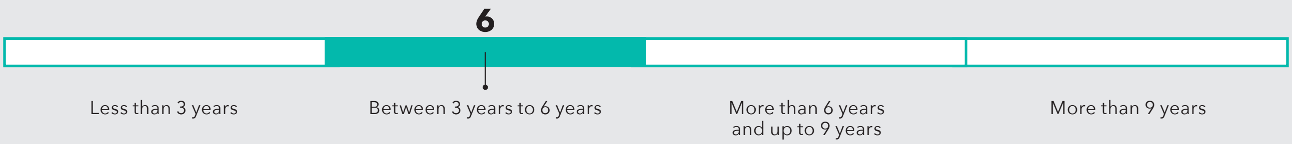
The Board is satisfied with the current composition as this size is optimal and would enable effective oversight and delegation of responsibilities. During the year under review, the late Chairman of the Board, Tan Sri Azlan Bin Mohd Zainol has relinquished his position as a member of the AC, NRC and RMC and he was not involved/participated in the decision-making process of all the Board Committees of the Company.

The summary of the Board composition as at 31 October 2022 is set out below:

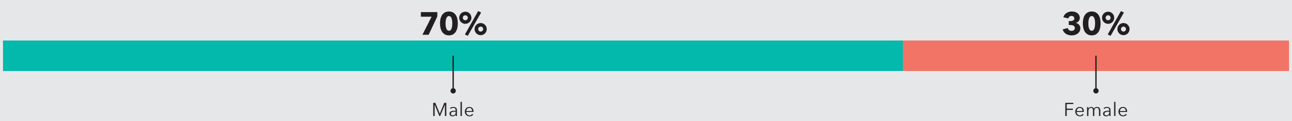
MCCG PRACTICE 5.2 (At least half of the Board comprises Independent Directors)



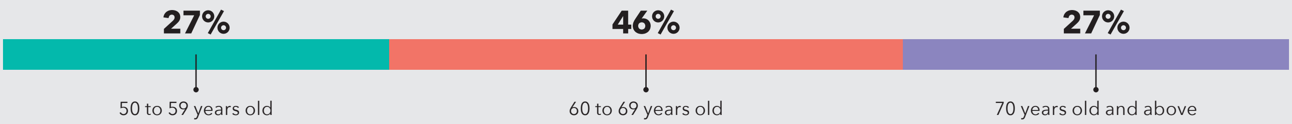
MCCG STEP-UP 5.4 (The Board has a policy which limits the tenure of its Independent Directors to 9 years without further extension)



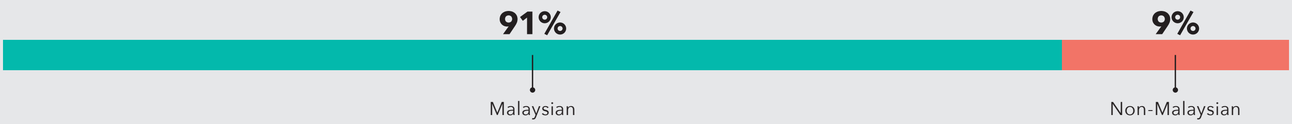
MCCG PRACTICE 5.9 (The Board comprises at least 30% female Directors)



AGE



NATIONALITY



APPOINTMENT OF NEW DIRECTOR AND SENIOR MANAGEMENT

The NRC is entrusted with the role of identifying, assessing and nominating candidates to fill the Board's vacancies and for succession planning. The NRC leverages on the Directors' wide network of professional and business contacts as well as various channels to identify suitable qualified candidates and the recommendations are based on its assessment of the expertise, skills and attributes of the current Board members and the needs of the Board.

Following the amendments made to the MMLR of Bursa Malaysia, the Board has in June 2022 adopted a Directors' Fit and Proper Policy which sets out the approach, guidelines and procedures to ensure that a formal, rigorous and transparent process is adhered to for the appointment, re-appointment and/or re-election of the Directors of the Group. The said policy is available on the Company's corporate website.

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

Review the current size, composition, skills, knowledge, diversity and the expertise that the Board has identified as a gap

Identify candidate from various channels

Conduct assessment and evaluation of skills, expertise, professionalism, integrity and industry experience of the candidate who has been identified by the NRC and review the Fit and Proper self-declaration form completed by the candidate

Recommendation by the NRC to the Board

Approve or reject by the Board

During the year under review, there was a change in the Board composition following the retirement of Mr Choong Yee How on 20 May 2022 and in replacement thereof, Mr Tang Hong Cheong was nominated by a major shareholder of the Company, GLL EWI (HK) Limited as a Non-Independent Non-Executive Director of the Company. The NRC had reviewed and assessed the experience, skills, time commitment and expertise of Mr Tang Hong Cheong and was satisfied that he had fulfilled the required criteria set by the Board and would be able to contribute meaningfully to the Group. With the recommendation of the NRC and having reviewed his vast knowledge and broad-based experience, the Board approved the appointment of Mr Tang Hong Cheong as a Non-Independent Non-Executive Director of the Company effective from 20 May 2022.

Following the resignation of Ms Melissa Tan Swee Peng on 25 May 2022, the NRC has conducted assessments which include meeting up with the candidate identified before recommending his appointment as the new Chief Financial Officer ("**CFO**") to the Board for approval. The Board has subsequently approved the appointment of Mr Andy Leong Chain Hong as the new CFO of the Company effective from 1 July 2022.

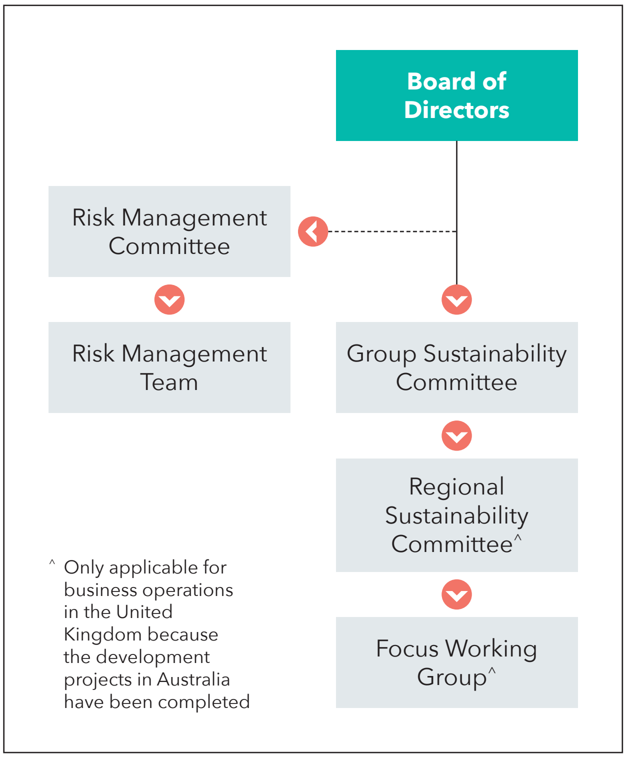
INDUCTION AND PROFESSIONAL TRAINING

During the financial year, a on-boarding presentation was provided to the new Director, Mr Tang Hong Cheong in June 2022 by the President & CEO covering the operational and financial overview of the Group.

As at 31 October 2022, all Directors appointed to the Board have attended the Mandatory Accreditation Programme (MAP) and continue to attend training programs and seminars organised by the regulators, professional bodies and other organisations in order to keep abreast of the latest developments and enhance professionalism in order to discharge their duties effectively. In addition, some Board members have also been invited to participate in forums and seminars as speakers, moderators and panellists in areas of their expertise. The trainings/conferences/seminars/workshops/webinars attended by the Board members in FY2022 are set in the Corporate Governance Report 2022.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SUSTAINABILITY GOVERNANCE STRUCTURE



The Board acknowledges the importance of adopting Environmental, Social and Governance ("**ESG**") considerations in the operations of the Group and has approved the new Sustainability Governance Structure in June 2022. This new structure is to incorporate additional tiers to strengthen ESG functions at the working level and regional level while providing greater clarity on the roles, responsibilities and composition of each function. It also highlights the integration of ESG into the Group's risk management and mitigation efforts through the RMC and Risk Management Team.

As construction of the development projects in Australia has completed whilst the EcoWorld Ballymore projects have largely completed in FY2022, our sustainability focus falls on EcoWorld London. A dedicated Sustainability Director has been appointed in EcoWorld London during the year to oversee sustainability initiatives in achieving ESG goals and targets. The Sustainability Director is tasked to champion EcoWorld London's journey to support its Net Zero Carbon vision.

The sustainability agenda at EcoWorld International remains driven by the tone from the top, specifically by the Board, which maintains the oversight and acknowledges its ultimate responsibility on all material identified ESG matters of the Group's ECO pillars, including the domains of climate change mitigation, green infrastructure, labour issues, anti-corruption, circular economy, and many more.

The strategic management of the material sustainability matters and the integration of sustainability considerations in the operations of the Group are driven by the Senior Management of the Company, led by the President & CEO, who serves as the Chair of the Group Sustainability Committee. Progress on the implementation of the Group's sustainability initiatives, ESG targets and other significant ESG matters are brought to the attention of the Board through the Group Sustainability Committee for deliberation and strategic management.

BOARD ASSESSMENT AND EVALUATION

The Board through the NRC conducts an annual review on the effectiveness of the Board, Board Committees and individual Directors through online questionnaires for FY2022. Following the implementation of MCCG which requires the integration of ESG considerations and sustainability targets into the performance evaluations of the Board. The Board and Board Committees evaluation forms were revised by including ESG factors in assessing the performance of the Board against the relevant sustainability targets. 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 2022 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**") and such practice is in line with the Directors' Fit and Proper Policy adopted by the Company.

In considering independence, the Board through the NRC conducts an annual review on the level of independence of each Independent Director to ensure alignment with the Company's objectives, strategic goals and comply with MMLR of Bursa Malaysia. The Board has in September 2022 amended its Board Charter by setting a policy which limits the tenure of Independent Directors to 9 years without any extension. In the event the Board intends to retain such Director, the Director may continue to serve on the Board as a Non-Independent Director. The tenure of an Independent Director is computed based on the date of listing of the Company, i.e. 3 April 2017 or date of appointment, whichever is later.

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.

The 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**") procedures.

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

The Board has also in place a Whistleblowing Policy which sets high standards of ethical behaviour and integrity. A platform is provided for the Company's employees, business associates and members of the public who have concerns on possible misconduct (including fraud, bribery, theft, abuse of power and violation of laws and regulations) to report the incident directly to the 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 will 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.

INSIDER TRADING

To prevent insider trading in the listed securities of the Company and to maintain confidentiality of price sensitive information, the Company has adopted a Disclosure and Communication Policy since 2017. The said policy provides clarity on the definition of "insider trading" and governs the manner in which the Company communicates material information to the external parties.

BOARD MEETINGS

The Board holds meetings on a quarterly basis and additional meetings in respect of matters which require the Board's deliberation and approval will be held in between the scheduled meetings. A total of 8 Board meetings were held in FY2022.

In order to ensure all the Directors are able to attend the Board and Board Committee meetings, the calendar for the Board and Board Committee 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. In this respect, none of the Directors hold more than 5 directorships in listed corporations.

The Board and Board Committees have fulfilled their roles and responsibilities by attending the Board and Board Committee meetings held during FY2022. The Board notes that the revised MCCG encourages the non-executive directors to meet among themselves at least annually to discuss among others strategic, governance and operational issues. The Independent Directors have met among themselves once in December 2021 to discuss the governance and accounting issues raised by an anonymous shareholder. 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:

		MEETINGS HELD IN FY2022						
NO.	NAME OF DIRECTOR	BOARD	8th AGM	ID	AC	RMC	NRC	WBC
1	Tan Sri Azlan Bin Mohd Zainol[(a)]	8/8	✔	1/1	1/1	4/4	1/1	-
2	Tan Sri Dato' Sri Liew Kee Sin	8/8	✔	-	-	-	-	-
3	Dato' Teow Leong Seng	8/8	✔	-	-	5/5	-	-
4	Mr Cheah Tek Kuang	8/8	✔	1/1	-	5/5	4/4	1/1
5	Dato' Chang Khim Wah	8/8	✔	-	-	-	-	-
6	Mr Choong Yee How[(b)]	5/5	✔	-	-	-	-	-
7	Mr Tang Hong Cheong[(c)]	3/3	-	-	-	-	-	-

CORPORATE GOVERNANCE OVERVIEW STATEMENT

		MEETINGS HELD IN FY2022						
NO.	NAME OF DIRECTOR	BOARD	8th AGM	ID	AC	RMC	NRC	WBC
8	Mr Cheng Hsing Yao	7/8	✔	-	-	-	-	-
9	Tan Sri Datuk Dr Rebecca Fatima Sta Maria	8/8	✔	1/1	-	-	4/4	-
10	Dato' Siow Kim Lun	8/8	✔	1/1	6/6	-	4/4	1/1
11	Dato' Kong Sooi Lin	8/8	✔	1/1	5/6	-	-	1/1
12	Ms Pauline Wong Wan Voon[(d)]	8/8	✔	1/1	5/5	5/5	-	-
13	Mr Wong Hock Chuan *(Alternate Director to Mr Cheng Hsing Yao)*	1/1	-	-	-	-	-	-

Notes

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

(a) Relinquished his position as a member of the AC and NRC on 16 December 2021 and RMC on 15 June 2022
(b) Retired as Non-Independent Non-Executive Director on 20 May 2022
(c) Appointed as Non-Independent Non-Executive Director on 20 May 2022
(d) Appointed as a member of the AC on 16 December 2021

Board papers were distributed via a secured digital portal 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 following Board meeting.

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 skillset, experience, performance and responsibilities while the remuneration package of the Non-Executive Directors is in the form of Directors' Fees and meeting allowances which reflects the diverse experience, skill sets and the responsibilities expected of the Non-Executive Directors. The meeting allowances will be paid based on their attendance.

The details of the Directors' remuneration are set out in the Corporate Governance Report 2022 which is available on the Company's corporate website. The Directors' Fees and benefits will be tabled to the shareholders for approval at the upcoming 9th AGM in March 2023.

The Board had previously agreed that all the Directors (saved for Executive Directors) of the Company shall be entitled to Directors' Fees and meeting allowances and it is at the discretion of the Director concerned whether to waive his/her entitlement. Dato' Chang Khim Wah and Mr Cheng Hsing Yao who are Non-Independent Non-Executive Directors and are also the representatives of Eco World Capital (International) Sdn Bhd and GLL EWI (HK) Limited respectively, have waived their entitlement to the Directors' Fees and 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.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

The Board of EcoWorld International is pleased to present the AC Report which provides an overview of the activities undertaken by the AC in FY2022.

COMPOSITION AND ATTENDANCE OF MEETINGS

As at 31 October 2022, the AC comprised the following members and the details of the meeting attendance of each member are set out below:

NAME	DESIGNATION	DIRECTORSHIP	NO. OF AC MEETINGS ATTENDED	%
Dato' Siow Kim Lun	Chairman	Independent Non-Executive Director	6/6	**100%**
Dato' Kong Sooi Lin	Member	Independent Non-Executive Director	5/6	**83%**
Pauline Wong Wan Voon *(Appointed as a member of the AC on 16 December 2021)*	Member	Independent Non-Executive Director	5/5	**100%**

Subsequent to the introduction of the revised MCCG by the Securities Commission Malaysia on 28 April 2021, the Board notes that Guidance 1.4 of MCCG states that by having the same person assuming the positions of Chairman of the Board and member 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 NRC on 16 December 2021, whereby the late Tan Sri Azlan Bin Mohd Zainol being the Chairman of the Board then relinquished his position as a member of the AC, NRC and RMC and Ms Pauline Wong Wan Voon was appointed as a member of the AC in replacement thereof.

Following the change in composition, the number of AC members remains the same, 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 and the newly appointed AC member, Ms Pauline Wong Wan Voon is a Certified Fraud Examiner with vast working experience and knowledge, which enable her to understand matters under the purview of the AC and provide sound advice to the AC. With such composition, the Company has complied with the following requirements/best practices:

REQUIREMENTS/ BEST PRACTICES	PRACTICES OF THE COMPANY
MMLR of Bursa Malaysia	
Paragraph 15.09	✔ Not less than 3 members. ✔ All AC members are Independent Non-Executive Directors. ✔ All AC members are financially literate. ✔ No Alternate Director was appointed to act as a member of the AC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

REQUIREMENTS/ BEST PRACTICES	PRACTICES OF THE COMPANY
MCCG	
Practice 9.1	✔ Dato' Siow Kim Lun is not the Chairman of the Board.
Practice 9.4 (Step-Up)	✔ The AC comprises solely Independent Directors.
Practice 9.5	✔ All members are financially literate, competent and are able to understand matters under the purview of the AC including the financial reporting process.

MEETINGS

A total of 6 AC meetings were held during FY2022. The President & CEO, CFO, Chief Audit Executive ("**CAE**") 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 in June and December 2022 with the External Auditors, KPMG PLT Malaysia ("**KPMG Malaysia**") and the Group Corporate Governance ("**GCG**") team, an independent in-house internal audit department without the presence of Executive Board members and Management to facilitate discussions on key audit challenges and internal audit related matters.

Minutes of each AC meeting were 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.

TERMS OF REFERENCE AND EXTERNAL AUDITORS POLICY

The roles and responsibilities of the AC are set out in its ToR whilst the External Auditors Policy ("**EA Policy**") outlines the guidelines and procedures for the AC to assess the suitability, objectivity and independence of the External Auditors to safeguard the quality and reliability of the audited financial statements. Both documents are available on the Company's corporate website.

The ToR was last reviewed and approved by the Board on 14 September 2022 to keep the ToR up-to-date with the relevant regulations, whilst the EA Policy was reviewed and approved by the Board on 16 March 2022. The changes made to the ToR and EA Policy during the financial year are in line with the following requirements/best practices:

REQUIREMENTS/ BEST PRACTICES	PRACTICES OF THE COMPANY
MCCG	
Practice 9.2	✔ A policy that requires a former partner (which applies to all former partners of the audit firm and/or the affiliate firm, including those providing advisory services, tax consulting etc) of the external audit firm of the Company to observe a cooling-off period of at least 3 years before being appointed as a member of the AC. **Note:** None of the AC members were former partners of an external audit firm of the Company since the date of listing, i.e. 3 April 2017.
Practice 9.3	✔ The AC has a EA Policy to assess the suitability, objectivity and independence of the external auditor.

REQUIREMENTS/ BEST PRACTICES	PRACTICES OF THE COMPANY
The International Ethics Standards Board for Accountants Code of Ethics ("IESBA Code")	
Paragraph 290.151	✔ The key audit partner should be rotated after having served for 7 years and upon being rotated off the engagement, shall not be a member of the engagement team or be a key audit partner for the client for 2 years.

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 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 discharged their functions and carried out their duties and responsibilities effectively in accordance with the ToR which is available on the corporate website.

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:

(i) External Audit

- The audit status in relation to the Audited Financial Statements ("**AFS**") of the Group for FY2022 was discussed with KPMG Malaysia on 2 occasions. 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 IESBA Code.
- 2 private sessions for FY2022 were held with the External Auditors, KPMG Malaysia on 14 June 2022 and 13 December 2022 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 and objectivity of the External Auditors. The details of the audit and non-audit services rendered by the External Auditors and their affiliates for FY2022 are disclosed in the Additional Compliance Information section of this Integrated Annual Report.
- The Audit Plan and Strategy for FY2022 which outlined the engagement team, audit highlights, materiality, audit scope, audit methodology, timing of audit, involvement of component auditors, audit focus areas, other audit matters, key milestones, audit findings, newly effective standards as well as the audit fees of KPMG Malaysia was reviewed and approved by the AC.
- The AC has reviewed and recommended the revised EA Policy to the Board for approval wherein the amendments are in line with MCCG and the IESBA Code. The audit partners of the Group are subject to rotation at least every 7 financial years. The revised EA Policy was adopted by the Company on 16 March 2022. A copy of the EA Policy is available on the corporate website.
- Based on the EA Policy, the AC shall carry out annual assessment of the External Auditors which shall encompass the (i) qualifications, competency and resource capacity of the External Auditors; (ii) audit quality and candour of the auditor's communications with the AC and the Company; (iii) professionalism; and (iv) appropriateness of the audit fees to support a quality audit.

  Questionnaire assessment was carried out to assess the performance of the External Auditors of the various companies within the Group, namely KPMG Malaysia, KPMG Australia, KPMG Dublin and BDO London based on the feedback from Management. The AC was satisfied with the suitability, performance, technical competency and audit independence of the External Auditors for the companies and recommended the re-appointment of KPMG Malaysia as External Auditors of the Company for FY2023 to the Board for consideration. The re-appointment of KPMG Malaysia is subject to shareholders' approval to be sought at the upcoming AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(ii) Financial and Integrated Reporting

- The AC reviewed and discussed the quarterly financial results with the Management to ensure the appropriateness of the accounting treatments were applied and the accuracy of the reported figures. The CFO also highlighted to the AC on (i) material transactions; (ii) accounting adjustments; (iii) provisions made; and (iv) material variances/movements. The AC subsequently recommended the quarterly financial results to the Board for approval and release to Bursa Malaysia.
- The AFS for FY2022 was reviewed by the AC with Management and External Auditors and recommended the AFS to the Board for approval and subsequent tabling at the upcoming AGM.
- The Corporate Governance Overview Statement, Corporate Governance Report, Additional Compliance Information and Statement on Risk Management and Internal Control (SORMIC) were reviewed by the AC and recommended them to the Board for approval and inclusion in the Integrated Annual Report 2022.

(iii) 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.
- The AC reviewed the agreements which involved related parties' interests and recommended them to the Board for approval.

(iv) Internal Audit ("IA")

- GCG conducted the audit work based on the approved FY2022 Internal Audit Annual Plan. The IA reports prepared by GCG were reviewed by the AC on a quarterly basis.
- The AC reviewed the IA Reports of EcoWorld Ballymore prepared by BDO LLP ("**BDO London**"), the Internal Auditors of EcoWorld Ballymore.
- The AC also reviewed the IA Reports of EcoWorld London by PricewaterhouseCoopers LLP ("**PwC London**"), the Internal Auditors of EcoWorld London.
- The outcome of the follow-up audits was monitored by the AC to ascertain the extent to which agreed upon action plans have been implemented by the Management.
- 2 private sessions for FY2022 were held with GCG to discuss any issues and significant matters without the presence of the Executive Board members and Management on 14 June 2022 and 13 December 2022.
- 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 Annual Plan of GCG for FY2023 which covers the Group's 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 Annual Plan.
- The IA Annual Plan for FY2023 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 (i) understanding; (ii) team resources, skills, experience and performance; (iii) communication; and (iv) overall delivery. The overall performance of GCG has met the AC's expectations.
- The AC was updated on the tender exercise carried out for the re-appointment of Internal Auditors of EcoWorld London whereby PwC London has been re-appointed as the Internal Auditors.

(v) Others

- The AC reviewed the ToR to be in line with MCCG and recommended it to the Board for approval.
- The AC received a written assurance from the President & CEO and CFO of the Company that the risk management and internal control systems of the Company are generally adequate and effective for FY2022.

IA FUNCTION

The IA function is performed in-house and undertaken by GCG which is headed by the CAE, Mr Santosh P. Govindan Kutty Nair who has over 20 years of IA experience.

He holds a Master in Business Administration (Australia), is a Chartered Member and Governor of the Institute of Internal Auditors Malaysia (IIAM), a Certified Internal Auditor, a member of the Malaysian Institute of Certified Public Accountants (MICPA) as well as a Chartered Member of MIA.

The CAE reports directly to the AC and administratively to the President & CEO. GCG is guided by the International Standards for the Professional Practice of Internal Auditing laid down in the IPPF and his 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 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 Annual 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 FY2022 was approximately RM2.1 million (FY2021: RM2 million) which included the fees incurred for the UK IA function amounting to RM1.1 million.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises the importance of a sound framework for risk management and internal control to ensure good corporate governance practices are upheld 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 the RMC 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 risks, assess their likelihood and significance, evaluate existing fraud control activities, and if required, implement action plans to mitigate residual fraud risks within the operations of the Group.

For the year under review, the Board is satisfied with the performance of the RMC in discharging its duties and responsibilities in accordance with its ToR.

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 Integrated Annual Report. The Board concluded that the risk management and internal control framework of the Group is generally adequate and effective for FY2022.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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 efforts 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 matters, 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.

CONDUCT OF GENERAL MEETINGS

The AGM of the Company serves as the principal forum which provides the opportunity for shareholders to raise concerns or questions. In light of the COVID-19 pandemic, EcoWorld International conducted its 8th AGM on a virtual basis through live streaming and online remote voting using Remote Participation and Voting facilities on 24 March 2022. All the Directors attended the virtual 8th AGM. The conduct of the virtual 8th 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 Securities Services 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 on the current developments of the Group. The late Chairman, Executive Vice Chairman and the President & CEO responded to all questions raised and provided clarification as required by shareholders.

In line with good corporate governance practices, the notice of the AGM together with the Administrative Guide for the 8th 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 8th 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 8th 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 within 30 business days after the conclusion of the AGM.

COMPLIANCE STATEMENT

This Corporate Governance Overview Statement with inclusion of the AC Report, together with the Corporate Governance Report 2022 were approved by the Board on 8 February 2023.

Notes:

The following documents mentioned in the above context are available on the Company's corporate website at www.ecoworldinternational.com:

(1) Anti-Bribery and Anti-Corruption Policy
(2) Board Charter and the Terms of Reference of the respective Board Committees, namely Audit Committee, Risk Management Committee, Nomination & Remuneration Committee and Whistleblowing Committee
(3) Code of Conduct and Business Ethics
(4) Corporate Governance Report 2022
(5) Directors' Fit & Proper Policy
(6) External Auditors Policy
(7) Remuneration Policy
(8) Whistleblowing Policy

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 2022, 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, 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 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's 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 set out below:

Risk Governance	Establish an approach to develop, support and embed the risk strategy and accountabilities.
Risk Assessment	Identify and analyse risks (including fraud risk) across the Group.
Control Activities	Develop and deploy control activities to mitigate the risks identified.
Information and Communication	Continuous communication to obtain information to support risk management.
Monitoring Activities	Report, monitor and conduct activities to provide insight on risk management strengths and weaknesses.

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 non-executive 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;
- Review fraud risk assessment results when assessment is conducted, and where applicable, action plans put in place by General Managers of Business Units as well as relevant Heads of the Support Departments to prevent and detect fraud;
- 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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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.

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 the 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.

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 markets 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 and the recent Russia/Ukraine conflict. 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 currency exchange rate, legislation and policies, lending rate, 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 with escalating inflation that dampen the property buying sentiment, rising interest rates that widen the gap between cost inflation and house price growth, and delay in construction progress raising the overall development costs including holding costs and overheads. The Group continually assesses its risk exposure and seeks to continuously 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 real estate sales activities in the United Kingdom and Australia have generally improved compared to FY2021. With regards to construction, the Group is relatively well-insulated from the escalating costs with most of the Group's active projects completed or close to completion. With the current increasing macroeconomics uncertainties, the Group will take on a prudent and conservative stance in land acquisition and is reassessing the development plans of future launches, while in the meantime focusing on monetising the completed stocks in United Kingdom and Australia with the aim of building up a sizeable cash reserve for reinvestment and distribution to shareholders.

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 risks at our project sites. Any health, safety and environment incidents 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, site inspections by Health and Safety Officers, continuous risk assessments, 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.

3 Financial

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. Additionally, any repatriation of funds from the United Kingdom and Australia which is above or below the average exchange rate funded to-date will result in realisation of foreign exchange gain or loss. In short, any adverse fluctuation in foreign exchange rates may increase the overall costs or decrease the overall return, which in turn, affects 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. The Group also 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 explore new funding opportunities.

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. the 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 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 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.

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

For Eco World London projects, the business model is transiting from direct delivery model to the appointment of main contractors to better manage the risk exposure of project costs escalation and project progress delays. Apart from that, costs monitoring and reporting is in the process of being automated via the 4PS system to ensure stronger tracking and reporting of costs against budget and program delivery.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

6 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 continuous 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. 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. Employee surveys are conducted on an annual basis to identify employees' level of engagement and improvement opportunities to increase employees' level of engagement within the Group.

7 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. A cyber security roadmap has been developed to deliver a measured programme of cyber security improvements.

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. During the financial year, there are no cyber security breaches reported to the Group.

INTERNAL CONTROL

The key elements of the internal control system established by the Board to provide 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 and 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. Updates to the policies and procedures are also communicated to the employees and when necessary, briefings are conducted. 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 our 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 at least on a yearly basis 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 and 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.

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 a quarterly basis 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 2022 can be found in the Audit Committee Report included in this Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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 2022, 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 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 8 February 2023.

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 amounts 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	95,000
Non-Audit Fees	15,000*	15,000*
Total	**649,000**	**110,000**

* *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 32 of the audited financial statements for FY2022.

FINANCIAL STATEMENTS

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

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 2022.

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
Loss for the year attributable to:		
Owners of the Company	(234,418)	(275,877)
Non-controlling interests	1,162	-
	(233,256)	(275,877)

RESERVES AND PROVISIONS

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

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year and the Directors do not recommend any dividend in respect of the current financial year.

DIRECTORS OF THE COMPANY

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

Tan Sri Azlan Bin Mohd Zainol	(Demised on 12 Jan 2023)
Tan Sri Dato' Sri Liew Kee Sin*	
Dato' Teow Leong Seng*	
Cheah Tek Kuang	
Dato' Chang Khim Wah	
Tang Hong Cheong	(Appointed on 20 May 2022)
Choong Yee How	(Retired on 20 May 2022)
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*	(Alternate Director to Mr Cheng Hsing Yao)

* *These Directors are also Directors of certain subsidiaries*

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

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 (Resigned on 25 May 2022 – Alternate Director to Dato' Teow Leong Seng)
Lord Edward Udny-Lister

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 1.11.2021	ACQUIRED	SOLD	AT 31.10.2022
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**
Tang Hong Cheong[(1)]	2,250,000	-	-	**2,250,000**
Dato' Siow Kim Lun	2,000,000	-	-	**2,000,000**
Indirect interest				
Tan Sri Azlan Bin Mohd Zainol[(2)]	67,200	-	-	**67,200**
Tan Sri Dato' Sri Liew Kee Sin[(3)]	45,700,000	-	-	**45,700,000**
Tan Sri Datuk Dr Rebecca Fatima Sta Maria[(4)]	5,000,000	-	-	**5,000,000**

	NUMBER OF WARRANTS 2017/2022				
	AT 1.11.2021	ACQUIRED	SOLD/ EXERCISED	LAPSED 0N 4.4.2022 (EXPIRY DATE)[(5)]	AT 31.10.2022
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[(2)]	27,280	-	-	(27,280)	-
Tan Sri Dato' Sri Liew Kee Sin[(4)]	680,000	-	-	(680,000)	-

(1) *Appointed on 20 May 2022*
(2) *Deemed interested by virtue of his child's interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016*
(3) *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*
(4) *Deemed interested by virtue of her/his spouse's interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016*
(5) *There was no dealing/exercise of the Warrants of the Company by any of the Directors during the period from 1 November 2021 to 4 April 2022 (Expiry Date of Warrants 2017/2022). The Warrants which are not exercised on the Expiry Date have lapsed and become null and void and ceased to be valid after the Expiry Date.*

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

DIRECTORS' INTERESTS (CONTINUED)

Other than as disclosed above, none of the other Directors holding office as at 31 October 2022 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 shown below) 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.

The directors' benefits paid to or receivable by directors in respect of the financial year ended 31 October 2022 are as follows:

	FROM THE COMPANY RM'000	FROM SUBSIDIARY COMPANIES RM'000
Directors of the Company:		
Salaries, allowances and bonuses	3,754	3,005
Fees	800	-
Defined contribution plan	424	358
Others	1	195
	4,979	3,558

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.

ISSUE OF SHARES AND DEBENTURES

During the year, the Company increased its issued and paid-up share capital from RM2,592,451,000 to RM2,592,454,000 by conversion of 1,780 Warrants into Ordinary Shares for cash of RM3,000.

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

The Company did not issue any debentures during the financial year.

WARRANTS 2017/2022

During the financial year, 1,780 Warrants out of the total Warrants of 960,000,000 were converted to 1,780 Ordinary Shares. The 959,998,220 Warrants not exercised on 4 April 2022 (Expiry Date) have lapsed and become null and ceased to be valid after the Expiry Date. The Warrants not exercised were delisted from the Official List of Bursa Malaysia Securities Berhad on 5 April 2022.

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 RM74,000 respectively.

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

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.

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 impairment losses on investment in a subsidiary and impairment losses on investment in a joint venture included in profit or loss as disclosed in Note 27 to the financial statements, the financial performance of the Group and of the Company for the financial year ended 31 October 2022 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 the re-appointment as auditors of the Company.

The auditors' remuneration of the Group and of the Company during the year are RM112,000 and RM95,000 respectively.

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: 8 February 2023

STATEMENTS OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022

		GROUP		COMPANY	
	NOTE	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Assets					
Plant and equipment	3	**1,691**	2,290	**334**	424
Right-of-use assets	4	**1,511**	2,418	**-**	-
Goodwill	5	**287**	695	**-**	-
Investments in subsidiaries	6	**-**	-	**2,303,246**	3,181,238
Investments in joint ventures	7	**263,785**	464,122	**-**	-
Inventories	8	**141,679**	143,995	**-**	-
Amounts owing by joint ventures	9	**941,258**	1,394,946	**-**	-
Deferred tax assets	10	**234**	-	**-**	-
Total non-current assets		**1,350,445**	2,008,466	**2,303,580**	3,181,662
Inventories	8	**114,437**	250,375	**-**	-
Amounts owing by joint ventures	9	**807,609**	1,137,390	**-**	1
Trade receivables	11	**460**	572	**-**	-
Other receivables, deposits and prepayments	12	**22,089**	4,149	**23**	4,284
Contract costs	13.1	**807**	2,038	**-**	-
Amounts owing by subsidiaries	14	**-**	-	**278,540**	72
Current tax assets		**1,470**	9,164	**507**	-
Other investments	15	**41,123**	-	**40,434**	-
Cash, bank balances and deposits	16	**614,220**	336,115	**301,715**	315,741
Total current assets		**1,602,215**	1,739,803	**621,219**	320,098
Total assets		**2,952,660**	3,748,269	**2,924,799**	3,501,760

STATEMENTS OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022

	NOTE	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Equity					
Share capital	17	**2,592,454**	2,592,451	**2,592,454**	2,592,451
Warrants reserve	18.1	**-**	276,418	**-**	276,418
Hedging reserve	18.2	**(832)**	(1,316)	**(832)**	(1,316)
Exchange translation reserve	18.3	**12**	134,192	**-**	-
Accumulated losses		**(144,447)**	(186,447)	**(125,787)**	(126,328)
Total equity attributable to owners of the Company		**2,447,187**	2,815,298	**2,465,835**	2,741,225
Non-controlling interests		**1,001**	1,976	**-**	-
Total equity		**2,448,188**	2,817,274	**2,465,835**	2,741,225
Liabilities					
Borrowings	19	**-**	761,904	**-**	611,097
Lease liabilities		**770**	1,822	**-**	-
Deferred tax liabilities	10	**1,184**	3,855	**-**	-
Derivative financial liabilities	20	**-**	1,387	**-**	1,387
Total non-current liabilities		**1,954**	768,968	**-**	612,484
Trade payables	21	**925**	990	**-**	-
Other payables and accruals	22	**13,341**	16,090	**8,516**	9,360
Contract liabilities	13.2	**621**	1,389	**-**	-
Borrowings	19	**482,816**	138,634	**449,616**	138,634
Lease liabilities		**1,051**	919	**-**	-
Current tax liabilities		**2,932**	4,005	**-**	57
Derivative financial liabilities	20	**832**	-	**832**	-
Total current liabilities		**502,518**	162,027	**458,964**	148,051
Total liabilities		**504,472**	930,995	**458,964**	760,535
Total equity and liabilities		**2,952,660**	3,748,269	**2,924,799**	3,501,760

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 2022

		GROUP		COMPANY	
	NOTE	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue	23	**159,964**	572,712	**12,110**	318,318
Cost of sales		**(130,275)**	(452,581)	**-**	-
Gross profit		**29,689**	120,131	**12,110**	318,318
Other income	24	**8,958**	34,536	**7,158**	17,039
Marketing expenses		**(6,605)**	(22,022)	**-**	-
Administrative and general expenses		**(37,810)**	(55,921)	**(14,201)**	(35,592)
Impairment losses on goodwill	5	**(389)**	(10,289)	**-**	-
Impairment losses on investment in a subsidiary	6	**-**	-	**(238,713)**	-
Impairment losses on investment in a joint venture	7	**(74,111)**	-	**-**	-
Unrealised loss on foreign exchange	27	**(4,068)**	(3,530)	**(4,068)**	(3,534)
Finance costs	25	**(42,117)**	(59,318)	**(38,164)**	(59,147)
Share of (loss)/profit of joint ventures		**(102,907)**	47,215	**-**	-
(Loss)/Profit before tax		**(229,360)**	50,802	**(275,878)**	237,084
Tax expense	26	**(3,896)**	(34,927)	**1**	(728)
(Loss)/Profit for the year	27	**(233,256)**	15,875	**(275,877)**	236,356
Other comprehensive (loss)/income, net of tax					
Items that may be reclassified subsequently to profit or loss:					
Hedge of net investment		**484**	(987)	**484**	(987)
Exchange differences on translation of foreign operations		**(134,296)**	208,016	**-**	-
Other comprehensive (loss)/income for the year, net of tax	28	**(133,812)**	207,029	**484**	(987)
Total comprehensive (loss)/income for the year		**(367,068)**	222,904	**(275,393)**	235,369
(Loss)/Profit for the year attributable to:					
Owners of the Company		**(234,418)**	13,570	**(275,877)**	236,356
Non-controlling interests		**1,162**	2,305	**-**	-
		(233,256)	15,875	**(275,877)**	236,356
Total comprehensive (loss)/income for the year attributable to:					
Owners of the Company		**(368,114)**	220,226	**(275,393)**	235,369
Non-controlling interests		**1,046**	2,678	**-**	-
		(367,068)	222,904	**(275,393)**	235,369
(Loss)/Earnings per ordinary share (sen):					
Basic (loss)/earnings per share	29	**(9.77)**	0.57		
Diluted (loss)/earnings per share	29	**(9.77)**	0.57		

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 2022

		ATTRIBUTABLE TO OWNERS OF THE COMPANY							
		NON-DISTRIBUTABLE							
	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
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	28	-	-	(987)	-	-	(987)	-	(987)
- Exchange differences on translation of foreign operations	28	-	-	-	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 paid to owners of the Company	30	-	-	-	-	(144,000)	(144,000)	-	(144,000)
Dividends paid 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	Note 18.4			

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2022

		ATTRIBUTABLE TO OWNERS OF THE COMPANY							
		NON-DISTRIBUTABLE							
	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
Group									
At 1 November 2021		2,592,451	276,418	(1,316)	134,192	(186,447)	2,815,298	1,976	2,817,274
Other comprehensive income/(loss) for the year:									
- Hedge of net investment	28	-	-	484	-	-	484	-	484
- Exchange differences on translation of foreign operations	28	-	-	-	(134,180)	-	(134,180)	(116)	(134,296)
(Loss)/Profit for the year		-	-	-	-	(234,418)	(234,418)	1,162	(233,256)
Total comprehensive income/(loss) for the year		-	-	484	(134,180)	(234,418)	(368,114)	1,046	(367,068)
Transfer of reserves upon expiry of warrants		-	(276,418)	-	-	276,418	-	-	-
Issuance of ordinary shares pursuant to exercise of warrants		3	-	-	-	-	3	-	3
Dividends paid to non-controlling interests of a subsidiary		-	-	-	-	-	-	(2,021)	(2,021)
At 31 October 2022		**2,592,454**	**-**	**(832)**	**12**	**(144,447)**	**2,447,187**	**1,001**	**2,448,188**
		Note 17	Note 18.1	Note 18.2	Note 18.3	Note 18.4			

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2022

	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 2020		2,592,451	276,418	(329)	(218,684)	2,649,856
Other comprehensive loss for the year						
- Hedge of net investment	28	-	-	(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		-	-	-	(144,000)	(144,000)
At 31 October 2021/ 1 November 2021		2,592,451	276,418	(1,316)	(126,328)	2,741,225
Other comprehensive loss for the year						
- Hedge of net investment	28	-	-	484	-	484
Loss for the year		-	-	-	(275,877)	(275,877)
Total comprehensive (loss)/income for the year		-	-	484	(275,877)	(275,393)
Transfer of reserves upon expiry of warrants		-	(276,418)	-	276,418	-
Issuance of ordinary shares pursuant to exercise of warrants		3	-	-	-	3
At 31 October 2022		**2,592,454**	**-**	**(832)**	**(125,787)**	**2,465,835**
		Note 17	Note 18.1	Note 18.2	Note 18.4	

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 2022

	NOTE	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Cash flows from operating activities					
(Loss)/Profit before tax		**(229,360)**	50,802	**(275,878)**	237,084
Adjustments for:					
Interest income	24	**(4,781)**	(10,307)	**(4,355)**	(6,203)
Dividend income	23	**-**	-	**(12,110)**	(318,318)
Gain on disposal of plant and equipment	27	**-**	(1)	**-**	(1)
Gain on lease modification	4	**-**	(82)	**-**	-
Plant and equipment written off	27	**-**	322	**-**	-
Depreciation of plant and equipment	3	**568**	1,200	**99**	152
Depreciation of right-of-use assets	4	**907**	958	**-**	-
Reclassification of losses from hedge of net investment included in profit or loss	27	**-**	21,581	**-**	21,581
Share of loss/(profit) of joint ventures	7	**102,907**	(47,215)	**-**	-
Finance costs	25	**42,117**	59,318	**38,164**	59,147
Unrealised loss on foreign exchange	27	**4,068**	3,530	**4,068**	3,534
Impairment loss on goodwill	5	**389**	10,289	**-**	-
Impairment loss on investment in a subsidiary	6	**-**	-	**238,713**	-
Impairment loss on investment in a joint venture	7	**74,111**	-	**-**	-
Operating (loss)/gain before working capital changes		**(9,074)**	90,395	**(11,299)**	(3,024)
Changes in inventories		**127,139**	442,961	**-**	-
Changes in receivables and other current assets		**(9,074)**	44,743	**4,263**	(4,280)
Changes in payables and other current liabilities		**(1,164)**	(9,360)	**(231)**	63
Changes in contract liabilities		**(763)**	(46,111)	**-**	-
Changes in derivatives		**-**	(22,043)	**-**	(22,043)
Cash generated from/(used in) operations		**107,064**	500,585	**(7,267)**	(29,284)
Interest received		**228**	6,040	**154**	1,983
Tax paid		**(8,678)**	(39,327)	**(563)**	(480)
Tax refunded		**8,585**	-	**-**	-
Net cash generated from/(used in) operating activities		**107,199**	467,298	**(7,676)**	(27,781)
Cash flows from investing activities					
Purchase of plant and equipment		**(31)**	(613)	**(11)**	(23)
Proceeds from disposal of plant and equipment		**2**	2	**2**	2
Placement of restricted cash and bank balances, and other investments		**(22,363)**	(4,721)	**(21,674)**	(8,548)
Net advances repaid by/(advances to) joint ventures		**660,967**	(162,560)	**-**	-
Net capital contribution repaid by subsidiaries		**-**	-	**357,782**	283,255
Dividends received		**-**	299,297	**12,110**	318,318
Interest received		**4,553**	4,267	**4,201**	4,220
Net cash generated from investing activities		**643,128**	135,672	**352,410**	597,224

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2022

	NOTE	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Cash flows from financing activities					
Proceeds from issuance of share capital		**3**	-	**3**	-
Drawdown of borrowings	a	**272,446**	458,816	**272,446**	303,857
Repayment of borrowings	a	**(690,383)**	(816,455)	**(576,376)**	(483,271)
Dividends paid to owners of the Company		**-**	(144,000)	**-**	(144,000)
Dividends paid to non-controlling interests of a subsidiary		**(2,021)**	(9,776)	**-**	-
Repayment of lease liabilities	a	**(920)**	(842)	**-**	-
Interest paid in relation to lease liabilities	25	**(117)**	(169)	**-**	-
Interest paid		**(40,852)**	(61,278)	**(37,019)**	(58,609)
Net cash used in financing activities		**(461,844)**	(573,704)	**(340,946)**	(382,023)
Net increase in cash and cash equivalents		**288,483**	29,266	**3,788**	187,420
Cash and cash equivalents at the beginning of the year		**317,355**	269,975	**296,981**	110,682
Effect of exchange rate changes		**8,382**	18,114	**946**	(1,121)
Cash and cash equivalents at the end of the year	16	**614,220**	317,355	**301,715**	296,981

Cash outflows for leases as a lessee

	NOTE	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Included in net cash from operating activities:					
Payment relating to short-term leases	27	**455**	700	**180**	180
Payment relating to leases of low-value assets	27	**47**	53	**21**	23
Included in net cash from financing activities:					
Interest paid in relation to lease liabilities	25	**117**	169	**-**	-
Repayment of lease liabilities		**920**	842	**-**	-
Total cash outflows for leases		**1,539**	1,764	**201**	203

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2022

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 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 2021/1 November 2021	900,538	2,741	903,279
Net changes from financing cash flows			
Drawdown of borrowings	272,446	-	272,446
Repayment of borrowings	(690,383)	-	(690,383)
Repayment of lease liabilities	-	(920)	(920)
Other changes			
Amortisation of transaction costs	2,979	-	2,979
Transaction costs included in borrowings	(1,224)	-	(1,224)
Foreign exchange movements	(1,540)	-	(1,540)
At 31 October 2022	**482,816**	**1,821**	**484,637**

COMPANY	BORROWINGS RM'000
At 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 2021/1 November 2021	749,731
Net changes from financing cash flows	
Drawdown of borrowings	272,446
Repayment of borrowings	(576,376)
Other changes	
Amortisation of transaction costs	1,757
Foreign exchange movements	2,058
At 31 October 2022	**449,616**

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 2022 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 8 February 2023.

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 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)*

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 – 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*

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 2024

- Amendment to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendment to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*

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 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022;
- 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; and
- from the annual period beginning on 1 November 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024.

The initial application of the abovementioned 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 investments in subsidiaries as disclosed in Note 6, valuation of investments in joint ventures as disclosed in Note 7 and 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.

(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. Investments in joint ventures are measured in the Group's statement of financial position at cost less any impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (continued)

(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.

(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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

(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)).

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (continued)

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

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.

(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.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (continued)

(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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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 liability

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. 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 allowance for trade receivables is 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 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 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 November 2021	1,984	976	950	13	6,548	-	10,471
Additions	-	-	31	-	-	-	31
Disposal	-	-	(4)	-	-	-	(4)
Write off	-	-	(6)	(4)	-	-	(10)
Effect of movement in exchange rates	(78)	(2)	(16)	-	(44)	-	(140)
At 31 October 2022	**1,906**	**974**	**955**	**9**	**6,504**	**-**	**10,348**
Accumulated depreciation							
At 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 November 2021	1,443	909	912	10	4,907	-	8,181
Charge for the year	306	18	19	1	224	-	568
Disposal	-	-	(2)	-	-	-	(2)
Write off	-	-	(6)	(4)	-	-	(10)
Effect of movement in exchange rates	(59)	-	(14)	-	(7)	-	(80)
At 31 October 2022	**1,690**	**927**	**909**	**7**	**5,124**	**-**	**8,657**
Carrying amount							
At 1 November 2020	839	173	59	5	1,994	28	3,098
At 31 October 2021/ 1 November 2021	541	67	38	3	1,641	-	2,290
At 31 October 2022	**216**	**47**	**46**	**2**	**1,380**	**-**	**1,691**

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 2020	18	166	302	18	814	1,318
Additions	-	-	22	1	-	23
Disposal	-	-	-	(10)	-	(10)
At 31 October 2021/1 November 2021	18	166	324	9	814	1,331
Additions	-	-	11	-	-	11
Disposal	-	-	(4)	-	-	(4)
Write off	-	-	(6)	(4)	-	(10)
At 31 October 2022	**18**	**166**	**325**	**5**	**814**	**1,328**
Accumulated depreciation						
At 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 2021/1 November 2021	9	164	299	7	428	907
Charge for the year	2	1	13	1	82	99
Disposal	-	-	(2)	-	-	(2)
Write off	-	-	(6)	(4)	-	(10)
At 31 October 2022	**11**	**165**	**304**	**4**	**510**	**994**
Carrying amount						
At 1 November 2020	10	30	42	4	468	554
At 31 October 2021/1 November 2021	9	2	25	2	386	424
At 31 October 2022	**7**	**1**	**21**	**1**	**304**	**334**

4. RIGHT-OF-USE ASSETS

GROUP	NOTE	OFFICE 2022 RM'000	OFFICE 2021 RM'000
At 1 November 2021/2020		**2,418**	4,449
Depreciation		**(907)**	(958)
Derecognition	4.2	**-**	(1,073)
At 31 October		**1,511**	2,418

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

In the previous financial year, the Group and the lessor entered into a supplemental agreement to reduce the office floor area of the office lease. This had 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	2022 RM'000	2021 RM'000
Goodwill at 1 November 2021/2020	**695**	10,669
Impairment loss for the year	**(389)**	(10,289)
Effect of movement in exchange rates	**(19)**	315
Goodwill at 31 October	**287**	695
Goodwill is allocated to the following group of cash-generating units ("CGUs"):		
Eco World Sydney Development Pty. Ltd. ("EW Sydney Development")	**287**	695

EW Sydney Development

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

6. INVESTMENTS IN SUBSIDIARIES

COMPANY	NOTE	2022 RM'000	2021 RM'000
Unquoted ordinary shares, at cost		**50,047**	50,047
Equity contribution to subsidiaries	6.1	**2,491,912**	3,131,191
Allowance for impairment loss	6.2	**(238,713)**	-
		2,303,246	3,181,238

NOTES TO THE FINANCIAL STATEMENTS

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

6.1 Equity contribution to subsidiaries

Equity contribution to subsidiaries is considered as a long-term source of capital to its subsidiaries, in which any repayment of the amount is solely at the discretion of the subsidiaries. These contributions are accounted for as the Company's net shareholders' investments in its subsidiaries and are stated at cost less impairment losses, if any.

6.2 Impairment loss

The Company assesses at the end of each reporting period, whether there are any indications that the investments in subsidiaries may be impaired. If such indications exist, the recoverable amounts of these investments are estimated.

In 2022, Eco World Investment Co. Ltd. ("EWIC"), a subsidiary of the Company has reported significant losses from the impairment of its investment in joint ventures (see Note 7). Consequently, this is an indication that EWIC may be impaired and the Company has estimated the recoverable amount of EWIC and recorded an impairment loss amounting to RM238.7 million, with regards to the investment in EWIC, during the year ended 31 October 2022.

Accordingly, the Company estimated the recoverable amount of EWIC based on equity method and has recorded impairment losses as follows:

COMPANY	2022 RM'000
Cost of investment	**2,287,214**
Less: Allowance for impairment loss	**(238,713)**
	2,048,501
Recoverable amount	**2,048,501**
Impairment loss recognised during the year	**238,713**

The recoverable amount of EWIC was estimated based on the recoverable amount of its joint ventures as follows:

(a) Eco World-Ballymore Holding Company Limited ("EW Ballymore"); and

(b) Be Eco World Investment Company Limited and Eco World London Development Company Limited (collectively "Eco World London").

The key assumptions used in estimating the recoverable amount of EW Ballymore and Eco World London are disclosed in Note 7.

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 2022 %	2021 %
Eco World Investment Co. Ltd. ("EWIC")*	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 EWIC				
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**	100
Eco World Nominee (UK) Limited#	United Kingdom	Investment holding	**100**	100
Subsidiary of Eco World Holding Company (UK) Limited				
Eco World Quayside Limited#	United Kingdom	Property development	**100**	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.*

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

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN JOINT VENTURES

GROUP	NOTE	2022 RM'000	2021 RM'000
Unquoted shares, at cost		**296,958**	310,323
Share of post-acquisition reserves		**40,938**	153,799
Allowance for impairment loss	7.1	**(74,111)**	-
		263,785	464,122

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 2022 %	2021 %
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.

2022	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	153,413	130,449	17,961	
Current assets	1,441,079	1,564,872	24,644	
Non-current liabilities	(65,344)	(48,654)	(13,682)	
Current liabilities	(1,142,447)	(1,536,736)	(39,532)	
Net assets/(liabilities)	386,701	109,931	(10,609)	
The above assets and liabilities include:				
Cash and cash equivalents	85,575	78,027	5,515	
Financial liabilities (excluding trade and other payables and provisions)				
- Current	(1,030,859)	(1,408,360)	-	
Year ended 31 October				
Loss and total comprehensive loss for the year	(85,119)	(67,009)	(12,030)	
Included in the total comprehensive loss:				
Revenue	1,597,857	952,017	84,470	
Depreciation	-	-	(3,443)	
Interest income	264	7,754	-	
Interest expense	(11,231)	(15,841)	(1,467)	
Taxation	(11,256)	11,560	3,009	
Reconciliation of net assets to carrying amount as at 31 October				
Group's share of net assets/(liabilities)	290,026	76,952	(7,426)	359,552
Elimination of unrealised profits	(17,550)	(3,782)	(324)	(21,656)
Impairment loss on investment in joint venture	(74,111)	-	-	(74,111)
Carrying amount in the statement of financial position	198,365	73,170	(7,750)	263,785
Group's share of results for the year ended 31 October				
Group's share of loss and total comprehensive loss for the year	(63,839)	(46,906)	(8,421)	(119,166)
Realisation of unrealised profits/(losses) previously eliminated	16,034	540	(315)	16,259
Group's share of loss and total comprehensive loss in the statement of profit or loss and other comprehensive income	(47,805)	(46,366)	(8,736)	(102,907)

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised financial information (continued)

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)

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	2022 RM'000	2021 RM'000
EW Ballymore	**161,312**	168,572
Be EW Investment	**11,684**	13,937
EW London DMCo	**1,796**	1,877
	174,792	184,386

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 2022 and the development facility obtained by EW Ballymore Holding had been repaid in full in April 2022.

7.1 Impairment loss

The Group assesses at the end of each reporting period, whether there are any indications that the investments in joint ventures may be impaired. If such indications exist, the recoverable amounts of these investments are estimated.

In 2022, the joint ventures of the Group have reported significant losses. Consequently, this is an indication that the joint ventures may be impaired. The Group has estimated the recoverable amounts of the joint ventures and recorded an impairment loss with regards to the investment in EW Ballymore amounting to RM74.1 million for the year ended 31 October 2022. The other joint ventures are not impaired.

(a) EW Ballymore

GROUP	2022 RM'000
Equity-accounted carrying amount	**272,476**
Less: Allowance for impairment loss	**(74,111)**
	198,365
Recoverable amount	**198,365**
Impairment loss recognised during the year	**74,111**

The recoverable amount is estimated based on the equity value of EW Ballymore, which is calculated based on the Group's equity share of EW Ballymore's discounted future cash flows. The discounted future cash flows of EW Ballymore are calculated based on the following key assumptions:

(i) Inventories of EW Ballymore will be sold progressively over the financial years ending 31 October 2023 and 31 October 2024.

(ii) The sales of inventories disclosed in item (i) will be made at EW Ballymore's approved selling prices, which are based on current assessment of property prices.

(iii) Post-tax discount rate of 8.48% was estimated based on an industry average weighted average cost of capital.

The above key assumptions are subjected to estimation uncertainty as they involve assumptions on EW Ballymore's ability to sell its inventories within the forecast time period and assumption on market forces.

As the investment in EW Ballymore is impaired to its recoverable amount, any change to the key assumptions will result in a different impairment loss amount recognised.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

7.1 Impairment loss (continued)

(b) Be EW Investment and EW London DMCo (collectively "Eco World London")

GROUP	2022 RM'000
Equity-accounted carrying amount	**65,420**
Recoverable amount	**118,377**
Impairment loss recognised during the year	**-**

The recoverable amount is estimated based on the equity value of Eco World London, which is calculated based on the Group's equity share of Eco World London's discounted future cash flows. The discounted future cash flows of Eco World London are calculated based on the following key assumptions:

(i) Development of Eco World London's existing land will be executed based on the forecast project timeline spanning over a 10 years' period to 2032, including timing of project planning, project launch, construction and sales.

(ii) Property inventories at 31 October 2022 and properties from future development (as mentioned in item (i)) will be sold at forecast selling prices, which incorporated price inflation of 2.5% to 4% per annum across the 10 years forecast period.

(iii) Future development will be constructed based on forecast construction costs, which incorporated cost inflation of 1% to 2.63%.

(iv) Post-tax discount rate of 10.62% was estimated based on an industry average weighted average cost of capital.

The above key assumptions are subjected to estimation uncertainty as they involve assumptions on Eco World London's ability to develop its land and sell its property inventories within the forecast time period and assumption on market forces.

Due to the high degree of estimation uncertainties involved in the key assumptions, any adverse change to the key assumptions is likely to result in an impairment of Eco World London.

8. INVENTORIES

GROUP	2022 RM'000	2021 RM'000
Non-current		
Land held for development	**141,679**	143,995
Current		
Developed properties	**114,437**	250,375
	256,116	394,370
Inventories pledged as securities for borrowings (Note 19)		
- Developed properties	**112,798**	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 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Non-current				
- EW Ballymore	**254,226**	728,814	**-**	-
- Be EW Investment and EW London DMCo	**687,032**	666,132	**-**	-
	941,258	1,394,946	**-**	-
Current				
- EW Ballymore	**590,603**	855,765	**-**	-
- Be EW Investment and EW London DMCo	**217,006**	281,625	**-**	1
	807,609	1,137,390	**-**	1
	1,748,867	2,532,336	**-**	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.

10. DEFERRED TAX ASSETS AND LIABILITIES

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

GROUP	ASSETS 2022 RM'000	ASSETS 2021 RM'000	LIABILITIES 2022 RM'000	LIABILITIES 2021 RM'000	NET 2022 RM'000	NET 2021 RM'000
Inventories	**-**	-	**(1,673)**	(4,365)	**(1,673)**	(4,365)
Other items	**138**	128	**-**	-	**138**	128
Plant and equipment	**576**	382	**-**	-	**576**	382
Tax loss carry-forwards	**9**	-	**-**	-	**9**	-
Tax assets/(liabilities)	**723**	510	**(1,673)**	(4,365)	**(950)**	(3,855)
Set off of tax	**(489)**	(510)	**489**	510	**-**	-
Net tax assets/ (liabilities)	**234**	-	**(1,184)**	(3,855)	**(950)**	(3,855)

Unrecognised deferred tax assets

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

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Tax losses carry-forwards	**9,919**	9,612	**-**	-
Capital allowance carry-forwards	**411**	318	**-**	-
Right-of-use assets	**(1,511)**	(2,418)	**-**	-
Lease liabilities	**1,822**	2,741	**-**	-
Other items	**96**	165	**-**	-
	10,737	10,418	**-**	-

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	2022 TAX LOSS RM'000	2022 EXPIRY YEAR*	2021 TAX LOSS RM'000	2021 EXPIRY YEAR
YA 2018	**6,995**	**2028**	6,995	2028
YA 2019	**1,694**	**2029**	1,694	2029
YA 2020	**914**	**2030**	914	2030
YA 2021	**9**	**2031**	9	2031
YA 2022	**307**	**2032**	-	-
	9,919		9,612	

* *Tax losses can be carried forward up to 10 years (2021: 10 years) following the enactment of the Finance Act 2022.*

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 1.11.2020 RM'000	RECOGNISED IN PROFIT OR LOSS (NOTE 26) RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATES RM'000	AT 31.10.2021/ 1.11.2021 RM'000	RECOGNISED IN PROFIT OR LOSS (NOTE 26) RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATES RM'000	AT 31.10.2022 RM'000
Contract costs	(3,154)	3,310	(156)	-	-	-	**-**
Inventories	(11,652)	8,063	(776)	(4,365)	2,579	113	**(1,673)**
Other items	141	(15)	2	128	12	(2)	**138**
Plant and equipment	(103)	486	(1)	382	210	(16)	**576**
Tax loss carry-forwards	21,086	(22,151)	1,065	-	9	-	**9**
	6,318	(10,307)	134	(3,855)	2,810	95	**(950)**

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

	NOTE	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Other receivables		**351**	677	**-**	-
Less: Allowance for impairment loss	a	**(207)**	(214)	**-**	-
		144	463	**-**	-
Pre-sale deposits held by solicitors	b	**621**	1,389	**-**	-
Prepayments		**20,283**	1,577	**-**	-
Goods and services tax ("GST") recoverable		**336**	13	**-**	-
Value-added tax ("VAT") recoverable		**62**	129	**-**	-
Amount owing by a joint venture	c	**388**	287	**17**	-
Dividends receivable		**-**	-	**-**	4,278
Sundry deposits		**255**	291	**6**	6
		22,089	4,149	**23**	4,284

Note a

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

GROUP	2022 RM'000	2021 RM'000
At 1 November 2021/2020	**214**	200
Effect of movement in exchange rate	**(7)**	14
At 31 October	**207**	214

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	2022 RM'000	2021 RM'000
Cost to obtain a contract	**807**	2,038

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 RM1,837,000 (2021: RM13,003,000).

NOTES TO THE FINANCIAL STATEMENTS

13. CONTRACT WITH CUSTOMERS (CONTINUED)

13.2 Contract liabilities

GROUP	2022 RM'000	2021 RM'000
Contract liabilities	**621**	1,389

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	2022 RM'000	2021 RM'000
Contract liabilities at the beginning of the period as revenue	**1,243**	50,381

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. OTHER INVESTMENTS

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Other investments	**41,123**	-	**40,434**	-

Other investments relate to deposits that must be maintained and restricted for use during the tenure of borrowings (see Note 19).

16. CASH, BANK BALANCES AND DEPOSITS

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Cash on hand and at banks	**43,108**	188,520	**9,145**	174,869
Short-term deposits	**571,112**	147,595	**292,570**	140,872
Cash, bank balances and deposits in the statements of financial position	**614,220**	336,115	**301,715**	315,741
Less: Restricted balances	**-**	(18,760)	**-**	(18,760)
Cash and cash equivalents in the statements of cash flows	**614,220**	317,355	**301,715**	296,981

NOTES TO THE FINANCIAL STATEMENTS

17. SHARE CAPITAL

GROUP AND COMPANY	NUMBER OF SHARES 2022 '000	NUMBER OF SHARES 2021 '000	AMOUNT 2022 RM'000	AMOUNT 2021 RM'000
Issued and fully paid shares with no par value classified as equity instruments				
Ordinary shares				
At 1 November 2021/2020	**2,400,000**	2,400,000	**2,592,451**	2,592,451
Issue of cash under Warrants 2017/2022	**2**	-	**3**	-
At 31 October	**2,400,002**	2,400,000	**2,592,454**	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.

Up to the end of exercise period of the Warrants on 4 April 2022, 1,780 Warrants out of the total Warrants of 960,000,000 were converted to 1,780 Ordinary Shares. The 959,998,220 Warrants not exercised were delisted from the Official List of Bursa Malaysia Securities Berhad on 5 April 2022.

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 (2021: AUD).

NOTES TO THE FINANCIAL STATEMENTS

18. RESERVES (CONTINUED)

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.

18.4 Accumulated losses

During the year, accumulated losses have reduced by RM276,418,000 following the transfer of warrants reserve relating to expired unexercised warrants as explained in Note 18.1.

19. BORROWINGS

	NOTE	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 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	-	448,970
		-	761,904	-	611,097
Current					
Secured:					
Term loans	a	**33,200**	-	-	-
Unsecured:					
Revolving credit		-	138,634	-	138,634
Medium term notes ("MTNs")	b	**449,616**	-	**449,616**	-
		482,816	138,634	**449,616**	138,634
		482,816	900,538	**449,616**	749,731
Represented by:					
- Term loans		**33,200**	228,516	-	77,709
- Revolving credit		-	223,052	-	223,052
- MTNs		**449,616**	448,970	**449,616**	448,970
		482,816	900,538	**449,616**	749,731
Repayable:					
- not later than 1 year		**482,816**	138,634	**449,616**	138,634
- later than 1 year but not later than 5 years		-	761,904	-	611,097
		482,816	900,538	**449,616**	749,731

Note a

The term loans are secured over inventories (see Note 8) and are guaranteed by the Company.

NOTES TO THE FINANCIAL STATEMENTS

19. BORROWINGS (CONTINUED)

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.

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 2022 and 31 October 2021.

20. DERIVATIVE FINANCIAL LIABILITIES

GROUP AND COMPANY	2022 NOTIONAL VALUE RM'000	2022 ASSETS RM'000	2022 LIABILITIES RM'000	2021 NOTIONAL VALUE RM'000	2021 ASSETS RM'000	2021 LIABILITIES RM'000
Cross currency swaps -						
Derivatives used for hedging						
- non-current	**-**	**-**	**-**	10,935	-	(1,387)
- current	**10,935**	**-**	**(832)**	-	-	-
	10,935	**-**	**(832)**	10,935	-	(1,387)

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 (2021: RM10,935,000) to hedge the cash flow risk in relation to foreign currency exchange fluctuation of equity contributions to subsidiaries denominated in AUD (2021: AUD).

NOTES TO THE FINANCIAL STATEMENTS

21. TRADE PAYABLES

Included in trade payables of the Group is an amount owing to a related company amounting to RM425,000 (2021: RM251,000), which is non-interest bearing and expected to be settled within the normal credit terms.

22. OTHER PAYABLES AND ACCRUALS

		GROUP		COMPANY	
	NOTE	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Other payables		**2,306**	3,981	**424**	336
GST payable		**1,597**	508	**-**	-
VAT payable		**109**	171	**-**	-
Accruals	a	**9,058**	11,110	**8,027**	8,974
Amounts owing to joint ventures	b	**11**	-	**11**	-
Amounts owing to related companies	c	**260**	320	**54**	50
		13,341	16,090	**8,516**	9,360

Note a

Included in accruals of the Group and the Company are finance costs payable of RM7,680,000 and RM7,675,000 (2021: RM8,287,000 and RM8,287,000) respectively.

Note b

The amounts owing to joint ventures represented advances that are unsecured, interest free and are 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.

23. REVENUE

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Revenue from contracts with customers	**159,964**	572,712	**-**	-
Other revenue				
- Dividend income	**-**	-	**12,110**	318,318
	159,964	572,712	**12,110**	318,318

NOTES TO THE FINANCIAL STATEMENTS

23. REVENUE (CONTINUED)

23.1 Disaggregation of revenue from contracts with customers

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Primary geographical markets				
Australia	**159,512**	572,345	**-**	-
United Kingdom	**452**	367	**-**	-
	159,964	572,712	**-**	-
Major products and services				
Sales of developed properties	**159,512**	572,345	**-**	-
Sales and marketing services*	**452**	367	**-**	-
	159,964	572,712	**-**	-
Timing and recognition				
At a point in time	**159,512**	572,345	**-**	-
Over time	**452**	367	**-**	-
	159,964	572,712	**-**	-

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

23.2 Nature of goods

NATURE OF GOODS	TIMING OF RECOGNITION OR METHOD USED TO RECOGNISE 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.

23.3 Transaction price allocated to the remaining performance obligations

Remaining unsatisfied performance obligation at the current and previous financial year ends are not material, hence no further disclosure is provided.

NOTES TO THE FINANCIAL STATEMENTS

24. OTHER INCOME

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Interest income of financial assets calculated using the effective interest method that are at amortised cost	**4,781**	10,307	**4,355**	6,203
Realised gain on foreign exchange	**2,761**	10,883	**2,803**	10,801
Forfeiture of deposits	**225**	11,773	**-**	-
Gain on disposal of plant and equipment	**-**	1	**-**	1
Others	**1,191**	1,572	**-**	34
	8,958	34,536	**7,158**	17,039

25. FINANCE COSTS

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
Amortisation of facility fee on borrowings	**2,979**	2,139	**1,757**	2,139
Interest on borrowings	**39,021**	59,360	**36,407**	57,008
Interest expense on lease liabilities	**117**	169	**-**	-
	42,117	61,668	**38,164**	59,147
Recognised in profit or loss	**42,117**	59,318	**38,164**	59,147
Capitalised on qualifying assets - inventories	**-**	2,350	**-**	-
	42,117	61,668	**38,164**	59,147

In 2021, the capitalisation rate used to capitalise finance costs on qualifying assets ranged from 2.66% to 6.65%.

NOTES TO THE FINANCIAL STATEMENTS

26. TAX EXPENSE

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
Current tax				
Malaysian tax				
- current year	**4**	728	**4**	728
- prior years	**(5)**	-	**(5)**	-
Foreign tax				
- current year	**6,619**	20,593	**-**	-
- prior years	**88**	3,299	**-**	-
	6,706	24,620	**(1)**	728
Deferred tax (Note 10)				
Foreign tax				
- current year	**(2,753)**	13,362	**-**	-
- prior years	**(57)**	(3,055)	**-**	-
	(2,810)	10,307	**-**	-
	3,896	34,927	**(1)**	728

The Group operates in a multi-jurisdictional tax environment.

The Malaysian income tax is calculated at the Malaysian statutory tax rate of 24% (2021: 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% (2021: 0%);

(b) subsidiaries incorporated in the United Kingdom: 19% (2021: 19%); and

(c) subsidiaries incorporated in Australia: 30% (2021: 30%).

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

	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
(Loss)/Profit before tax	**(229,360)**	50,802	**(275,878)**	237,084
Less: Share of results of joint ventures	**102,907**	(47,215)	**-**	-
(Loss)/Profit before tax and share of results in joint ventures	**(126,453)**	3,587	**(275,878)**	237,084
Tax at applicable tax rates	**(11,122)**	14,349	**(66,211)**	56,900
Non-taxable and tax exempted income	**-**	(732)	**(2,906)**	(77,128)
Non-deductible expenses	**14,915**	21,016	**69,121**	20,956
Effect of deferred tax assets not recognised	**77**	50	**-**	-
Under/(Over) provision in prior years	**26**	244	**(5)**	-
	3,896	34,927	**(1)**	728

NOTES TO THE FINANCIAL STATEMENTS

27. (LOSS)/PROFIT FOR THE YEAR

	NOTE	GROUP 2022 RM'000	GROUP 2021 RM'000	COMPANY 2022 RM'000	COMPANY 2021 RM'000
(Loss)/Profit for the year is arrived at after (crediting)/charging:					
Auditors' remuneration:					
Audit fees					
- current year					
KPMG PLT		**112**	110	**95**	94
Overseas affiliates of KPMG PLT		**522**	524	**-**	-
- prior years					
Overseas affiliates of KPMG PLT		**(21)**	(1)	**-**	-
Non-audit fees					
KPMG PLT		**15**	15	**15**	15
Material expenses/(income)					
Depreciation of plant and equipment	3	**568**	1,200	**99**	152
Depreciation of right-of-use assets	4	**907**	958	**-**	-
Employee benefits expense (excluding directors but including other key management personnel as disclosed in Note 32)	31	**14,719**	14,170	**6,470**	5,784
Impairment losses on goodwill	5	**389**	10,289	**-**	-
Impairment losses on investment in a subsidiary	6	**-**	-	**238,713**	-
Impairment losses on investment in a joint venture	7	**74,111**	-	**-**	-
Realised gain on foreign exchange		**(2,761)**	(10,883)	**(2,803)**	(10,801)
Unrealised loss on foreign exchange		**4,068**	3,530	**4,068**	3,534
Reclassification of losses from hedge of net investment included in profit or loss	28, a	**-**	21,581	**-**	21,581
Gain on disposal of plant and equipment		**-**	(1)	**-**	(1)
Plant and equipment written off		**-**	322	**-**	-
Expenses arising from leases					
Expenses relating to short-term leases	b	**455**	700	**180**	180
Expenses relating to leases of low-value assets	c	**47**	53	**21**	23

Note a

Prior year losses from hedge of net investment were reclassified from hedging reserve to administrative and general expenses in 2021 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

28. OTHER COMPREHENSIVE (LOSS)/INCOME

GROUP	BEFORE TAX RM'000	TAX (EXPENSE)/ BENEFIT RM'000	NET OF TAX RM'000
2022			
Items that are or may be reclassified subsequently to profit or loss			
Hedge of net investment			
- Gains arising during the year	**484**	**-**	**484**
Foreign currency translation differences for foreign operations			
- Losses arising during the year	**(134,296)**	**-**	**(134,296)**
			(133,812)
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

COMPANY	BEFORE TAX RM'000	TAX (EXPENSE)/ BENEFIT RM'000	NET OF TAX RM'000
2022			
Items that are or may be reclassified subsequently to profit or loss			
Hedge of net investment			
- Gains arising during the year	**484**	**-**	**484**
			484
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)

NOTES TO THE FINANCIAL STATEMENTS

29. (LOSS)/EARNINGS PER ORDINARY SHARE

Basic (loss)/earnings per ordinary share

The calculation of basic (loss)/earnings per ordinary share at 31 October 2022 was based on the (loss)/profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

GROUP	2022	2021
(Loss)/Profit for the year attributable to owners of the Company (RM'000)	**(234,418)**	13,570
Weighted average number of ordinary shares ('000)	**2,400,002**	2,400,000
Basic (loss)/earnings per ordinary share (sen)	**(9.77)**	0.57

Diluted (loss)/earnings per ordinary share

The calculation of diluted (loss)/earnings per ordinary share at 31 October 2022 was not applicable as there was no outstanding instrument with potentially dilutive effect on (loss)/earnings.

For the year ended 31 October 2021, 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 was higher than the market price per ordinary share.

30. DIVIDENDS

Dividends recognised by the Company:

	SEN PER SHARE	TOTAL AMOUNT RM'000	DATE OF PAYMENT
2021			
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 dividends to be paid for the financial year ended 31 October 2022.

31. EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Salaries, wages, bonuses and allowances	**12,286**	12,156	**5,386**	4,912
Defined contribution plan	**1,489**	1,371	**646**	591
Other staff benefits	**944**	643	**438**	281
	14,719	14,170	**6,470**	5,784

NOTES TO THE FINANCIAL STATEMENTS

32. 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 Group 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 21 and Note 22.

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
A. Joint ventures				
Revenue	**452**	367	**-**	-
Dividend received	**-**	299,297	**-**	-
Advances to joint ventures	**291,237**	198,949	**-**	-
Repayment of advances by joint ventures	**(952,204)**	(36,389)	**-**	-
B. Subsidiaries				
Dividend income	**-**	-	**12,110**	318,318
Advances and equity contribution to subsidiaries	**-**	-	**161,393**	197,936
Repayment of advances by subsidiaries	**-**	-	**(519,175)**	(481,191)
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	**477**	1,377	**-**	-
Support service fees paid or payable	**153**	143	**153**	143
Rental paid or payable	**180**	180	**180**	180
Joint venture of EW Berhad where certain directors of the Company are also the directors of EW Berhad				
Rental paid or payable	**1,036**	1,011	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

32. RELATED PARTY DISCLOSURES (CONTINUED)

Significant related party transactions (continued)

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
D. Key management personnel				
Salaries, allowances and bonuses	**8,794**	8,999	**5,790**	6,260
Fees	**800**	960	**800**	960
Defined contribution plan	**1,026**	1,019	**668**	729
Others	**220**	117	**24**	29
Total remuneration to key management personnel	**10,840**	11,095	**7,282**	7,978
Included in remuneration to key management personnel is remuneration to Directors:				
Salaries, allowances and bonuses	**6,759**	7,144	**3,754**	4,405
Fees	**800**	960	**800**	960
Defined contribution plan	**782**	797	**424**	507
Others	**196**	93	**1**	5
	8,537	8,994	**4,979**	5,877
Company where a director of a subsidiary has interest				
Consultancy fees paid or payable	**858**	81	**-**	-

33. 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

33. SEGMENTAL REPORTING (CONTINUED)

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
2022				
Segment (loss)/profit	**(177,082)**	**5,486**	**(61,660)**	**(233,256)**
Included in the measure of segment (loss)/profit are:				
Revenue from external customers	**-**	**159,512**	**452**	**159,964**
Inter-segment revenue	**-**	**-**	**120**	**120**
Impairment losses:				
- goodwill	**-**	**(389)**	**-**	**(389)**
- investment in a joint venture	**(74,111)**	**-**	**-**	**(74,111)**
Share of loss of joint ventures	**(102,907)**	**-**	**-**	**(102,907)**
Depreciation of plant and equipment and right-of-use assets	**(273)**	**(167)**	**(1,035)**	**(1,475)**
Finance costs	**-**	**(3,836)**	**(38,281)**	**(42,117)**
Finance income	**338**	**72**	**4,371**	**4,781**
Taxation	**(1,034)**	**(2,863)**	**1**	**(3,896)**
Segment assets	**2,331,885**	**273,807**	**346,968**	**2,952,660**
Included in the measure of segment assets are:				
Additions to plant and equipment	**15**	**4**	**12**	**31**
Investments in joint ventures	**263,785**	**-**	**-**	**263,785**
Segment liabilities	**2,363**	**40,424**	**461,685**	**504,472**

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
Impairment losses - goodwill	(9,070)	(1,219)	-	(10,289)
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

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS

34.1 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

2022	CARRYING AMOUNT RM'000	AC RM'000	DERIVATIVES USED FOR HEDGING RM'000
Financial assets			
Group			
Amounts owing by joint ventures	1,748,867	1,748,867	-
Trade receivables	460	460	-
Other receivables and deposits	1,408	1,408	-
Other investments	41,123	41,123	-
Cash, bank balances and deposits	614,220	614,220	-
	2,406,078	2,406,078	-
Company			
Other receivables and deposits	23	23	-
Amounts owing by subsidiaries	278,540	278,540	-
Other investments	40,434	40,434	-
Cash, bank balances and deposits	301,715	301,715	-
	620,712	620,712	-
Financial liabilities			
Group			
Borrowings	(482,816)	(482,816)	-
Trade payables	(925)	(925)	-
Other payables and accruals	(11,635)	(11,635)	-
Derivative financial liabilities	(832)	-	(832)
	(496,208)	(495,376)	(832)
Company			
Borrowings	(449,616)	(449,616)	-
Other payables and accruals	(8,516)	(8,516)	-
Derivative financial liabilities	(832)	-	(832)
	(458,964)	(458,132)	(832)

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.1 Categories of financial instruments (continued)

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)

34.2 Net losses arising from financial instruments

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Net gains/(losses) on:				
Derivatives used for hedging	**484**	(22,568)	**484**	(22,568)
Financial assets at amortised cost	**(8,836)**	29,390	**(9,245)**	25,243
Financial liabilities at amortised cost	**(29,690)**	(71,048)	**(25,829)**	(70,920)
	(38,042)	(64,226)	**(34,590)**	(68,245)

34.3 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

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.4 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 financial guarantees given to banks for credit facilities granted to subsidiaries and joint ventures. There are no significant changes as compared to prior periods.

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 interests. 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.

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) EW Ballymore and Be EW Investment reported net assets, 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. The amount owing from EW London DMCo is not material.

(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.

(c) Forward-looking macroeconomic information, such as the resilient property demand 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

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.4 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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Financial guarantees to banks in respect of banking facilities granted to:				
- Joint ventures	**66,600**	1,359,369	**66,600**	1,359,369
- Subsidiaries	**-**	-	**33,200**	150,807
	66,600	1,359,369	**99,800**	1,510,176

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.

34.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as 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

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.5 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:

2022	CARRYING AMOUNT RM'000	DISCOUNT RATE/ 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	33,200	5.07	34,883	34,883	-	-
Medium term notes	449,616	6.40-6.65	465,381	465,381	-	-
Lease liabilities	1,821	5.00	1,904	1,119	785	-
Trade payables	925	-	925	925	-	-
Other payables and accruals	11,635	-	11,635	11,635	-	-
Financial guarantees	-	-	66,600	66,600	-	-
	497,197		581,328	580,543	785	-
Derivative financial liabilities						
Cross-currency swap (gross settled)						
Inflow	(10,935)	6.40	(11,343)	(11,343)	-	-
Outflow	11,767	4.93-5.38	12,309	12,309	-	-
	498,029		582,294	581,509	785	-

2022	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
Company						
Non-derivative financial liabilities						
Medium term notes	449,616	6.40-6.65	465,381	465,381	-	-
Other payables and accruals	8,516	-	8,516	8,516	-	-
Financial guarantees	-	-	99,800	99,800	-	-
	458,132		573,697	573,697	-	-
Derivative financial liabilities						
Cross-currency swap (gross settled)						
Inflow	(10,935)	6.40	(11,343)	(11,343)	-	-
Outflow	11,767	4.93-5.38	12,309	12,309	-	-
	458,964		574,663	574,663	-	-

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.5 Liquidity risk (continued)

2021	CARRYING AMOUNT RM'000	DISCOUNT RATE/ 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	-

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
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	-

34.6 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.

34.6.1 Currency risk

The Group and the Company are mainly exposed to foreign currency risk on cash, bank balances and deposits and amount owing by subsidiaries 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").

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.6 Market risk (continued)

34.6.1 Currency risk (continued)

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 used cross-currency swaps to hedge their foreign currency risk. The cross-currency swaps have maturities of less than one year after the end of the reporting period.

The Group and the Company used cross-currency swaps to hedge their foreign currency risk. As hedging activities of the Group is inconsequential, no further disclosures have been made.

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:

2022	DENOMINATED IN AUD RM'000	DENOMINATED IN GBP RM'000
Group		
Trade receivables	**-**	**460**
Other receivables, deposits and prepayments	**-**	**388**
Other investments	**-**	**1,639**
Cash, bank balances and deposits	**319**	**58,582**
Derivative financial liabilities	**(832)**	**-**
Other payables and accruals	**-**	**(11)**
Net exposure	**(513)**	**61,058**
Company		
Amount owing by subsidiary	**-**	**278,429**
Other receivables, deposits and prepayments	**-**	**17**
Other investments	**-**	**1,639**
Cash, bank balances and deposits	**319**	**58,582**
Derivative financial liabilities	**(832)**	**-**
Other payables and accruals	**-**	**(11)**
Net exposure	**(513)**	**338,656**

2021	DENOMINATED IN AUD RM'000	DENOMINATED IN 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

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.6 Market risk (continued)

34.6.1 Currency risk (continued)

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% (2021: 10%) strengthening of the RM against the following currencies at the end of the reporting period would have increased/(decreased) profit or loss by the pre-tax amounts shown below. The analysis assumes that all other variables, in particular interest rates, remained constant.

	GROUP		COMPANY	
PROFIT OR LOSS	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
AUD	**51**	(14,989)	**51**	(14,989)
GBP	**(6,106)**	18,100	**(33,866)**	17,534
	(6,055)	3,111	**(33,815)**	2,545

A 10% (2021: 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.

34.6.2 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 deposits held with licensed financial institutions and 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	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Fixed rate instruments				
Financial assets	**338,643**	112,755	**60,102**	106,032
Financial liabilities	**(449,616)**	(448,970)	**(449,616)**	(448,970)
Lease liabilities	**(1,821)**	(2,741)	**-**	-
	(112,794)	(338,956)	**(389,514)**	(342,938)
Floating rate instruments				
Financial assets	**272,900**	34,840	**272,900**	34,840
Financial liabilities	**(33,200)**	(451,568)	**-**	(300,761)
	239,700	(416,728)	**272,900**	(265,921)

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.6 Market risk (continued)

34.6.2 Interest rate risk (continued)

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
2022				
Floating rate instruments	**2,397**	**(2,397)**	**2,729**	**(2,729)**
2021				
Floating rate instruments	(4,167)	4,167	(2,659)	2,659

34.7 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.

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.7 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.

2022	FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE				FAIR VALUE OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE				TOTAL FAIR VALUE RM'000	CARRYING AMOUNT RM'000
	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		
Group										
Financial liabilities										
Derivative financial liabilities	-	832	-	832	-	-	-	-	832	832
	-	832	-	832	-	-	-	-	832	832
Company										
Financial liabilities										
Derivative financial liabilities	-	832	-	832	-	-	-	-	832	832
	-	832	-	832	-	-	-	-	832	832

2021	FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE				FAIR VALUE OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE				TOTAL FAIR VALUE RM'000	CARRYING AMOUNT RM'000
	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		
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

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.7 Fair value of 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 was 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 were 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 (2021: no transfer in either directions).

35. 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 2022 and at 31 October 2021 were as follows:

	GROUP		COMPANY	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Borrowings (Note 19)	**482,816**	900,538	**449,616**	749,731
Lease liabilities	**1,821**	2,741	**-**	-
Less: Other investments (Note 15)#	**(41,123)**	-	**(40,434)**	-
Less: Cash, bank balances and deposits (Note 16)	**(614,220)**	(336,115)	**(301,715)**	(315,741)
Net (cash)/debt	**(170,706)**	567,164	**107,467**	433,990
Total equity attributable to owners of the Company	**2,447,187**	2,815,298	**2,465,835**	2,741,225
Debt-to-equity ratio	**N/A**	0.20	**0.04**	0.16

According to the bank covenant, the deposits with licensed financial institutions presented as other investments are included in the debt-to-equity ratio calculation.

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 page 84 to 145 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 2022 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: 8 February 2023

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 page 84 to 145 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.

Dato' Teow Leong Seng
MIA CA 3871
Director

Subscribed and solemnly declared by the abovenamed at Petaling Jaya in the State of Selangor on 8 February 2023.

Before me,

Ng Say Hung
B 185
Commissioner for Oaths

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 2022 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 page 84 to 145.

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 2022, and of their financial performance and their 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.

Key Audit Matters of the Group

Valuation of investments in joint ventures

Refer to Note 2(a)(iv) - Significant accounting policy: Joint arrangements, Note 2(k)(ii) – Significant accounting policy: Impairment, and Note 7 - Investments in joint ventures.

The key audit matter

The Group, through its subsidiary, Eco World Investment Co. Ltd. ("EWIC"), has investments in joint ventures amounting to RM263.8 million as at 31 October 2022. The Group assesses at the end of each reporting period, whether there are any indications that the investments in joint ventures may be impaired. If such indications exist, the recoverable amounts of these investments are estimated. As at the end of the financial year, there are impairment indicators for Eco World-Ballymore Holding Company Limited ("EW Ballymore"), Be Eco World Investment Company Limited and Eco World London Development Company Limited. The Group has recorded an impairment loss with regards to the investment in EW Ballymore amounting to RM74.1 million for the year ended 31 October 2022. The other joint ventures are not impaired.

The valuation of investments in joint ventures is identified as a key audit matter because of the degree of judgement involved in the assessment of the recoverable amounts of the joint ventures, in particular relating to the forecast timing and selling prices of sales included in the discounted future cash flows of the joint ventures.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ECO WORLD INTERNATIONAL BERHAD

Key Audit Matters (continued)

Key Audit Matters of the Group (continued)

Valuation of investments in joint ventures (continued)

How the matter was addressed in our audit

We requested the component auditors to perform the following procedures and assessed the adequacy of work performed by them:

- Evaluated the indicators of impairment in respect of investments in joint ventures;
- Evaluated the impairment assessment prepared by the Group, including assessing the method used to calculate the impairment and recoverable amounts, agreed the forecast cash flows to business plans of the joint ventures, assessed the assumptions and data used in preparing the impairment assessment against supporting documents and information;
- Compared current year actual cash flows against forecast cash flows prepared in prior year and evaluated management biasness in preparing the forecast cash flows;
- Involved corporate finance specialist to evaluate the assumptions and data used by the Group in calculating the discount rate and recalculated the discount rate;
- Assessed the sensitivity of the assumptions used by the Group in preparing the impairment assessment; and
- Assessed the arithmetic accuracy of the impairment assessment prepared by the Group and recalculated the recoverable amounts of the joint ventures and impairment loss recognised for the year in the financial statements of EWIC.

We also performed the following audit procedures:

- Recalculated the impairment loss recognised for the year in the consolidated financial statements based on recoverable amounts of the joint ventures that have been assessed by the component auditors; and
- Assessed the adequacy of the disclosures of the key assumptions used by the Group in determining the recoverable amounts of the investments in joint ventures.

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 2022. For the financial year ended 31 October 2022, the share of loss of joint ventures amounted to RM102.9 million.

The accounting for the results of the joint ventures is identified as a key audit matter because the share of loss of joint ventures is a significant contributor to the Group's loss 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 approved standards on auditing;
- We issued group audit instructions to the component auditors to communicate our group audit strategy and directed the scope of work to be performed;
- 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;

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ECO WORLD INTERNATIONAL BERHAD

Key Audit Matters (continued)

Key Audit Matters of the Group (continued)

Share of profits of equity-accounted joint ventures (continued)

How the matter was addressed in our audit (continued)

- 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 loss of joint ventures and evaluated that the accounting policies of the joint ventures have been aligned to the Group's accounting policies.

Key Audit Matters of the Company

Valuation of investments in subsidiaries

Refer to Note 2(a)(i) - Significant accounting policy: Subsidiaries, Note 2(k)(ii) – Significant accounting policy: Impairment, and Note 6 - Investments in subsidiaries.

The key audit matter

The Company's separate financial statements recorded investments in subsidiaries amounting to RM2,303.2 million as at 31 October 2022. The Company assesses at the end of each reporting period, whether there are any indications that the investments in subsidiaries may be impaired. If such indications exist, the recoverable amounts of these investments are estimated. As at the end of the financial year, there are impairment indicators for Eco World Investment Co. Ltd. ("EWIC"). Management has recorded an impairment loss with regards to the investment in EWIC amounting to RM238.7 million for the year ended 31 October 2022.

The valuation of investments in subsidiaries is identified as a key audit matter because of the significance of these carrying amounts to the financial position of the Company, and the judgement involved in the assessment of the recoverable amounts of the investments in subsidiaries, which is subjected to the assumptions used in calculating the recoverable amounts of the joint ventures held by EWIC, in particular relating to the forecast timing and selling prices of sales included in the discounted future cash flows of the joint ventures.

How the matter was addressed in our audit

Leveraging on the audit procedures performed as disclosed under valuation of investments in joint ventures, we further performed the following audit procedures, among others:

- We obtained an understanding of the business environment and performance of subsidiaries through discussions with component auditors;
- We evaluated the indicators of impairment in respect of investments in subsidiaries;
- We assessed the arithmetic accuracy of the impairment assessment prepared by the Group and have recalculated the recoverable amount of EWIC and the impairment loss recognised for the year based on recoverable amounts of EWIC's joint ventures; and
- We assessed the adequacy of the disclosures of the key assumptions used by the Group in determining the recoverable amount of EWIC.

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: 8 February 2023

LIST OF PROPERTIES HELD BY THE GROUP
AS AT 31 OCTOBER 2022

(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	25,717
2	**Yarra One, Melbourne** 16-22, Claremont Street South Yarra, Victoria 3141 Australia	Developed properties	10 April 2017	2,128	Freehold	88,720
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	141,679

Note:
^ *Based on the exchange rate of AUD1.00 : RM3.0245, being the closing rate for AUD to RM as at 31 October 2022*

(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	102,897
	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	Developed properties	11 January 2015	22,015	Freehold	933,980
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	322,861

Note:

^ *Based on the exchange rate of GBP1.00 : RM5.4594, being the closing rate for GBP to RM as at 31 October 2022*

These amounts represent 100% of the net book value of the properties held by the joint ventures

LIST OF PROPERTIES HELD BY THE GROUP
AS AT 31 OCTOBER 2022

(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	Developed properties (Kensal Rise)	16 March 2016	6,600	Leasehold	10,462
	Jubilee Sports Centre Caird Street London W10 4RR United Kingdom	Developed properties (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	Developed properties	17 December 2015	10,800	Freehold	154,227
3	**Be Living (Lampton) LLP** Nantly House 33, Lampton Road Middlesex TW3 4DN United Kingdom	Developed 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	Developed site under framework agreement with London Borough of Hounslow	N/A*	N/A*	N/A*	N/A*
	Be Living (Lampton) LLP Two Bridges Site Marriott Close Feltham TW14 9PZ	Developed property under framework agreement with London Borough of Hounslow	N/A*	N/A*	N/A*	N/A*
	Be Living (Lampton) LLP New Road Triangle Land between the Longford River, New Road and The Station Estate Road Feltham	Development site under framework agreement with London Borough of Hounslow	N/A*	N/A*	N/A*	N/A*

NO.	LOCATION	DESCRIPTION	DATE OF ACQUISITION	LAND AREA (SQ. M.)	TENURE	NET BOOK VALUE^# (RM'000)
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	94,991
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	31,652
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	267,039
7	**Aberfeldy New Village LLP** Aberfeldy Marketing Gallery Lighterman Point 2A Abbott Road London E14 OND United Kingdom	Development site for Aberfeldy Village Project Phase 3-6	23 March 2017	66,000	Leasehold	163,947
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	675,170

Notes:

^ *Based on the exchange rate of GBP1.00 : RM5.4594, being the closing rate for GBP to RM as at 31 October 2022*

These amounts 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 20 JANUARY 2023

Issued share capital : 2,400,001,780
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	21	0.14	448	0.00
100 - 1,000	2,959	19.81	1,747,548	0.07
1,001 - 10,000	7,148	47.86	38,059,348	1.59
10,001 - 100,000	4,108	27.51	140,081,800	5.84
100,001 to less than 5% of issued shares	695	4.66	677,571,838	28.23
5% and above of issued shares	3	0.02	1,542,540,798	64.27
Total	**14,934**	**100.00**	**2,400,001,780**	**100.00**

DIRECTORS' SHAREHOLDINGS AS PER REGISTER OF DIRECTORS' SHAREHOLDINGS

	NO. OF ORDINARY SHARES HELD			
NAME	DIRECT	%	INDIRECT	%
Cheah Tek Kuang	3,000,000	0.13	-	-
Tan Sri Dato' Sri Liew Kee Sin	246,540,798	10.27	45,700,000[1]	1.90
Dato' Teow Leong Seng	15,263,000	0.64	-	-
Dato' Chang Khim Wah	1,471,400	0.06	-	-
Tang Hong Cheong	2,250,000	0.09	-	-
Cheng Hsing Yao	-	-	-	-
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	-	-	5,000,000[2]	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 spouse and child's interest in the Company pursuant to Section 59(11)(c) of the Companies Act 2016 Act ("**Act**")*
[2] *Deemed interested by virtue of her spouse's interest in the Company pursuant to Section 59(11)(c) of the Act*

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.*

ANALYSIS OF SHAREHOLDINGS
AS AT 20 JANUARY 2023

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	78,726,900	3.28
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 ECO WORLD DEVELOPMENT HOLDINGS SDN BHD	22,000,000	0.92
8	TEE TIAM LEE	18,461,100	0.77
9	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEOW LEONG SENG	15,200,000	0.63
10	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 2 - WAWASAN	15,000,000	0.63
11	ONG AUN KUNG	14,150,000	0.59
12	HSBC NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR SAXO BANK A/S (MY-NONMYR)	8,483,900	0.35
13	SIGMA SELEKSI SDN BHD	6,809,200	0.28
14	ONG AUN KUNG	6,500,000	0.27
15	VOON TIN YOW	6,056,000	0.25
16	TAN HENG TA	5,809,400	0.24
17	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAH LILY (E-BBB/SNG)	5,200,000	0.22
18	AZLAN BIN MOHD ZAINOL	5,120,000	0.21

THIRTY (30) LARGEST SHAREHOLDERS (CONTINUED)

NO.	NAME OF SHAREHOLDERS	NO. OF SHARES	%
19	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JAYASANKARAN A/L K.K.SANKARAN	5,000,000	0.21
20	AMANAH TRUSTEES BERHAD ASN UMBRELLA FOR ASN IMBANG (MIXED ASSET BALANCED) 2	4,742,800	0.20
21	DERRICK FERNANDEZ	4,500,000	0.19
22	KENANGA NOMINEES (TEMPATAN) SDN BHD KHO CHAI YAM	4,341,900	0.18
23	PUBLIC INVEST NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MUHAMAD ALOYSIUS HENG (M)	4,265,800	0.18
24	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG AUN KUNG (100187)	4,000,000	0.17
25	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG AUN KUNG	3,950,000	0.16
26	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW KENG SIONG	3,900,000	0.16
27	AMANAHRAYA TRUSTEES BERHAD ASN IMBANG (MIXED ASSET BALANCED) 1	3,500,000	0.15
28	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW TIAN XIONG	3,500,000	0.15
29	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LOW CHEE CHOON (PB)	3,300,000	0.14
30	BAKRY BIN HAMZAH	3,000,000	0.13
		1,958,488,398	**81.62**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting ("**9th 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, 30 March 2023 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 2022 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 Non-Executive Directors of the Company quarterly in arrears from the 9th AGM until the 10th AGM of the Company:

(i) Mr Cheah Tek Kuang **Ordinary Resolution 1**
(ii) Tan Sri Datuk Dr Rebecca Fatima Sta Maria **Ordinary Resolution 2**
(iii) Dato' Siow Kim Lun **Ordinary Resolution 3**
(iv) Dato' Kong Sooi Lin **Ordinary Resolution 4**
(v) Ms Pauline Wong Wan Voon **Ordinary Resolution 5**
(vi) Mr Tang Hong Cheong **Ordinary Resolution 6**

[Please refer to Explanatory Note (ii)]

3 To approve the payment of Director's Fees to Mr Tang Hong Cheong from the date of appointment until the 9th AGM of the Company. **Ordinary Resolution 7** *[Please refer to Explanatory Note (iii)]*

4 To approve the payment of Directors' Benefits to the Non-Executive Directors of the Company from the 9th AGM until the 10th AGM of the Company. **Ordinary Resolution 8** *[Please refer to Explanatory Note (iv)]*

5 To re-elect the following Directors who are retiring pursuant to Clause 114 of the Constitution of the Company:

(i) Dato' Teow Leong Seng **Ordinary Resolution 9**
(ii) Dato' Siow Kim Lun **Ordinary Resolution 10**
(iii) Dato' Kong Sooi Lin **Ordinary Resolution 11**

[Please refer to Explanatory Note (v)]

6 To re-elect Mr Tang Hong Cheong who is retiring pursuant to Clause 121 of the Constitution of the Company. **Ordinary Resolution 12** *[Please refer to Explanatory Note (v)]*

7 To re-appoint KPMG PLT as Auditors of the Company until the conclusion of the 10th AGM of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 13**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution:

8 **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 Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**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 28 February 2023 which are necessary for the day to day operations and are in the ordinary course of business and are carried out at arm's length 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 Companies Act 2016 ("**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."

9 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
28 February 2023

NOTICE OF ANNUAL GENERAL MEETING

NOTES

(i) The 9th 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 9th 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 9th AGM.

(iii) In respect of deposited securities, only members whose names appear on the Record of Depositors on 23 March 2023 (General Meeting Record of Depositors) shall be eligible to participate in the 9th AGM or appoint proxy(ies) to attend and/or vote on his/her behalf.

(iv) A member entitled to attend and vote at the 9th 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 9th AGM shall have the same rights as the member to participate at the 9th AGM.

The members, proxies or corporate representatives may submit questions before the 9th AGM to the Chairman of the meeting or Board of Directors electronically by email to eservices@sshsb.com.my no later than Tuesday, 28 March 2023 at 10.30 a.m. or via real time submission of typed texts via RPV facilities during the live streaming of the 9th 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 9th 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, 28 March 2023 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 9th AGM and subsequently decide to appoint another person or wish to personally participate in the 9th AGM via RPV facilities, please write in to eservices@sshsb.com.my to revoke the earlier appointed proxy(ies) no later than Tuesday, 28 March 2023 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 9th AGM until the 10th AGM of the Company

The payment of the Directors' Fees of RM128,000 per annum for each Non-Executive Director (save for Mr Cheng Hsing Yao and Dato' Chang Khim Wah who have waived their entitlement to the Directors' Fees) from the 9th AGM until the 10th AGM of the Company will only be made quarterly in arrears if the proposed Ordinary Resolutions 1 to 6 have been passed at the 9th AGM pursuant to Clause 122 of the Constitution of the Company.

(iii) Ordinary Resolution 7 - Director's Fees to Mr Tang Hong Cheong from the date of appointment until the 9th AGM

Mr Tang Hong Cheong was appointed as a Non-Executive Director of the Company effective from 20 May 2022. The payment of the Directors' Fees of RM110,466 from the date of his appointment until the 9th AGM of the Company will be made if the proposed Ordinary Resolution 7 has been passed at the 9th AGM pursuant to Clause 122 of the Constitution of the Company.

(iv) Ordinary Resolution 8 – Directors' Benefits from the 9th AGM until the 10th AGM of the Company

The Board is proposing an increase in the Directors' Benefits from RM230,000 to RM250,000 payable to the Non-Executive Directors (save for Mr Cheng Hsing Yao and Dato' Chang Khim Wah who have waived their entitlement to the Directors' Benefits) from the 9th AGM until the 10th AGM of the Company and the payment will only be made by the Company as and when incurred if the proposed Ordinary Resolution 8 has been passed at the 9th 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 Non-Executive Directors involved in the meetings. Details of the Directors' Benefits are available in our Corporate Governance Report 2022.

(v) Ordinary Resolutions 9 to 12 – Re-election of Directors

The profiles of the Directors who are standing for re-election as per Agenda items no. 5 and 6 are set out in the Board of Directors' profile of the Integrated Annual Report 2022.

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 9 – Re-election of Dato' Teow Leong Seng ("**Dato' Teow**") as Executive Director

Dato' Teow contributes tremendously to the Group by overseeing the Group's operations in United Kingdom and Australia. He shows exemplary leadership as President & Chief Executive Officer of the Group and is familiar with the Group's business operations to steer the Group forward. He has exercised due care and carried out his duties professionally and proficiently during his tenure as Executive Director of the Company.

(b) Ordinary Resolution 10 – Re-election of Dato' Siow Kim Lun ("**Dato' Siow**") as Independent Non-Executive Director

Dato' Siow fulfills the requirement of independence set out in the MMLR of Bursa Securities as well as the prescribed criteria under the Malaysian Code on Corporate Governance 2021 ("**MCCG 2021**"). As Chairman of the AC, he demonstrated sound leadership in assisting the Board in fulfilling its fiduciary duties and responsibilities on the integrity of the Group's financial reporting and its audit processes. He has demonstrated his independence through his engagement in the Board and Board Committee meetings by providing constructive feedback to the Management in developing the Group's business strategies. He also exercised due care and carried out his duties professionally and proficiently during his tenure as an Independent Non-Executive Director of the Company.

NOTICE OF ANNUAL GENERAL MEETING

(c) Ordinary Resolution 11 – Re-election of Dato' Kong Sooi Lin ("**Dato' Kong**") as Independent Non-Executive Director

Dato' Kong 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 Board and Board Committee meetings by proactively giving external perspective to the Management in developing the Group's business strategies. She also exercised due care and carried out her duties professionally and proficiently during her tenure as an Independent Non-Executive Director of the Company.

(d) Ordinary Resolution 12 – Re-election of Mr Tang Hong Cheong ("**Mr Tang**") as Non Independent Non-Executive Director

Mr Tang has diverse professional background and experience, inter alia, his C-suite experience and broad-based expertise in finance, risk management, operations and strategic planning to enrich the Board. He has been actively providing valuable insights and constructive feedback to the Management in developing the Group's business strategies. He also exercised due care and carried out his duties professionally and proficiently during his tenure as a Non-Independent Non-Executive Director of the Company.

(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 28 February 2023 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.*

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 Ninth Annual General Meeting ("**9th 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, 30 March 2023 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 Director's Fees to Mr Cheah Tek Kuang		
Ordinary Resolution 2	Approval for the payment of Director's Fees to Tan Sri Datuk Dr Rebecca Fatima Sta Maria		
Ordinary Resolution 3	Approval for the payment of Director's Fees to Dato' Siow Kim Lun		
Ordinary Resolution 4	Approval for the payment of Director's Fees to Dato' Kong Sooi Lin		
Ordinary Resolution 5	Approval for the payment of Director's Fees to Ms Pauline Wong Wan Voon		
Ordinary Resolution 6	Approval for the payment of Director's Fees to Mr Tang Hong Cheong		
Ordinary Resolution 7	Approval for the payment of Director's Fees to Mr Tang Hong Cheong from the date of appointment until the 9th AGM		
Ordinary Resolution 8	Approval for the payment of Directors' Benefits		
Ordinary Resolution 9	Re-election of Dato' Teow Leong Seng		
Ordinary Resolution 10	Re-election of Dato' Siow Kim Lun		
Ordinary Resolution 11	Re-election of Dato' Kong Sooi Lin		
Ordinary Resolution 12	Re-election of Mr Tang Hong Cheong		
Ordinary Resolution 13	Re-appointment of KPMG PLT as Auditors of the Company		
Ordinary Resolution 14	Proposed Shareholders' Mandate for Recurrent Related Party Transactions		

Signed this ________________ day of ________________, 2023

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 9th 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 9th 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 9th AGM.

(iii) In respect of deposited securities, only members whose names appear on the Record of Depositors on 23 March 2023 (General Meeting Record of Depositors) shall be eligible to participate in the 9th AGM or appoint proxy(ies) to attend and/or vote on his/her behalf.

(iv) A member entitled to attend and vote at the 9th 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 9th AGM shall have the same rights as the member to participate at the 9th AGM.

The members, proxies or corporate representatives may submit questions before the 9th AGM to the Chairman of the meeting or Board of Directors electronically by email to eservices@sshsb.com.my no later than Tuesday, 28 March 2023 at 10.30 a.m. or via real time submission of typed texts via RPV facilities during the live streaming of the 9th 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 9th 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, 28 March 2023 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 9th AGM and subsequently decide to appoint another person or wish to personally participate in the 9th AGM via RPV facilities, please write in to eservices@sshsb.com.my to revoke the earlier appointed proxy(ies) no later than Tuesday, 28 March 2023 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 9th AGM dated 28 February 2023.

Eco World International Berhad
(201301030020 (1059850-A))

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