EcoWorld International

CREATING TOMORROW & BEYOND

INTEGRATED ANNUAL REPORT **2023**

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OUR INTEGRATED REPORTING JOURNEY

Go paperless to help our environment. Instantly access a copy of this Integrated Annual Report by scanning this QR code.

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 Malaysia
corp@ecoworld.my

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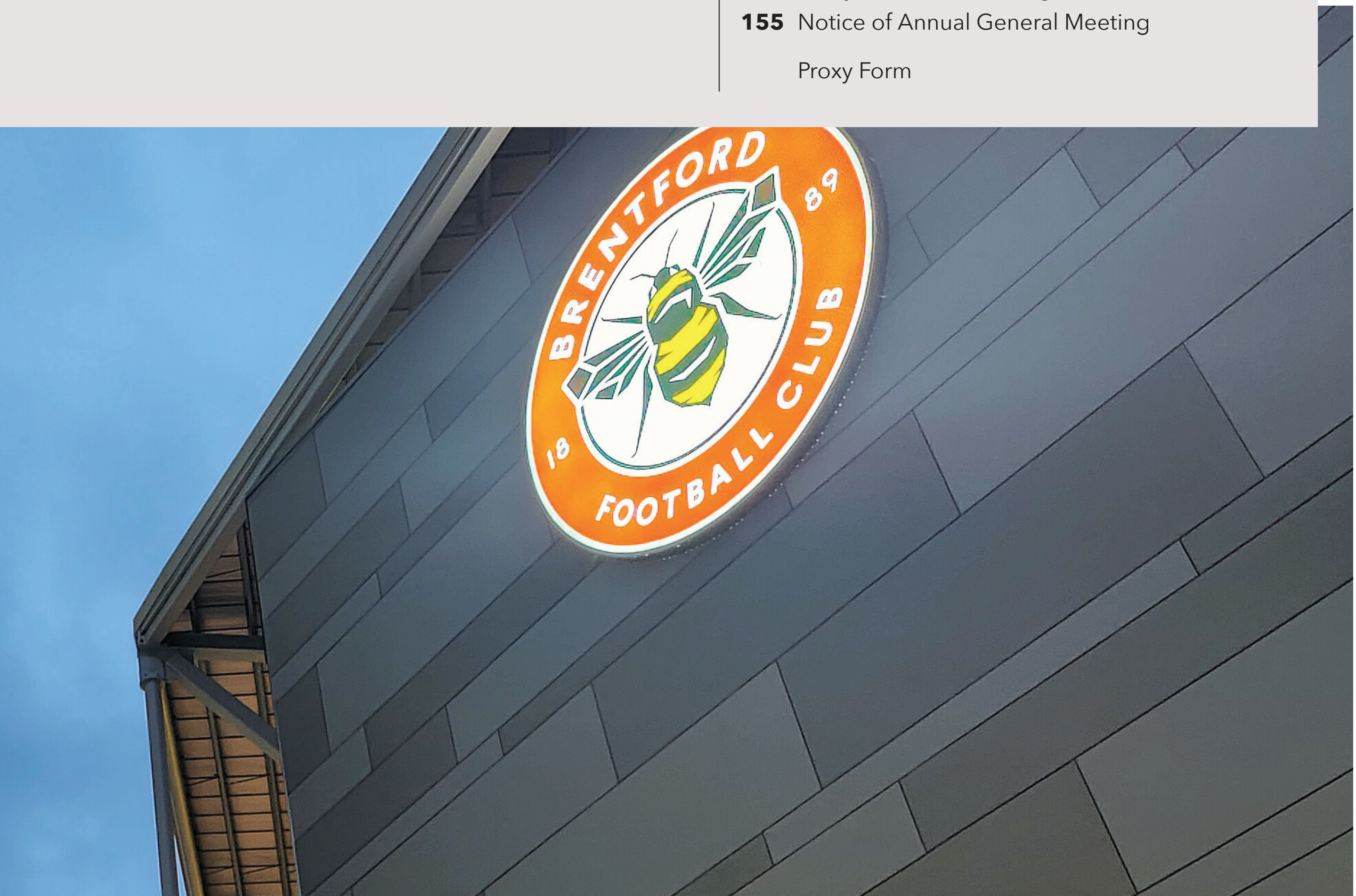


About This Report

INTRODUCTION

Eco World International Berhad ("**EcoWorld International**" or "**the Group**") is pleased to present its integrated annual report ("**IAR**") which covers the reporting period from 1 November 2022 to 31 October 2023 ("**FY2023**").

IAR FY2023 aims to provide readers with a more comprehensive perspective of the Group. It discloses financial and non-financial highlights on the Group's business operations, activities, processes, employees, subsidiaries and joint ventures in the United Kingdom ("**UK**") and Australia, as well as the corporate headquarters and international sales office in Malaysia.

BASIS OF PREPARATION

In developing the content of IAR FY2023, a gap analysis was undertaken to identify areas of improvement from the previous integrated report of the Group, and its results were shared and addressed by the working group where relevant during data gathering.

In addition, the content for IAR FY2023 was guided by the principles-based framework of integrated reporting comprising the Six Capitals, Seven Guiding Principles and Eight Content Elements of Integrated Reporting as follows:

6 Capitals

- Financial
- Manufactured
- Intellectual
- Human
- Social
- Natural

7 Guiding Principles

- Strategic focus and future orientation
- Connectivity of Information
- Conciseness
- Reliability and completeness
- Consistency and comparability
- Materiality
- Stakeholder relationships

8 Content Elements

- Organisational overview and external environment
- Governance
- Business model
- Risks and opportunities
- Strategy and resource allocation
- Performance
- Outlook
- Basis of preparation and presentation

Applied Frameworks

The following reporting/governance frameworks have been applied (in part or full) or referred to in the development of the contents for IAR FY2023

- 3rd Edition Sustainability Reporting Guide of Bursa Malaysia Securities Berhad
- Companies Act 2016 ("**CA 2016**")
- FTSE4Good Index Disclosures (FTSE Russell's ESG Data Model)
- Global Reporting Initiative 2021
- Integrated Reporting Principles Based Framework
- Main Market Listing Requirements of Bursa Malaysia Securities Berhad
- Malaysian Code on Corporate Governance 2021
- Sustainability Accounting Standards Board
- Task Force on Climate-related Financial Disclosures (TCFD)

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

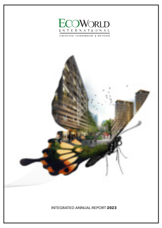
FORWARD LOOKING STATEMENTS

Throughout IAR FY2023, 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, therefore uncertainty is inevitable. 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 accuracy of 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 either these forward-looking statements or the historical information presented in this IAR FY2023.

OUR REPORTING SUITE FOR FY2023

EcoWorld International's corporate reporting suite for FY2023 includes the following reports:



Integrated Annual Report 2023
https://ecoworldinternational.com/investor-relations/#annualreports

Sustainability Report 2023
https://ecoworldinternational.com/investor-relations/#sustainabilityreports

Corporate Governance Report 2023
https://ecoworldinternational.com/investor-relations/#corporategovernancereports

The reports mentioned above provide detailed disclosures and specific information on the business operations of EcoWorld International and offer a comprehensive perspective of the Group's performance in FY2023.

DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of EcoWorld International has applied its collective mind to present a balanced and comprehensive IAR FY2023 based on good governance practices and guided by the Integrated Reporting Principles Based Framework.

The Board of Directors 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, International Financial Reporting Standards and the CA 2016.

Project Overview

1. THE CLAVES
The Claves in Millbrook Park, North London

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

3. BARKING WHARF
Barking Wharf in East London

4. Quayside Barking in East London

5. NANTLY HOUSE
Nantly House in Hounslow, West London

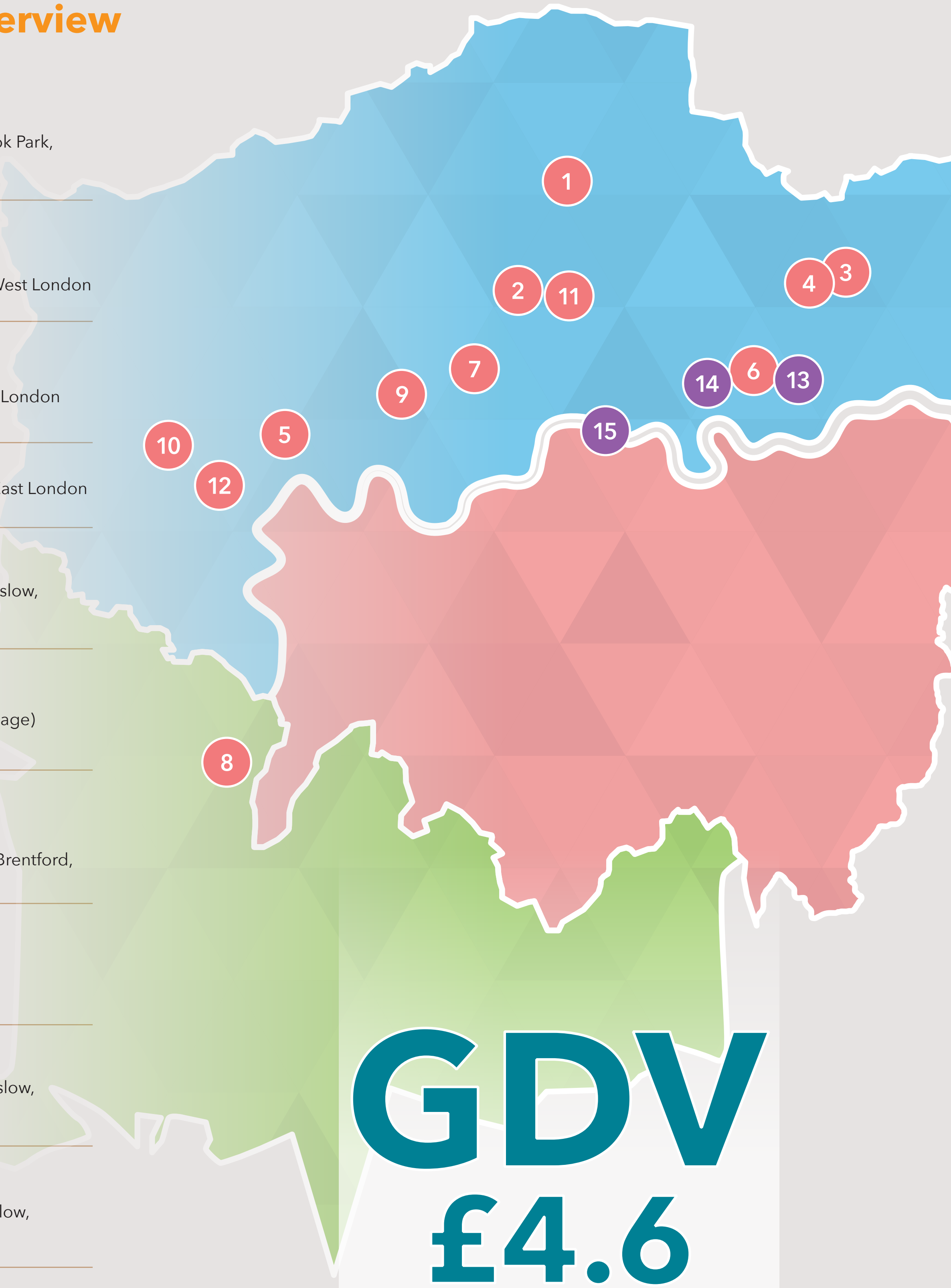
6. OXBOW
Oxbow (Aberfeldy Village) in East London

7. VERDO
Verdo-Kew Bridge in Brentford, West London

8. WOKING
Woking in Surrey, South East England

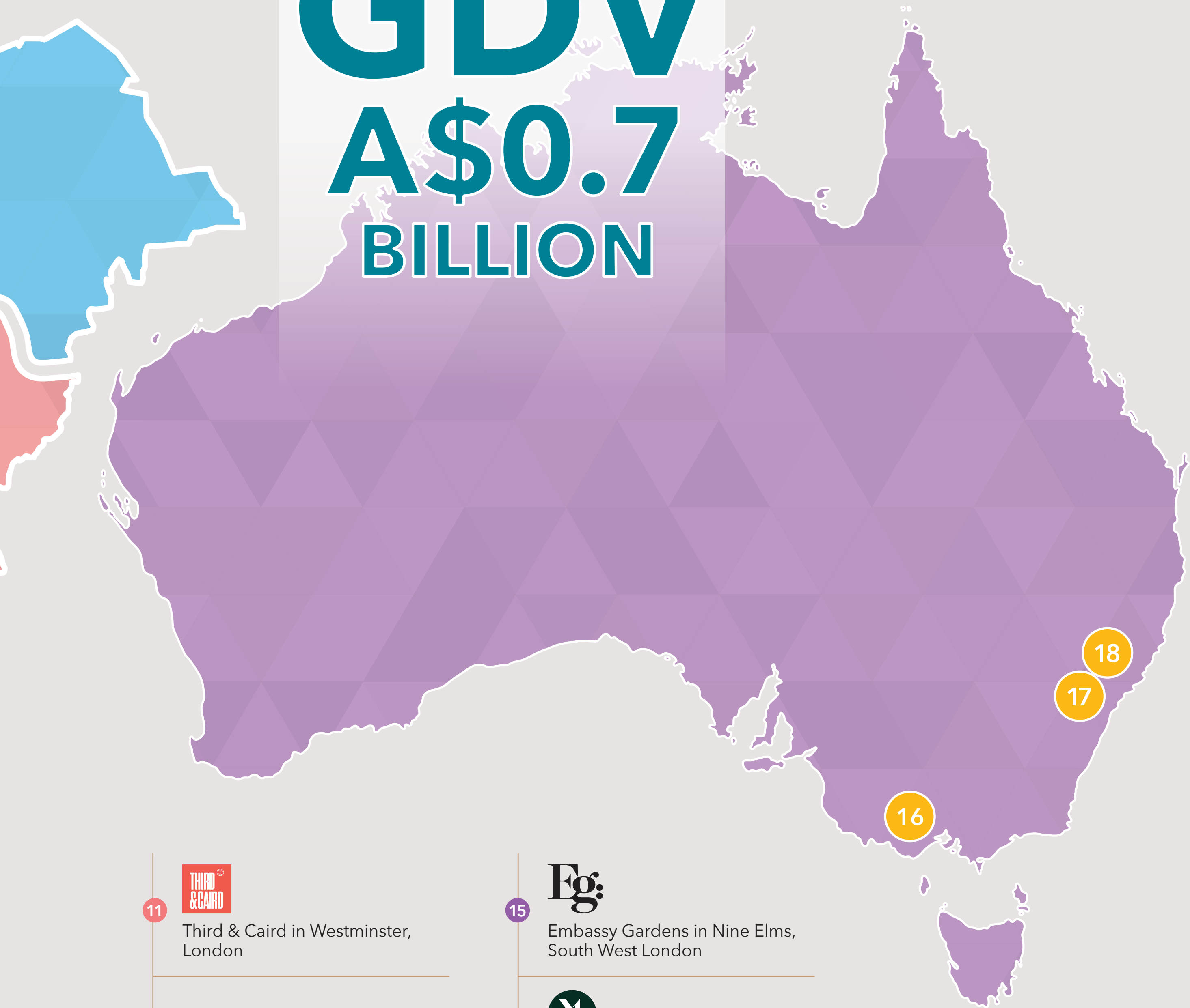
9. ACTON LODGE
Acton Lodge in Hounslow, West London

10. TWO BRIDGES
Two Bridges in Hounslow, West London



GDV £4.6 BILLION

GDV A$0.7 BILLION



11 Third & Caird in Westminster, London

NEW ROAD TRIANGLE

12 New Road Triangle in Hounslow, West London

13 London City Island on the Leamouth Peninsula, East London

14 Wardian London situated next to Canary Wharf, East London

15 Embassy Gardens in Nine Elms, South West London

16 Yarra One in South Yarra, Melbourne

17 West Village in Parramatta, Greater Sydney

MACQUARIE PARK

18 Macquarie Park in North Sydney

Corporate Information

BOARD OF DIRECTORS

Chairman/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

Senior Independent Non-Executive Director
Tan Sri Datuk Dr Rebecca Fatima Sta Maria

Non-Independent Non-Executive Directors
Datuk Heah Kok Boon
Cheng Hsing Yao
Andrew Chew Kwang Ming

Independent Non-Executive Directors
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

Tan Sri Datuk Dr Rebecca Fatima Sta Maria
(Chairperson)

Dato' Siow Kim Lun

Pauline Wong Wan Voon

RISK MANAGEMENT COMMITTEE

Dato' Kong Sooi Lin
(Chairperson)

Dato' Teow Leong Seng

Pauline Wong Wan Voon

WHISTLEBLOWING COMMITTEE

Dato' Kong Sooi Lin
(Chairperson)

Dato' Siow Kim Lun

Tan Sri Datuk Dr Rebecca Fatima Sta Maria

COMPANY SECRETARIES

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

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

REGISTERED OFFICE

Unit No. 19-01, Menara The Stride
Bukit Bintang City Centre
No. 2, Jalan Hang Tuah
55100 Kuala Lumpur
Wilayah Persekutuan
Malaysia
Tel: +603-2110 4255
Fax: +603-2110 4355
Email: ewi@ecoworldinternational.com
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 2023	AUDITED 31 OCTOBER 2022	AUDITED 31 OCTOBER 2021	AUDITED 31 OCTOBER 2020	AUDITED 31 OCTOBER 2019
Financial Results (RM'000)					
Revenue	**104,798**	159,964	572,712	672,985	478
(Loss)/Profit before tax	**(79,523)**	(229,360)	50,802	113,891	190,305
(Loss)/Profit attributable to owners of the Company	**(85,373)**	(234,418)	13,570	80,326	187,004
Financial Position (RM'000)					
Total other investments	**33**	41,123	-	-	-
Total cash, bank balances and deposits	**295,207**	614,220	336,115	284,014	439,995
Total assets	**1,669,526**	2,952,660	3,748,269	4,067,462	4,362,843
Total borrowings	**-**	482,816	900,538	1,228,359	1,463,745
Total net tangible assets	**1,655,527**	2,447,901	2,816,579	2,737,477	2,585,010
Share capital	**1,092,454**	2,592,454	2,592,451	2,592,451	2,592,451
Equity attributable to owners of the Company	**1,654,822**	2,447,187	2,815,298	2,739,072	2,685,641
Financial Ratios					
Basic (loss)/earnings per share (sen)	**(3.56)**	(9.77)	0.57	3.35	7.79
Net assets per share attributable to owners of the Company (RM)	**0.69**	1.02	1.17	1.14	1.12
Return on equity (%)	**(5.2)**	(9.6)	0.5	2.9	7.0
Net gearing ratio (times)	**-**	-	0.20	0.35	0.38
Share price - High (RM)	**0.72**	0.49	0.62	1.04	0.92
- Low (RM)	**0.26**	0.25	0.36	0.32	0.61

GROUP 2023 SUMMARY

	3 MONTHS ENDED 31 OCTOBER 2023	3 MONTHS ENDED 31 JULY 2023	3 MONTHS ENDED 30 APRIL 2023	3 MONTHS ENDED 31 JANUARY 2023
(RM'000)				
Revenue	**28,554**	31,172	22,704	22,368
Loss before tax	**(36,934)**	(10,112)	(2,120)	(30,357)
Loss attributable to owners of the Company	**(37,694)**	(12,302)	(4,556)	(30,821)
Share capital	**1,092,454**	2,592,454	2,592,454	2,592,454
Equity attributable to owners of the Company	**1,654,822**	2,492,918	2,437,793	2,348,523
Total assets	**1,669,526**	2,507,440	2,729,521	2,831,550
Total net tangible assets	**1,655,527**	2,494,195	2,438,711	2,349,284
Basic loss per share (sen)	**(1.57)**	(0.51)	(0.19)	(1.28)
Net assets per share attributable to owners of the Company (RM)	**0.69**	1.04	1.02	0.98

Corporate Structure

ECO WORLD INTERNATIONAL BERHAD

- **100%** Eco World Investment Co Ltd
  - **100%** Eco World ACE Co Ltd
    - **75%** Eco World-Ballymore Holding Company Limited
      - **100%**
        - Eco World-Ballymore London City Island Company Limited
        - Eco World-Ballymore Embassy Gardens Company Limited
        - Eco World-Ballymore Arrowhead Quay Company Limited
        - Eco World-Ballymore Asset Management Company Limited
        - Eco World-Ballymore Asset Management Company 2 Limited
        - Eco World-Ballymore Asset Management Company 3 Limited
  - **100%** Eco World International Marketing Sdn Bhd
  - **100%** Eco World Be Co Ltd
    - **70%** Eco World London Development Company Limited
    - **70%** Be Eco World Investment Company Limited
      - **100%** Eco World London Holdings Limited
        - **100%** Apo Group Limited
          - **100%** Apo People Limited
        - **100%** Barking Wharf Limited
        - **100%** Kew Bridge Gate (BTR) Limited
        - **100%** Be (M&J Retail) Limited
  - **100%** Eco World Nominee (UK) Limited
- **75%** Eco World Management & Advisory Services (UK) Ltd

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

100%
Fortune Quest Group Ltd

100%
Eco World Holding Company (UK) Limited

100%
Eco World Quayside Limited

100%
Eco World Sydney Development Pty Ltd

100%
Eco World Yarra One Pty Ltd

100%
Eco World (Macquarie) Pty Ltd

100%
Be: Here Holdings Limited

50%
Aberfeldy New Village LLP

100%
Be Living 1 Limited

99%
Kew Bridge Gate Developments LLP

100%
Be Living 8 Limited

100%
Be Eco World Nominee Limited

1%

1%

99%

- 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

Dear Shareholders,

On behalf of the Board, I wish to present EcoWorld International's Integrated Annual Report for the financial year ended 31 October 2023.

By prioritising cash generation and preservation through sales of completed stocks, the Group managed to generate significant cash in the financial year.

FY2023 Net Cash Balance

RM295 million

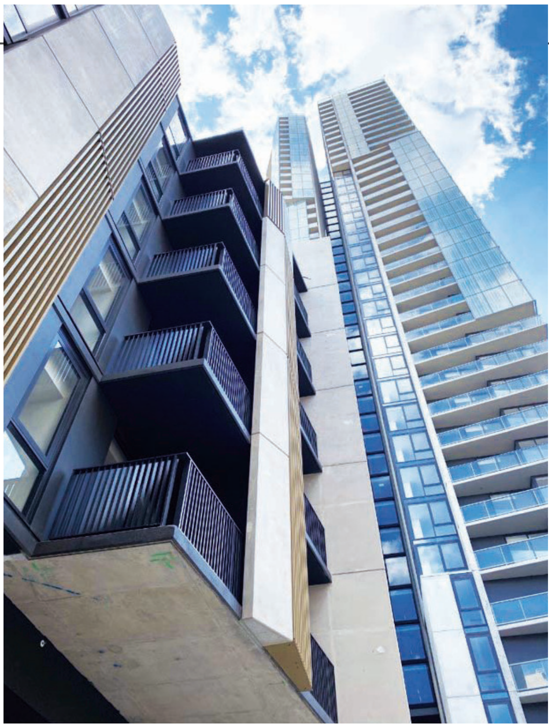
Distributed

RM936 million

dividends for FY2023

CHEAH TEK KUANG
Chairman/Independent Non-Executive Director

Chairman's Statement



DISTRIBUTIONS TO SHAREHOLDERS

In late-FY2022, the Board decided to put all new launches on hold and reassess their feasibilities amidst rising development costs and weakening buying power among home buyers. Tight labour market, supply chain disruption and geopolitical conflicts have exerted significant cost pressures on our projects. Cost of living pressures and sharp increase in interest rates further dampened the demand for property.

The Group's prudent approach has been effective in navigating the challenging market conditions that persisted in FY2023. Home prices in London fell 4% while construction costs in the UK rose 5% in FY2023. By prioritising cash generation and preservation through sales of completed stocks, the Group managed to generate significant cash in the financial year.

In the absence of any immediate plans to undertake new launches or acquisitions in the near term, the Board believed it is in the best interest of shareholders for our Group to return the excess cash generated through dividend distribution.

I am pleased to report that the Group had successfully distributed RM936 million dividends to shareholders for FY2023. This slightly surpassed the targeted RM900 million excess cash distribution set by the Board at the end of last year.

FINANCIAL RESULTS

The strategy to defer new launches has inevitably constrained the Group's capability to generate profit as sales and revenue naturally declined without new launches. The Group also had to recognise significant impairment in relation to our investment in EcoWorld London, arising from write-off of planning costs and deferment of launches. This in turn led to the overall losses of the Group in FY2023.

Despite the adverse impact on medium term profitability, the risks of falling prices, prolonged sales period, rising construction costs and the opportunity costs of committing capital had been taken into consideration with regards to the decision to put all new launches on hold. As a mitigating measure, the Group embarked on further cost cutting measures to better align our overhead resources with the current level of business activities. The Group had also retired all its borrowing at the Group level during the financial year and ended the year with a net cash balance of RM295 million.

FY2024 OUTLOOK

Inflation rates in the UK in recent months continued to exceed the Bank of England's target. This poses a risk of further interest rate hikes. Against this backdrop, our current focus remains on monetising the completed stocks for cash generation. The Group has approximately RM850 million worth of completed stocks as at 31 October 2023. Our goal for FY2024 is to sell out all these stocks and distribute the excess cash, after setting aside sufficient sums for operational requirements, back to shareholders.

The Group still has a significant presence in the UK via EcoWorld London. Shortage of good-quality homes in London remains a source of opportunities in the longer term. With the Group's net cash position and track record in delivering sizeable projects in the UK, we should be well-positioned to seize these opportunities when the market recovers.

Meanwhile, management is closely monitoring and reassessing the feasibilities of the unlaunched phases of our existing projects. The Board will only consider proceeding with launches when market conditions improve, cost pressures stabilise and expected returns that meet the Group's requirements can be forecast with greater certainty.

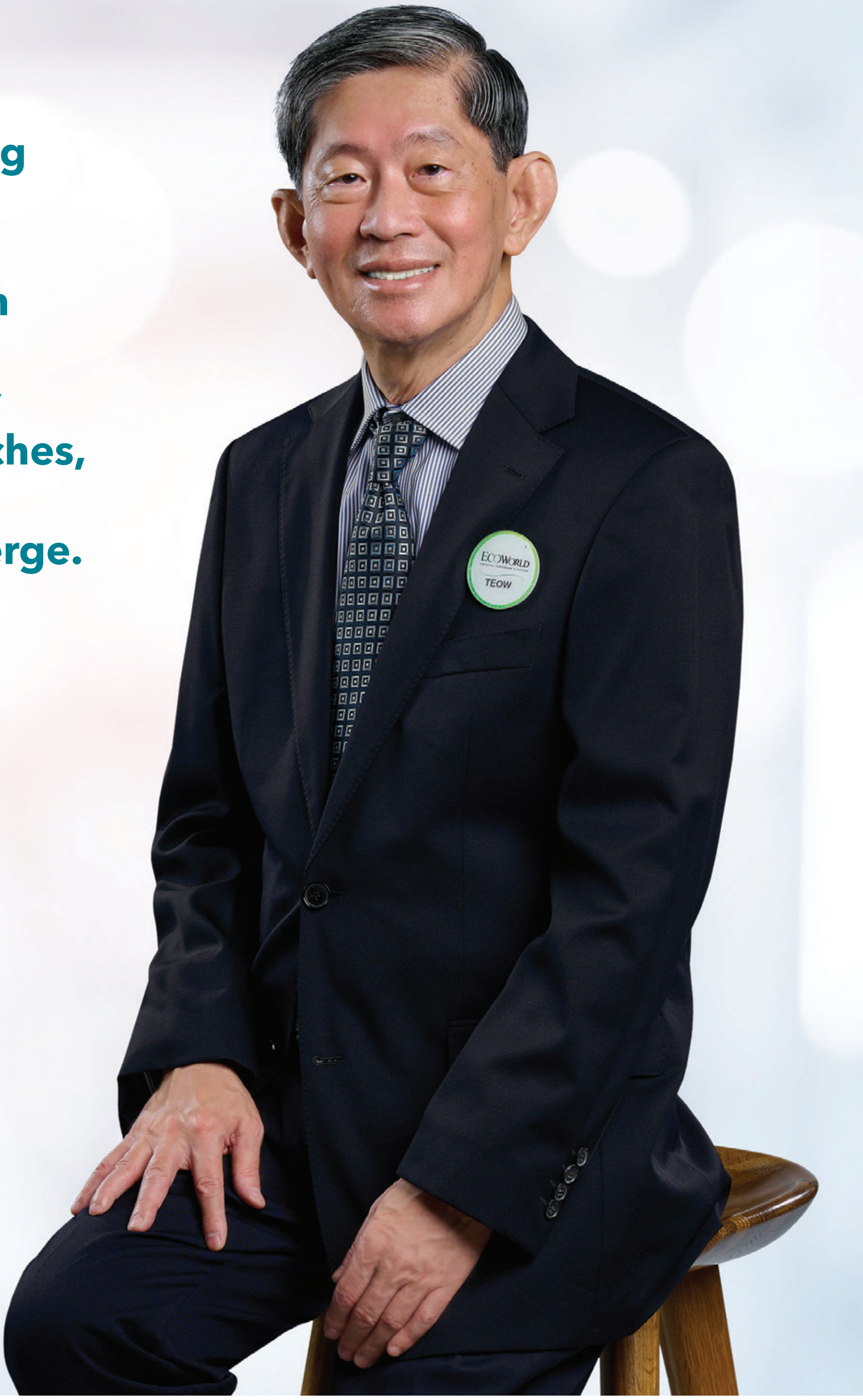
NOTES OF APPRECIATION

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 wish to thank Mr Tang Hong Cheong and Dato' Chang Khim Wah who retired from EcoWorld International's Board for their contributions to our business decisions. I extend my welcome to Mr Andrew Chew Kwang Ming and Datuk Heah Kok Boon as our new Board members.

I also wish to thank our other board members and all shareholders for your continued trust and support in us.

President's Management Discussion & Analysis



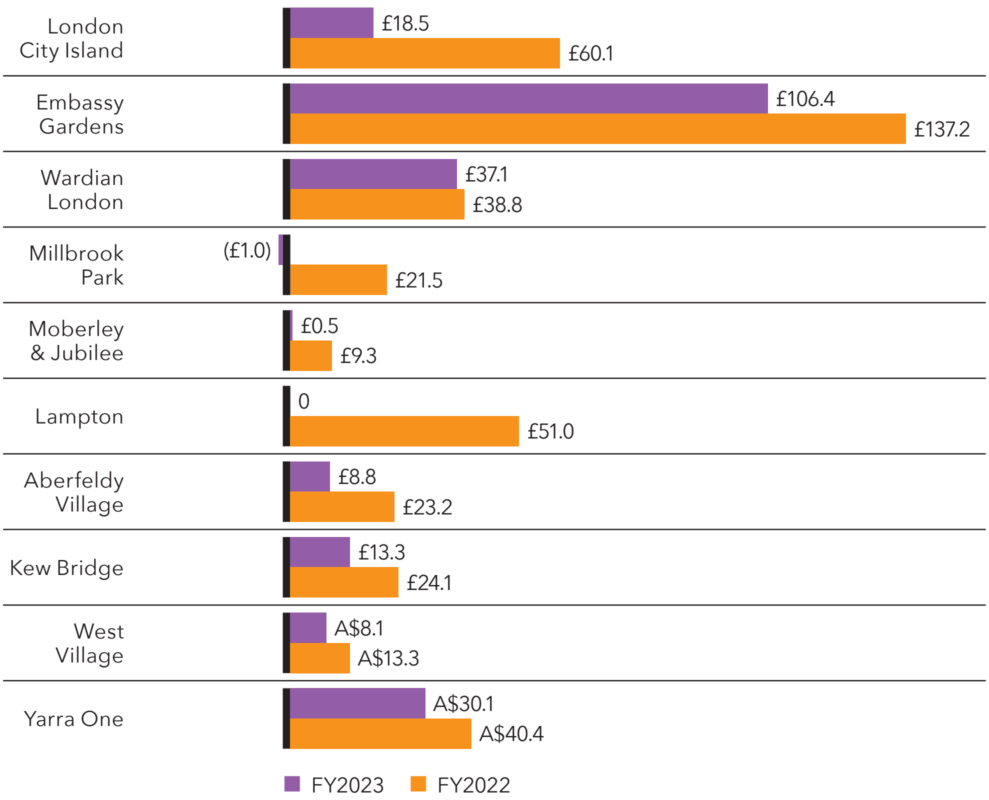
In FY2023's challenging climate, EcoWorld International stayed resilient by focusing on completing ongoing projects and decisively deferring all new launches, until more favourable market conditions emerge.

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

SALES PERFORMANCE

EcoWorld International achieved RM1,181 million sales in FY2023. The Group has been focusing on selling completed stocks in the financial year under review. There was no new launch undertaken in FY2023 and sales were derived from existing completed projects.

Sales in Local Currency (million)



FINANCIAL PERFORMANCE OF THE GROUP

The Group recorded RM105 million revenue in FY2023, 34% lower than FY2022. The lower revenue was a result of fewer handovers by the Australian projects in the year under review. West Village and Yarra One collectively handed over 47 units to purchasers in FY2023, compared with 63 units in FY2022.

Direct expenses mostly comprise of the cost of sales of Australian units that were handed over in the financial year. Direct expenses reduced to RM87 million in FY2023 from RM130 million in FY2022. The reduction was in line with fewer number of units handed over in Australia.

Gross profit margin narrowed to 17% in FY2023 from 19% in FY2022 due to additional incentives provided to purchasers of Australian projects to stimulate sales.

Other income rose to RM31 million in FY2023 from RM6 million in FY2022, mainly due to higher interest income. While the Group's cash balance at October 2023 was lower than that in October 2022 due to repayment of borrowings and dividend distribution, the average cash balance in FY2023 was significantly higher than in FY2022 as a result of repayment of shareholder's advances from EcoWorld Ballymore.

President's Management Discussion & Analysis

The Group recorded slightly lower marketing expenses of RM5.8 million in FY2023, compared to RM6.6 million in FY2022, which is in line with the lower revenue recorded in West Village and Yarra One in FY2023. The Group also scaled down the marketing activities for West Village and Yarra One as these projects are nearly fully sold and therefore required lesser marketing.

Administrative expenses reduced to RM36 million in FY2023 from RM38 million in FY2022 due to lower corporate office expenses incurred.

In FY2023, the Group recognised a reversal of impairment on its investment in EcoWorld-Ballymore of RM65 million. The Group had undertaken a RM74 million impairment on this investment in FY2022 to reflect the anticipated slowdown in sales, higher yield expectation for commercial properties and higher cost of capital. This impairment was substantially reversed in FY2023 following significant progress in monetisation of inventories in the current financial year.

The positive impact of the above reversal was offset by an impairment loss provided by the Group on the amount owing by EcoWorld London of RM91 million in FY2023. This reflects the Group's share of the net liabilities position of EcoWorld London as at 31 October 2023.

The Group recognised a net gain of RM32 million on foreign exchange in FY2023. The repayments of shareholders' advances from EcoWorld-Ballymore have effectively enabled the Group to realise the gains arising from the appreciation of British Pound against Ringgit.

Finance costs reduced to RM17 million in FY2023, from RM42 million in FY2022, as the Group's borrowings were fully repaid in mid-FY2023.

Total share of results in joint ventures was a RM75 million loss as both EcoWorld Ballymore and EcoWorld London joint ventures reported losses for FY2023.

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	**FY2023**	**FY2022**
Revenue	£173.0	£280.5
Gross Profit	£5.3	£3.3
Gross Profit Margin	3%	1%
Other operating losses	(£0.7)	(£1.2)
Admin & other expenses	(£8.1)	(£12.9)
Net Finance Costs	(£0.1)	(£2.0)
Tax expenses	(£0.3)	(£2.0)
Loss after tax	(£3.8)	(£14.8)

Note:
Total may not add up due to rounding.

EcoWorld Ballymore recorded lower revenue of £173.0 million in FY2023, compared to £280.5 million in FY2022, as fewer units were handed over in FY2023 versus FY2022. The three projects developed by EcoWorld Ballymore, namely London City Island, Embassy Gardens and Wardian London have reached the late phase of their development cycles whereby 97% of the apartment units have been sold as at 31 October 2023.

EcoWorld Ballymore reported a gross profit of £5.3 million in FY2023 arising from better profit margin led by different product mix.

Administrative and other expenses reduced to £8.1 million in FY2023 from £12.9 million in FY2022. EcoWorld Ballymore incurred lower holding costs due to fewer unsold units in FY2023. On top of that, marketing activities were scaled down as the apartment units in London City Island and Wardian London are nearly fully sold out.

Despite reporting a loss before tax of £3.5 million, a tax expense of £0.3 million was recognised in FY2023. The tax expense was driven by restriction on the tax deductibility of interest expenses due to UK Corporate Interest Restriction rules.

Be EW Investment

Be EW Investment Profit & Loss		
In Million	**FY2023**	**FY2022**
Revenue	£56.7	£167.2
Gross Loss	(£10.8)	(£12.0)
Gross Loss Margin	(19%)	(7%)
Other operating expenses	(£14.6)	(£3.8)
Share of results from JV	(£1.3)	£1.8
Net Finance Costs	(£1.0)	(£1.4)
Tax expenses	(£0.9)	£2.0
Loss after tax	(£28.6)	(£13.4)

Be EW Investment's revenue decreased to £56.7 million in FY2023 from £167.2 million in FY2022 due to lower number of units handed over in FY2023 compared to FY2022. It reported a gross loss of £10.8 million in FY2023 due to cost inflation in Millbrook Park arising from prolongation of construction and provisions for defect rectifications. On top of that, Be EW Investment recognised an impairment of £5.7 million in relation to an unlaunched phase of Kew Bridge to incorporate costs relating to a second stair core required under the revised building regulations.

Other net operating expenses increased to £14.6 million in FY2023 from £3.8 million in FY2022 as planning costs in relation to the Tulse Hill project were written off following the Board's decision not to pursue the development.

While Be EW Investment recognised a loss before tax of £27.7 million for FY2023, its tax expense for the year was £0.9 million as it wrote off its deferred tax assets. These deferred tax assets were deemed to be non-recoverable given that all new launches are put on hold, pending review of their feasibilities.

CASHFLOWS

EcoWorld International generated RM84 million of cash from operating activities in FY2023. 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 RM899 million from investing activities in FY2023. The key drivers for the investing cashflows are repayment of shareholder advances amounting to RM830 million from joint ventures.

Total liabilities reduced to RM14 million as at October 2023 from RM504 million as at October 2022 as all borrowings at the Group level were fully repaid in FY2023.

The Group recorded a net cash outflow of RM1.3 billion in relation to its financing activities. The key drivers for the financing cashflows are i) net repayment of borrowings of RM483 million, and ii) dividend payment of RM792 million.

BALANCE SHEET

Compared to October 2022, the Group's total assets as at October 2023 reduced by 43% to RM1,670 million as the Group utilised its cash balances for repayment of borrowings and distribution of RM792 million dividend during FY2023.

Inventories under current assets reduced by 73% to RM31 million as more completed units in Yarra One and West Village were sold during the year. Inventories under non-current assets refer to historical costs incurred for the Macquarie Park land. The value increased slightly to RM144 million as at October 2023 from RM142 million as at October 2022 due to capitalisation of additional planning expenses and holding costs.

Investment in joint ventures increased to RM270 million as at October 2023 from RM264 million as at October 2022. The increase was driven mainly by the reversal of impairment on investment in EcoWorld-Ballymore.

The amounts owing by joint ventures reduced to RM903 million as at October 2023 from RM1.749 billion as at October 2022 following partial repayment of advances by the joint ventures during FY2023. RM297 million out of the RM903 million owing by joint ventures is expected to be repaid within FY2024 and are therefore classified as current assets.

Total liabilities reduced to RM14 million as at October 2023 from RM504 million as at October 2022 as all borrowings at the Group level were fully repaid in FY2023.

President's Management Discussion & Analysis

REVIEW OF OPERATIONS

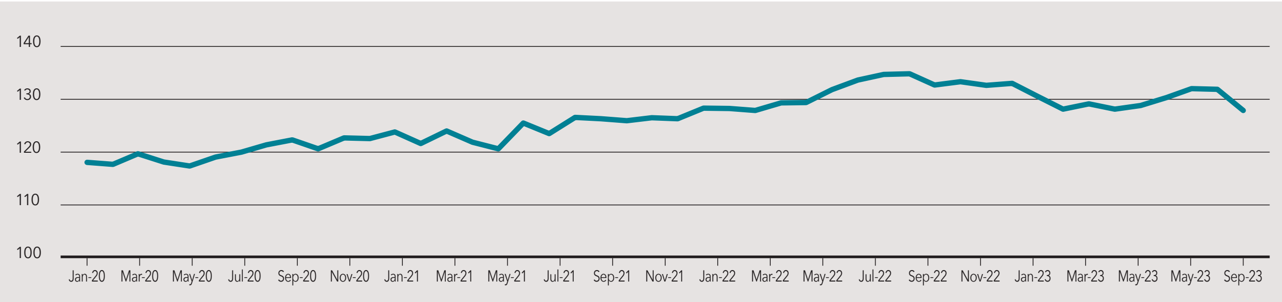
All active phases of the Group's projects are completed, with the exception of Millbrook Park Phase 2 and New Road Triangle. The status and anticipated completion of the Group's active projects are included in the table below.

Projects	Current Construction Status (as at 31 October 2023)	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 completion by 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 completion by 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

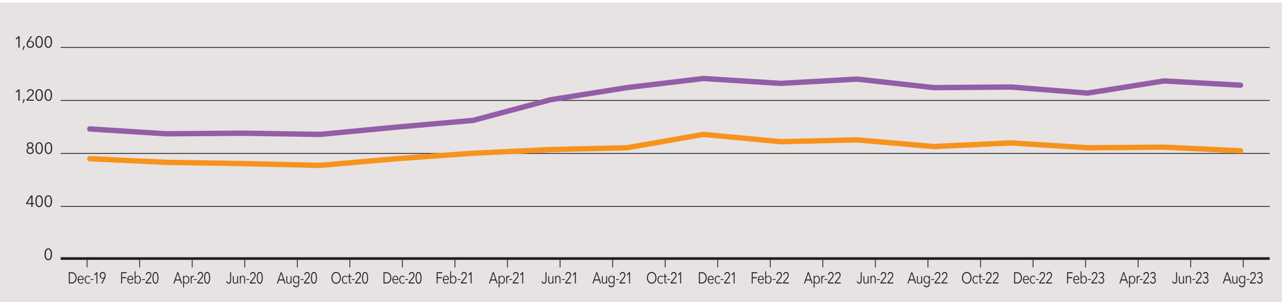
The real estate market in the UK and Australia remained challenging in FY2023. Home prices in London fell 3.6% in the 12 months to October 2023 while those in Melbourne fell 3.5% in the 12 months to September 2023. Home prices in Sydney rose 1.5% in the 12 months to September 2023 but remained below the peak achieved in Dec 2021.

London House Price Index



Source: UK Office for National Statistics

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

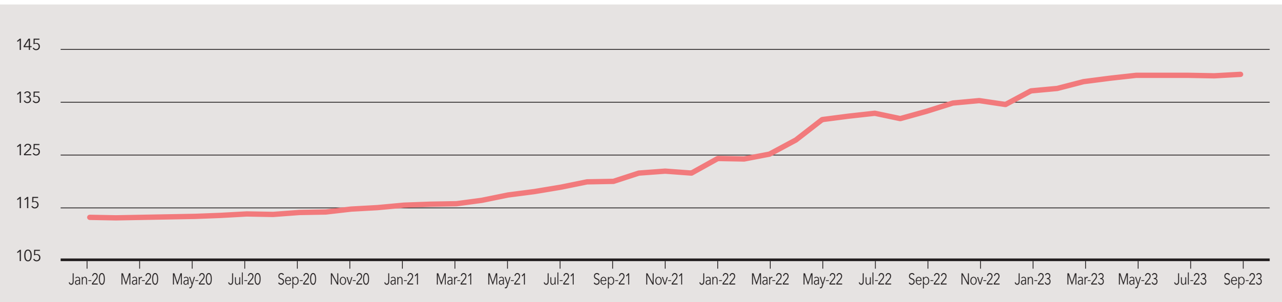


Source: Australian Bureau of Statistics

Sydney Melbourne

On the other hand, construction costs have continued to rise due to high energy prices and wage inflation. Average cost for new construction works in the UK was 5% higher year-on-year in September 2023.

UK Construction Output Prices For New Construction Works



Source: UK Office for National Statistics

OUTLOOK

Given the rising development costs and weak market sentiment, the Board believes that current market conditions remain unfavourable for the Group to undertake new launches. Accordingly, while the Group continues to review the upcoming phases of existing projects and potential land acquisition opportunities, the key focus for FY2024 is to generate cash through sales of completed stocks and make further distribution of excess cash to shareholders.

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.

In essence, our business model 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 scale 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 include land identification, securing planning permission, delivery management, sales & marketing, funding, post completion services and investor identification which support the development and operations of UK projects.

Eco World London Development Company Limited,
Eco World Management & Advisory Services (UK) Ltd

Build-to-Rent

- Established BtR platform that works as operator and development consultant for a range of investor and developer clients, with over 2,000 homes under management in cities across the UK. A partner with the experience to optimise every aspect of a BtR scheme, adding value from land and planning stage right through to turnaround of underperforming assets.

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.

Since launching in 2020 Apo's portfolio has grown to over 2,000 BtR homes spread across London, Liverpool and Birmingham and is continuing to expand across the UK.

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.

ECO: OUR STRATEGIC APPROACH TO VALUE CREATION

Our ECO pillars define the Group's strategic approach to value creation. ECO refers to Exceptional Environment, Connected Community and Outstanding Organisation. Essentially, EcoWorld International, through its business model aims to deliver financial and non-financial outcomes that are aligned or consistent with the ECO pillars. These pillars distinguish the Group's approach to real-estate development, providing it with a business philosophy that is centred on serving society and safeguarding the environment while generating financial returns.

Against the backdrop of higher interest rates and elevated cost of living, our Group will continue to accelerate sales and monetise completed stocks. At the same time, our business operations are underpinned by the ECO approach and progressively, financial performance is integrated or considered together with environmental and social perspectives. The aspirations of ECO are that all three components are invariably and intrinsically in mutual co-dependence with each other.

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.

- EcoWorld UK's head office has relocated to a smaller office at Wilton Road, London in October 2023, effectively reducing the amount of floor space needing heating and lighting, leading to a overall lower energy consumption
- EcoWorld London's project sites energy requirements are procured by the appointed Principal Contractor, who have been directed to ensure that 100% is sourced from renewables
- The design of Aberfeldy Village (Oxbow) is in line with the London Energy Transformation Initiative Standards, and it is projected to achieve a significant 78.9% reduction in carbon emissions compared to conventional homes
- The heat metering system incorporated in New Road Triangle's design allows its residents to pre-pay for their energy usage through a convenient smartphone app, and empowers its residents to manage their energy expenses more effectively to cope with rising energy costs in the UK

CONNECTED COMMUNITY

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

- The revival of Aberfeldy Street in London, in collaboration with High Street Works, has helped support local businesses and entrepreneurs in using the space on the street
- EcoWorld London has revitalised the previously unused site at Goldsworth Road near Woking into a vibrant temporary community and event hub. This space has become a home for artisanal events and a marketplace for local entrepreneurs, showcasing sustainable and locally-sourced products
- EcoWorld UK developments are vibrant hubs of community activity, hosting a variety of events for residents to enjoy and connect with their neighbours. Developments like Apo Barking and Apo Kew even organise open days to further strengthen community bonds

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.

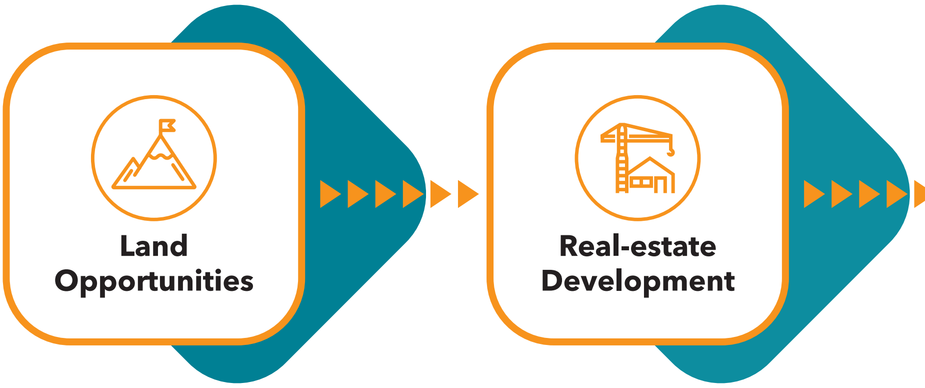
- RM1.181 billion sales exchanged plus reservations of RM114 million adding up to a total of RM1.295 billion for FY2023
- The bulk of the cash generated from sales has been paid out as dividends to shareholders after setting aside sufficient working capital and funding requirements for the Group
- The first interim dividend of RM792 million and the final dividend of RM144 million, representing 33 sen per share and 6 sen per share were declared in August 2023 and December 2023, respectively
- Total dividends of RM936 million for FY2023 have exceeded the targeted RM900 million excess cash distribution set last year

ECO ensures that EcoWorld International remains attuned to the needs of stakeholders and continues to build and create developments that are relevant to a dynamically evolving market environment. It emphasises placemaking, accessibility, connectivity, inclusiveness, and consideration for growing, evolving communities and lifestyle aspirations. All of these come together to ensure enduring value propositions providing a competitive edge that supports sales and revenues.

Beyond financials, returns are measured in terms of outputs and outcomes created across a multi-capital perspective, especially 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.

Our Business Model at Work: The Value Chain

In providing further clarity on the Group's business model, IAR FY2023 illustrates the key processes of EcoWorld International's business operations. Value chain for the Group's real-estate development operations is illustrated on the right:



Stage	Description	ECO Considerations
Land Opportunities	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. As the real estate industry is a significant carbon emitter with a complex footprint, the rising energy costs and growing focus on lower carbon products by stakeholders have necessitated a focus on green or eco-friendly approaches to real estate development.
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 and more onerous social and environmental measures are material planning considerations.
Sales and Marketing	Sales and marketing, customer relationships 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 we will have in the community even before we start work on developments.
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 the benefits of economies of scale. Increasingly, organisations are being held accountable for the non-compliance/non-performance of their supply chain. Issues within the supply chain, including a lack of alignment to the ECO approach may lead to issues of below par quality, increased compliance costs, project delays and other negative impacts.
Post Customer Handover	Estate management, 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 events for residents at each project. Communications with residents are conducted through online applications.

	Capital Utilised	Material Matters	Associated Risks
	Natural Intellectual Financial	• Energy & Carbon • Climate Change Adaptation, Mitigation & Resilience • Stakeholder Engagement & Partnership	• Weak Market Sentiment • Financial Risks • Non-compliance with Sustainability Commitments • Non-compliance with Regulatory Requirements
	Natural Intellectual Social Financial	• Energy & Carbon • Climate Change Adaptation, Mitigation & Resilience • Biodiversity & Green Infrastructure • Purposeful Construction & Placemaking • Building Wellbeing & Productivity	• Weak Market Sentiment • Financial Risks • Talent Management • Non-compliance with Sustainability Commitments • Non-compliance with Regulatory Requirements
	Social Intellectual Human Financial	• Quality of Life • Education & Skills • Transparent Disclosure • Stakeholder Engagement & Partnership	• Cybersecurity Risks • Talent Management • Non-compliance with Sustainability Commitments
	Manufactured Natural Intellectual Social	• Climate Change Adaptation, Mitigation & Resilience • Biodiversity & Green Infrastructure • Energy & Carbon • Water Consumption • Circular Economy & Resource Use • Responsible Supply Chain Management	• Health and Safety Risks • Non-Compliance with Regulatory Requirements • Non-compliance with Sustainability Commitments • Poor Performance of Contractors
	Manufactured Human Intellectual	• Stakeholder Engagement & Partnership • Culture • Water Consumption • Building Wellbeing & Productivity • Community Cohesion • Quality of Life	• Cybersecurity Risks • Talent Management • Non-compliance with Sustainability Commitments

Risks to Our Value Creation

Risks	Impact to Business Model and Value Creation	Mitigation Measures
Market Sentiment	Our performance depends to a large extent on the buoyancy of the real-estate markets in the UK and Australia which we have a strong presence. This in turn is affected by domestic and global economies, and political and social factors. Rising interest rates and cost of living crisis have dampened the demand for real estate.	All new launches at our remaining sites continue to be put on hold pending feasibility reviews. We 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.
Financial	Business and return on investment risks due to inability to meet the financial targets, liquidity risk arising from the inability to meet our Group's present and future financial obligations on a timely basis, and fluctuations in foreign exchange rates may negatively impact the return of capital from the UK and Australia.	We diligently monitor sales targets, inventory levels and adopt agile sales and marketing strategies to suit the current market conditions to meet adequate cash flow requirements and maintain liquidity throughout the year. To mitigate adverse currency exchange fluctuations, we monitor the movement 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 fluctuation.
Health & Safety	Any occupational health and safety incidents could lead to site closures which will impact revenue directly. Such incidents will also cause 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 process and controls. EcoWorld London has delivered five-point health, safety, environment, and wellbeing strategy to ensure long-term management of health and safety. The new Health and Safety Management System was finalised and implemented in July 2023. This involved group training workshops and the assignment of responsibilities, followed by individual training sessions that culminated in formal appointments.

Risks	Impact to Business Model and Value Creation	Mitigation Measures
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. Energy Savings Opportunity Scheme (ESOS) is a mandatory energy assessment scheme for large organisations in the UK and EcoWorld London has appointed an independent ESOS Assessor to undertake the assessment.
Escalation of construction cost and quality risks upon practical completion	Failure to deliver all elements of the development to the pre-agreed level of quality acceptable to all parties upon practical completion would lead to delay in handling over completed units to customers, additional costs associated with rectification works and reputational damage to the brand.	The two on-going projects namely Millbrook Park (Block D) and New Road Triangle are being delivered by principal contractors which will help to better manage the risk exposure of project costs escalation and delays to project progress. Apart from that, work is underway on the standard operating procedures to ensure clear processes and controls are in place to support delivery of quality products to customers.
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.	Work is underway on setting new parameters and design requirements for the principal contractors to ensure we remain on track towards our ECO goals.
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 may be detrimental to the Group.	There are continuing initiatives to develop highly skilled and competent people. This includes grooming and developing younger members of the management team to gradually assume greater responsibilities as part of our succession planning.
Cyber Security	Cyber-attacks may cause leakage 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.

Future Orientation and Strategic Priorities

In navigating its external operating environment, EcoWorld International has identified key focus areas which are viewed as being fundamental to ensuring continued value creation across both financial and non-financial perspectives.

The identified focus areas are aligned to the Group's ECO strategic pillars and will result in shifts in capital and resource allocation as well as strategic priorities going forward.

MONETISATION OF INVENTORIES AND RETURNING EXCESS CASH TO SHAREHOLDERS

The challenging economic conditions persist in the UK real estate market as high interest rates and elevated cost of living dampen homebuyers' purchasing power. In a bid to curb inflation in the UK, there remains a risk of further interest rate hikes. In view of the ongoing weak market sentiment and significant construction cost inflation in the UK, all new launches at our remaining sites continue to be put on hold pending feasibility reviews.

In FY2024, our Group will continue to purse monetisation of our completed stocks in hand. Our Board has set the internal sales target of approximately RM850 million for FY2024 comprising completed and nearly completed stocks in the UK and Australia, of which our Group's effective share is approximately RM640 million. Our Group targets to sell all these stocks in FY2024, and distribute excess cash generated to our shareholders, after setting aside funds for our Group's working capital and funding requirements.

TIMELY COMPLETION OF ALL ONGOING PROJECTS

As at the end of FY2023, EcoWorld London has two ongoing projects namely New Road Triangle and Millbrook Park (Block D). The focus is on completing both projects in FY2024 and to the required quality and specifications while remaining within budget.

Financial and non-financial resources have been sufficiently allocated to ensure successful completion.

Notwithstanding the completion of our existing real estate development projects in the UK, our Group will continue to have presence in the UK via our joint venture, EcoWorld London. Our Group will continually assess the feasibility of launching future phases of EcoWorld London's existing projects in Kew Bridge and Aberfeldy Village and two new projects in Woking and Barking. Given our Group's gearing position which is close to nil, proven track record of completion and delivery of sizeable projects in the UK, we are well-positioned to take advantage of development opportunities in the UK when the market recovers.

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 FY2023 • Share capital: **RM2,592 million** • Cash and cash equivalents: **RM614 million** • Total assets: **RM2,953 million** • Total liabilities: **RM504 million** • Borrowings: **RM483 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 APO App and data gathered from our consumer base and asset performance of Apo projects	• ISO14001: Environmental management systems certification • 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, retain quality talent by promoting a diverse and inclusive workforce as well as creating a platform for continuous learning	• 109 total number of employees • ISO45001: Occupational health and safety management systems
SOCIAL Relationships and rapport developed with stakeholders are vital to EcoWorld International where brand reputation and perception is essential to generate long-term value	• Working together with Poplar HARCA to enhance the lifes and well-being of Aberfeldy's residents • 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 net zero carbon in the UK, integrating natural systems and promoting biodiversity in future developments, reducing waste and water consumption to create sustainable living environments	• Diesel and electricity consumption • Water consumption

Our Business Model

FUTURE ORIENTATION AND STRATEGIC PRIORITIES

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

Provision of development management services which include land identification, securing planning permission, delivery management, sales & marketing, funding, post completion services, and investor identification which support the development and operations of UK projects

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

Established BtR platform that works as operator and development consultant for a range of investor and developer clients, with over 2,000 homes under management in cities across the UK. A partner with the experience to optimise every aspect of a BtR scheme, adding value from land and planning stage right through to turnaround of underperforming assets

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

Monetisation of inventories and returning excess cash to shareholders

Timely completion of all ongoing projects

Outputs	Outcomes
FINANCIAL End of FY2023 • Share capital: **RM1,092 million** • Cash and cash equivalents: **RM295 million** • Total assets: **RM1,670 million** • Total liabilities: **RM14.0 million** • Borrowings: Nil	• Achieved **RM1.181 billion** exchanged sales plus reservations of **RM114 million** adding up to a total of **RM1.295 billion** for FY2023 • First interim dividend & Final dividend of **RM792 million** and **RM144 million** were declared in August 2023 and December 2023 respectively
MANUFACTURED Sales Value in FY2023: • EcoWorld Ballymore: **£162 million** (RM939 million) • EcoWorld London: **£22 million** (RM127 million) • West Village & Yarra One: **AUD38 million** (RM115 million)	• Launched **RM27.4 billion** worth of properties with **96%** of these launches sold by value since the Group's debut in 2015
INTELLECTUAL • All EcoWorld London's development sites are certified with **ISO14001** and **ISO45001** • **1,500** active APO app users • Over **6,000** 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: **92%**
HUMAN • Workforce Participation > Female in the Company: **39%** > Female in Senior Management: **50%** > Female on EcoWorld International Board: **30%** • **23%** employee turnover rate • **401** total health and safety training hours	• A diverse and inclusive workforce • Achieved zero fatalities
SOCIAL • **65%** and **87%** of EcoWorld Ballymore and EcoWorld London procurement contracts respectively were awarded to Local Companies • **93%** of EcoWorld London's procurement spend directed to small and medium-sized enterprises in the UK	• Making a positive impact in the places we build and help foster strong, flourishing communities for generations to come
NATURAL • CO_2 across scope 1, 2 and 3 of EcoWorld London's operation and projects • **98.3%** 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

We are pleased to present EcoWorld International's annual Sustainability Statement for the period from 1 November 2022 to 31 October 2023 ("SS FY2023"). This report provides an overview of our progress and performance on managing our material environmental, social and governance ("ESG") matters towards creating an Exceptional Environment, Connected Community, and Outstanding Organisation ("ECO"). A more comprehensive account of our sustainability efforts can be found in our Sustainability Report 2023 ("SR FY2023").

FRAMEWORKS, SCOPE AND BOUNDARY

EcoWorld International's SS FY2023 has been prepared in accordance with Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements. Other frameworks, standards and guidelines adopted in full or partially include:

Bursa Malaysia's 3rd Edition Sustainability Reporting Guide

United Nations Sustainable Development Goals ("UNSDGs")

Global Reporting Initiative (GRI) Core Option*

Task Force on Climate-related Financial Disclosures ("TCFD")*

FTSE4Good Bursa Malaysia Index ("FTSE4Good")*

Sustainability Accounting Standards Board ("SASB") Sector Specific Disclosures*

* GRI, FTSE4Good, SASB and TCFD content indices are provided in the SR FY2023.

The information disclosed herein covers the business operations and activities of EcoWorld International's operations in the United Kingdom ("UK") and Australia, along with the Headquarters and International Sales Office in Malaysia. As the development projects in Australia and EcoWorld Ballymore projects have been completed, the emphasis of our sustainability disclosures is on ongoing projects within EcoWorld London and Apo Group in the UK.

ASSURANCE AND FEEDBACK

All data disclosed in the SS FY2023 has been sourced from internal documents, with verification provided by the respective information owners. The Board of EcoWorld International is satisfied that this report has been prepared in compliance with the Main Market Listing Requirements of Bursa Malaysia and provides a fair representation of the Group's ESG performance in FY2023.

Feedback and queries on the SS FY2023 can be channelled to ewi@ecoworldinternational.com.

Sustainability at EcoWorld International

At EcoWorld International, we are committed to operating responsibly, transparently, and sustainably in all that we do. This includes progressively managing ESG in the three focus areas of Exceptional Environment, Connected Community and Outstanding Organisation ("ECO"). Placing ECO at the centre of everything we do will ensure that each job, home and community we create is truly sustainable and has a long-lasting positive impact in achieving our vision of ***Creating Tomorrow & Beyond***.

OUR ESG FRAMEWORK

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

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.

MATERIAL TOPICS

Exceptional Environment:
- Energy & Carbon
- Climate Change Adaptation, Mitigation & Resilience
- Biodiversity & Green Infrastructure
- Water Consumption
- Circular Economy & Resource Use

Connected Community:
- Purposeful Construction & Placemaking
- Building Wellbeing & Productivity
- Community Cohesion
- Quality of Life
- Local Economic Development/Enterprising Communities

Outstanding Organisation:
- Equality, Diversity & Inclusivity
- Education & Skills
- Stakeholder Engagement & Partnership
- Responsible Supply Chain Management
- Transparent Disclosure
- Sustainability Culture
- Corporate Governance

UNSDGS ALIGNMENT

EXTERNAL VALIDATION OF EFFORTS VIA

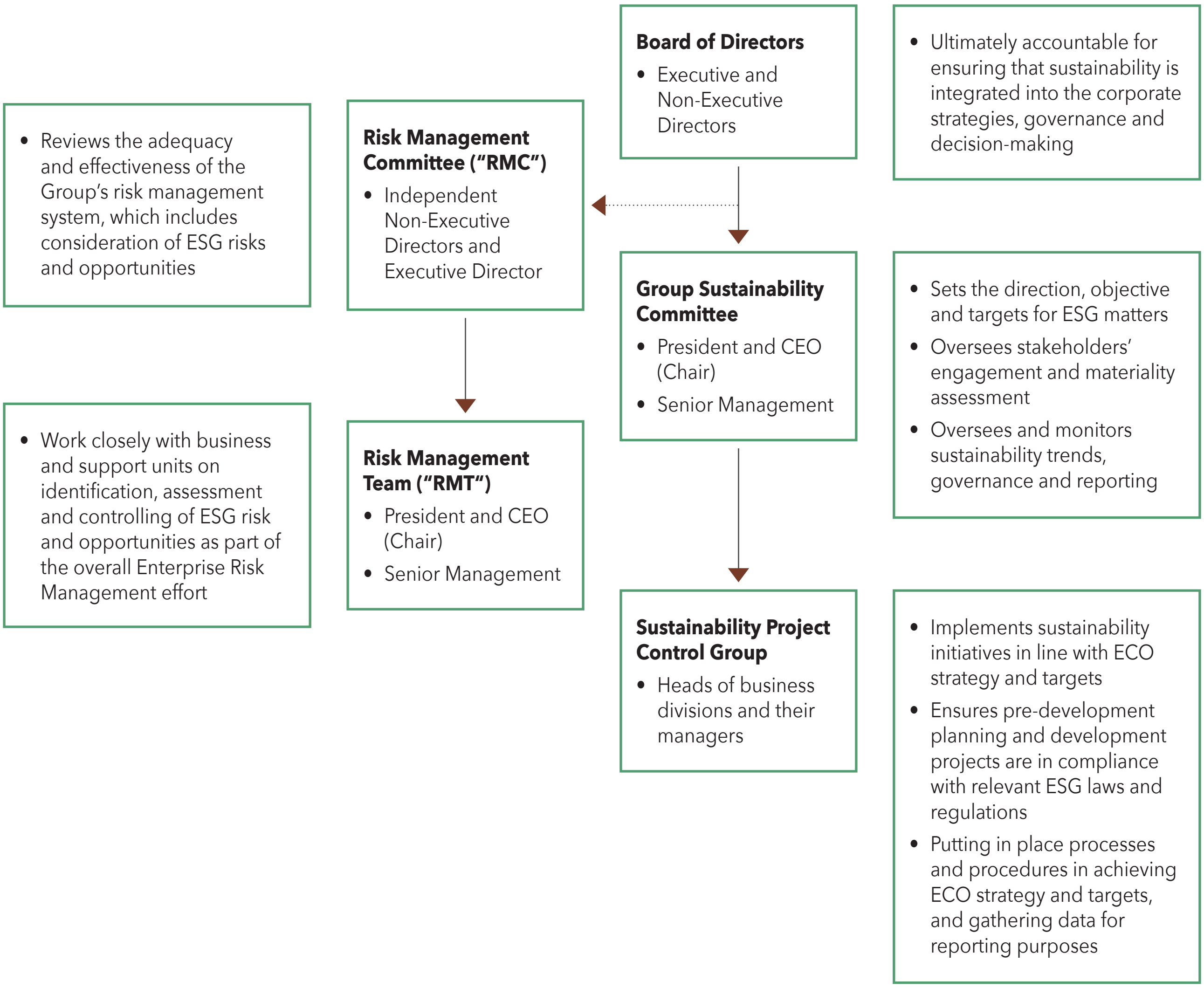
Considerate Constructor's (CCS) Scheme score of 38 and above (for applicable projects), Building Research Establishment Environmental Assessment Method (BREEAM) certification, other external awards and accreditations

Sustainability Governance Structure

EcoWorld International has continued to refine our sustainability governance structure to ensure its effectiveness in propagating our ESG agenda throughout the Group.

In December 2023, the Regional Sustainability Committee and Focus Working Group have been replaced with the Sustainability Project Control Group after the business consolidation undertaken at EcoWorld London. The Sustainability Project Control Group is tasked to steer sustainability initiatives at the project level as part of its monthly meetings.

The Group's revised sustainability governance structure is as follows:



The sustainability governance of the Group is reinforced by a comprehensive suite of policies, codes, charters, and terms of references, which provide guidance on the expected behaviours in all interactions with and within EcoWorld International. Most of these documents are readily accessible on the Group's Governance portal at https://ecoworldinternational.com/about-us/governance/.

They are reviewed regularly to ensure their continued relevance and effectiveness. Policies updated in the year under review include the Anti-Bribery and Anti-Corruption Policy (Malaysia & Australia), External Auditors Policy (Group), Risk Management Policy, Quality, Environment, Health and Safety Policy (UK) and Sustainability Policy.

Stakeholder & Materiality

Stakeholder engagement and materiality assessments allow the Group to accurately identify and prioritise ESG issues that matter the most to EcoWorld International's continued business performance and our stakeholders.

STAKEHOLDER MANAGEMENT

Key Stakeholder Groups *Any individual or entity whose actions and decisions can influence the Group's business, as well as anyone that may be affected by EcoWorld International's real estate development and management activities.*	**Priority Level**	**Management Approach**
Employee *Individuals employed on permanent or contract basis*	●●●	★★★★★
Customer *Existing and potential customers of real estate products and services*	●●●	★★★★★
Regulatory Body/Government Agency *Government agencies, regulatory authorities and town councils in Malaysia, UK and Australia*	●●●	★★★★★
Shareholder and Investor *Retail and institutional investors*	●●○	Keep Informed
Supplier, Business Partner/Vendor *Providers of materials and services*	●●○	Keep Informed
Financial Institutions *Banks and lenders*	●●○	Keep Informed
Media *Online and print media establishments*	●○○	Monitor
Joint Venture Partners *Development partners and landowners*	●○○	Monitor
Community/Public *Individual citizens and members of the local communities*	●○○	Monitor
NGO/Civil Society Group *Non-governmental special interest groups*	●○○	Monitor

●●● Very High
●●○ High
●○○ Medium

★★★★★ Keep Satisfied

Stakeholder & Materiality

MATERIALITY MATRIX

The Group conducted a full-scale materiality assessment in FY2022, which incorporated the feedback of internal and external stakeholders to determine the relative importance of the 18 material topics identified. The resulting material matrix has been reviewed by the Management during the preparation of the SR FY2023 and retained for presentation in this report.

Materiality Matrix

ECO Performance Review

During the year under review, the Group's ECO goals and targets underwent a strategic recalibration to better align our ESG roadmap to the dynamic business landscape and EcoWorld International's current business focus, particularly in the UK.

The changes made primarily pertain to the wording of some sub-commitments based on the feasibility and applicability of the set targets to the current business trajectory, and the removal of strategic interim targets already achieved while retaining the long-term targets and overarching goals that drive our sustainability efforts in each of our ECO pillars:

EXCEPTIONAL ENVIRONMENT

We have fine-tuned the Energy & Carbon goal to focus our Net Zero Carbon ("NZC") commitment only on future developments instead of all developments, as well as our operations.

CONNECTED COMMUNITY

As a result of the realignment of resources to focus on delivering more targeted community interaction corresponding to the project's specific needs, the target relating to engagement of 400 students a year and positively impacting 5,000 people's lives over the next decade (of which half should belong to 'priority disadvantaged groups') have been removed. Nevertheless, education and skills development of the community remains a key focal area of our community-driven initiatives, embedded through purposeful construction and masterplanning for the wellbeing, productivity, quality of life, community cohesion and other socio-economic benefits.

OUTSTANDING ORGANISATION

The target to establish internal sustainability training for all EcoWorld London employees has been removed as it has been completed in FY2022.

Details of our progress against each ECO target are summarised in the subsequent pages and are elaborated further within the respective topical disclosures in the SR FY2023.

ECO Performance Review

EXCEPTIONAL ENVIRONMENT

Objective:

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

UNSDG Linkages:

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Material Topics	EcoWorld International's Management Approach	FY2023 Performance
ENERGY & CARBON **Goal:** Our developments and operations will be NZC **Target:** We will be NZC in our business operations in London by no later than 2025 To commence our journey to ensure all our future developments are NZC by no later than 2040	**Why It Matters:** The real estate is an energy intensive sector that accounts for around 40% of the total global greenhouse gas ("GHG") emissions. **How We Manage:** • Focusing on reducing operational resource use and prioritising renewable energy sources, alongside implementing lifecycle costing and whole-life carbon modelling for its real estates. • EcoWorld London is exploring the possibility of utilising renewable and low carbon technologies at the Aberfeldy Village and New Road Triangle developments. • The Group has shifted from volume-based to intensity level disclosures to measure its environmental impact relative to business activities. • Incorporate more Scope 3 indicators into our GHG reporting for FY2023, adding on emissions from employees travelling on private vehicles at our headquarter in Malaysia. • In FY2023, EcoWorld UK has shifted to a smaller office space which has lower energy requirements, uses 100% green electricity, and provides bike storage facilities that enable the continuation of our Cycle to Work scheme.	EcoWorld International has **recalibrated its NZC roadmap** to ensure it remains achievable and aligned with the business trajectory. EcoWorld London's Principal Contractors have been directed to ensure that its project sites' energy requirements are **100% sourced from renewables**. **Energy Consumption:** 1,260GJ **Total GHG Emissions (kgCO_2e):** Scope 1: 3,364 Scope 2: 103,809 Scope 3: 12,574,224 **Carbon Intensity (kgCO_2e/m^2):** Scope 1: 2.0 Scope 2: 27.9 Scope 3: 805.0

Material Topics	EcoWorld International's Management Approach	FY2023 Performance
CLIMATE CHANGE ADAPTATION, MITIGATION & RESILIENCE **Goal:** We will design resilience into our schemes by mitigating the effects of climate change and incorporating adaptation measures **Target:** We will publish and implement Climate Change Policy	**Why It Matters:** EcoWorld International recognises that climate-related risks can negatively impact our operations and the wellbeing of our stakeholders. **How We Manage:** • Aligning with the Paris Agreement and Kyoto Protocol to limit global temperature rise to 1.5°C. • The Board recognises its responsibility for integrating climate-change risk mitigation into the Group's strategic decisions and works closely with the RMC to evaluate and update the Group's Risk Register every quarter. • Adopting green building development, design, construction and management processes to reduce carbon footprint. • Ensure compliance with regulations such as the UK's Energy Saving Opportunity Scheme, Streamlined Energy and Carbon Reporting Regulations, and TCFD adoption.	Climate-related risks in the Political, Economic, Social, Technological, Legal and Environmental (PESTLE) assessment have been incorporated in the Group's Enterprise Risk Management (ERM) Framework, which includes a **detailed assessment of the physical and transitional risks**, and the corresponding mitigating controls.
BIODIVERSITY & GREEN INFRASTRUCTURE **Goal:** Our schemes will integrate natural systems and will promote biodiversity **Target:** All new schemes will deliver a minimum of 20% Biodiversity Net Gain	**Why It Matters:** Biodiversity is crucial for the planet's health, global food security and the wellbeing of our stakeholders. **How We Manage:** • Focuses on urban development, which does not require land clearing. • Committed to preserve natural habitats and protect flora and fauna in the International Union for Conservation of Nature (IUCN) Red List of Threatened Species. • Biodiversity assessments are conducted for potential project sites and a comprehensive Biodiversity and Ecology Plan is submitted with each planning application. • Incorporate features such as green roofs, street trees and naturalistic sustainable drainage to increase the amount of green infrastructure in cities. • Organising biodiversity awareness programmes to drive conservation effort.	**Increased Biodiversity Net Gain target from 10% to 20%.** **Aberfeldy** development achieved a **Biodiversity Net Gain of 21.48%**. **Over 250 trees planted** at London City Island.

ECO Performance Review

Material Topics	EcoWorld International's Management Approach	FY2023 Performance
WATER CONSUMPTION **Goal:** Commence our journey to ensure all our developments are water neutral and achieve net environmental gain on our sites by 2035 **Target:** Design our schemes to use water efficiently and reduce water use during production	**Why It Matters:** Reliable water supply is essential for community wellbeing and smooth business operations. **How We Manage:** • Ensuring efficient water use and responsible discharge across all sites to prevent pollution of water bodies. • Mandatory compliance with ISO 14001 standards at all sites and adherence to the London Plan's Policy 5.15 Water Use and Supplies. • Water-saving measures like rainwater harvesting and water-efficient fittings are implemented, alongside regular checks for leaks and drips. • Wardian's Environmental Management Plan includes monthly water usage analysis to facilitate prompt corrective actions.	A new Health, Safety & Environment system with specific procedures relating to water usage and prevention of water course contamination from construction activity has been introduced at EcoWorld London in FY2023. **Water Withdrawal (Litre):** Offices: 986,500 Project Site: 2,229,000 Total: 4,202,000
CIRCULAR ECONOMY & RESOURCE USE **Goal:** Reduce waste across the building life cycle, incorporate recycled materials **Target:** Ensure at least 90% of the construction waste is diverted from landfill	**Why It Matters:** Embracing a circular economy reduces environmental impacts across the lifecycle of developments and enhances our resource efficiency and brand appeal. **How We Manage:** • Implementation of eco-friendly and passive green design features like energy and water efficient fixtures, natural lighting and ventilation, reduces resource consumption and carbon footprint for building occupants. • Efficient management of construction processes to minimise resource use and maximise material reuse, repair, refurbishment, recycling, and upcycling. • Engagement of specialist waste management companies to ensure safe and compliant disposal of construction waste. • Rigorous monitoring to mitigate air, water, noise, and ground pollution from construction activities, maintaining strict adherence to regulatory standards.	A Waste For Energy (WFE) target for construction waste has been added to the targets for EcoWorld London's appointed Principal Contractors. **Tracking of demolition and excavation waste has kickstarted** with the Griffin Park project. **Total Waste Generated:** 8,867,004.3 tonnes **Waste Diverted from Landfill:** 8,682,552.2 tonnes 98.3%

CONNECTED COMMUNITY

Objective:

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

UNSDG Linkages:

Material Topics	EcoWorld International's Management Approach	FY2023 Performance
PURPOSEFUL CONSTRUCTION & PLACE-MAKING **Goal:** Create beautiful places that have a measurable positive legacy in the surrounding area **Target:** All schemes to achieve a Considerate Constructors Scheme ("CCS") score of 38 and above At least 90% of customers recommending EcoWorld projects Review our current placemaking strategy to establish measures of success for place making	**Why It Matters:** Purposeful construction and placemaking foster environments that support ecological and socio-economic sustainability in communities. **How We Manage:** • Inclusive dialogues with communities guide the design of developments and initiatives to maximise social change and urban regeneration. • Minimise the impact of construction projects on communities by managing local road congestion, reducing noise and pollution, and providing advance notice of potential disruptions. • Actively assess the social value impact of our projects and identify areas for future improvement. • Quality Control Committee oversee and review CCS score and customer satisfaction levels.	**CCS Score:** A total of three CCS inspections were carried out for EcoWorld London's developments, achieving an **average score of 38.67**. **Customer Satisfaction:** 92% of our customers have signified that they would recommend our UK developments. **Placemaking Strategy:** In FY2023, EcoWorld London initiated the development of a Place Framework which will define how EcoWorld London will deliver healthy, vibrant and sustainable neighbourhoods.

ECO Performance Review

Material Topics	EcoWorld International's Management Approach	FY2023 Performance
BUILDING WELLBEING & PRODUCTIVITY **Goal:** Deliver excellent environmental quality, enable active lifestyles and provide access to nature **Target:** Undertake Building Performance Evaluation (BPE) on all developments 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:** • Embed sustainable urban design principles. • Allocating space for community infrastructure aimed at enhancing their wellbeing, such as recreational facilities, multi-purpose halls, and ensuring easy access to natural spaces and public transport. • A Draft Place Overlay Standard Operating Procedures has been developed to ensure that the objectives from the Place Framework are incorporated into key stages of existing and new developments. • Dedicated Residence Experience Team (RET) to integrate insights into future developments.	We are putting in place a plan and strategy to meet requirements of London plan and FHS (Future Homes Standard) on all future developments. **Lessons learnt** on the design and specifications shared by RET have been **incorporated into key stages of the new business Way of Working (WOW)**.
COMMUNITY COHESION **Goal:** Create warm and welcoming developments for all, collaborating with communities to enhance sense of belonging and pride of place **Target:** Incorporate community cohesion targets or a community engagement plan to help inform decision making at project appraisal stage	**Why It Matters:** Prioritising social value in developments enhances EcoWorld London's business reputation and drives community engagement. **How We Manage:** • Foster community cohesion through collaboration with locals to organise and participate in diverse community events. • Promote active lifestyles and social interaction among residents with weekly health club classes and monthly gym floor challenges at Wardian. • Host a variety of events for residents, ranging from food tastings to live music, comedy nights, dance classes, and festive celebrations.	A **Community Cohesion framework** is being integrated into the approach and principles of the Place Framework that is currently in development. EcoWorld London continues to host community events regularly for our residents to get to know their neighbours, with a **total of 16 events held in FY2023**.
QUALITY OF LIFE **Goal:** Work towards improving quality of life for our communities through providing affordable amenities, good quality homes, access to nature and public transport **Target:** Focus on green spaces, sense of safety at the community, and improved overall health	**Why It Matters:** Developments designed for residents' quality of life strengthens the Group's brand reputation. **How We Manage:** • Offering affordable amenities, superior quality homes, easy access to natural spaces and public transport, and organising a range of community-enriching initiatives. • Align development practices with the Social Values policies of local authorities and tailor it to deliver a more targeted community interaction corresponding to the project's specific needs. • Utilise EcoWorld London's Social Value Framework and Toolkit to set out clear targets and action plans for embedding socially responsible practices.	In FY2023, EcoWorld London has started **researching the adoption of the Quality of Life Foundation Framework**, an industry recognised framework that outlines steps to address changes or improvements within residential developments to deliver better quality of life for people.

Material Topics	EcoWorld International's Management Approach	FY2023 Performance
LOCAL ECONOMIC DEVELOPMENT/ ENTERPRISING COMMUNITIES **Goal:** Create a positive legacy for local enterprise by providing opportunities for local businesses, including social enterprise, through our procurement portal **Target:** At least 60% of all procurement contracts signed by value to be with UK Local Companies At least 50% procurement spend on SMEs Supporting/creating at least 3 local social enterprises	**Why It Matters:** EcoWorld International is committed to fostering shared prosperity and leaving a positive legacy in local communities. **How We Manage:** • Develop community-centric masterplans and urban regeneration initiatives that stimulate local business growth and create vibrant developments through infrastructure enhancement, improved accessibility, and the inclusion of commercial and recreational elements. • Implement EcoWorld London's Sustainable Procurement Policy, prioritising local labour and supply chain partners, with a special focus on SMEs and the voluntary sector. • Engaged and worked with local social enterprise companies to help foster pride of place in the local community.	**Total economic value distributed to stakeholders:** RM837.7 million Directed **82%** of EcoWorld London and EcoWorld Ballymore's total procurement spend to local companies within the UK, amounting to a **£31.7 million (RM183.6 million) contribution to the local economy**. EcoWorld London procurement spend on **SMEs: 93% (£27.5 million or RM159.4 million)** Welcomed 3 local social enterprises as tenants on the Woking site: • The Useful Wood Company • York Road Project • Phoenix Culture Centre

ECO Performance Review

OUTSTANDING ORGANISATION

Objective:

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

UNSDG Linkages:

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

Material Topics	EcoWorld International's Management Approach	FY2023 Performance
EQUALITY, DIVERSITY & INCLUSIVITY **Goal:** Create an inclusive environment that inspires employees to collaborate and stimulate creativity, attracting a diverse and talented workforce **Targets:** 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% voluntary turnover in employees	**Why It Matters:** A diverse and skilled workforce is crucial for our operational efficiency and competitive edge. **How We Manage:** • Implement comprehensive talent management strategies covering recruitment, retention, remuneration, rewards, and professional development. • Ensure adherence to human rights practices and compliance with local labour standards. • Promote a workplace culture of diversity, inclusivity, and equality, actively preventing discrimination, bullying, and harassment. • Exploring avenues to enhance employment opportunities for traditionally underrepresented, marginalised, or vulnerable groups. • Provide safe and confidential channels for employees to report grievances and concerns. • Conduct regular due diligence and human rights risk assessments within our supply chain.	**Total workforce of 109**, of which **95% are permanent employees**. Full-time staff **voluntary turnover rate of 23%** while new hires rate is at 18%. Achieved 30% and 50% **women representation** on the Board and Senior Management levels of EcoWorld International, respectively. In FY2023, EcoWorld London's development team participated in a career fair at the GTech stadium, engaging with attendees to support recruitment efforts, while work on the development of an inclusive set of recruitment terms continues. **Zero non-compliance of labour standards.**

Material Topics	EcoWorld International's Management Approach	FY2023 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:** 80% of employees to receive training	**Why It Matters:** Effective talent development equips employees with necessary skills and knowledge, supporting their performance and career growth. **How We Manage:** • Provide on-the-job training through line managers and peers. • Identify training and professional development needs during formal performance reviews. • Assess the effectiveness of training programmes with feedback forms for courses run by EcoWorld London. • Organise Health and Safety training, Toolbox Talks, and Health, Safety and Environment Forums to foster awareness and share best practices in Health, Safety and Environment standards. • Rigorous adherence to ISO45001 safety standards in all EcoWorld London projects.	**All (100%) employees** have attended training in FY2023, with a total of **1,403 training hours** logged. EcoWorld London recorded a total of 401 hours of **health and safety training**, with 92 staff trained. The Group has **no reportable incidences** and **no fatalities** as a result of work-related injury recorded with 3,655,471 manhours worked.
STAKEHOLDER ENGAGEMENT & PARTNERSHIP **Goal:** Engage at the earliest opportunity with all our stakeholders to create a joint vision for our developments **Targets:** Create a stakeholder engagement strategy to help structure a consistent approach and build on best practices	**Why It Matters:** Engaging with stakeholders effectively informs and shapes EcoWorld International's business strategies by understanding their needs and expectations. **How We Manage:** • Gather stakeholder feedback to identify and prioritise material ESG topics, impacting business sustainability across short, medium, and long-term horizons. • Utilise diverse engagement channels to effectively monitor, measure, and address stakeholders' concerns and expectations. • Maintain active membership in industry associations and participating in trade events to engage with peers and keep up-to-date with real estate developments.	We remain active in engaging our key stakeholders and have organised two Women's Network events, 16 community events, and a range of employee diversity and inclusivity campaigns such as Black history month, Chinese New Year celebrations, Holocaust Memorial, Menopause Awareness training, and our inaugural Wellness Week in FY2023.

ECO Performance Review

Material Topics	EcoWorld International's Management Approach	FY2023 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:** Adopting sustainable procurement minimises risks related to regulatory non-compliance and adverse ESG impacts within the supply chain. **How We Manage:** • Focus on procuring from local suppliers and SMEs, in line with our principle of local sourcing. • Select goods and services based on sustainability, competitive pricing, and environmental considerations. • Collaborate with supply chain partners to uphold compliance with legal standards, ethical conduct, safety norms, and EcoWorld International's internal policies. • Comply with the Personal Data Protection Act 2010 (PDPA) to protect sensitive information.	EcoWorld London has added stipulations to ensure our appointed Principal Contractors use 100% green energy, incorporate recycled materials, and meet our Waste For Energy (WFE) target. **Zero** substantiated complaints concerning **customer data breaches**.
TRANSPARENT DISCLOSURE **Goal:** Ensure regular disclosure of relevant information to all stakeholders **Targets:** Align our reporting to the recommendations of globally recognised framework	**Why It Matters:** Transparent disclosures are crucial to meet Main Market Listing Requirements of Bursa Malaysia and uphold our fiduciary responsibilities to stakeholders. **How We Manage:** • Ensure prompt publication of annual and quarterly financial performance, corporate announcements, and governance-related information on the Group's website. • Regularly engage with stakeholders to understand their concerns, guiding the identification and reporting of material matters in our sustainability reports.	EcoWorld International has continued to **strengthen TCFD disclosures** in the second year of adoption, with the inclusion of EcoWorld London's climate-related physical and transitional risks. **30 days** between our Annual General Meeting Notice filing date and the date of the meeting.
SUSTAINABILITY 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 a programme to encourage our staff to live sustainable lifestyles	**Why It Matters:** Cultivating a sustainability culture is essential for operational efficiency, reducing environmental and social impacts, and fostering a high-performing workforce that bolsters EcoWorld International's competitive edge. **How We Manage:** • Disseminate sustainability knowledge among staff via training and engagement channels. • Promote sustainable living practices among staff to extend our sustainability commitment beyond the workplace. • Encouraging employees to dedicate a minimum of eight hours annually from their working schedule to participate in EcoWorld London's community activities.	In FY2023, EcoWorld London carried out **two volunteer activities**. An **inaugural Wellness Week** was carried out to support the mental health and wellbeing of our employees.

Material Topics	EcoWorld International's Management Approach	FY2023 Performance
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:** Effective corporate governance fosters a culture of integrity, crucial for protecting the organisation against various enterprise risks. **How We Manage:** • Compliance with the Malaysian Code on Corporate Governance 2021 and Section 17A of the MACC Act. • Implementation of comprehensive policies to uphold ethical conduct across the Group. • Regular monitoring of regulatory changes by the RMC to ensure legal compliance. • Integration of ESG considerations into strategic planning and development of clear ESG goals, targets, and KPIs. • Annual reviews of internal controls for optimal effectiveness. • Annual assessments of the Group's internal controls to ensure its continued effectiveness.	EcoWorld International **enhanced its Sustainability Governance Structure** in December 2023. **Zero incidents of corruption** **Zero whistleblowing cases** **100%** of employees received **anti-corruption training** **Zero ESG non-compliance**

Board of Directors' Profiles

CHEAH TEK KUANG

Chairman/ Independent Non-Executive Director

Malaysian | Male | Age 76

Attendance: 8/8

Date of Appointment/Redesignation:
- 12 September 2014 – Independent Non-Executive Director
- 27 April 2017 – Redesignated as Senior Independent Non-Executive Director
- 22 March 2023 – Appointed as Chairman

Length of Service as Independent Director (as at 31 October 2023):
6 years 7 months*

Membership of Board Committees:
- Nil

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. He was a Member of Appeals Committee of Bursa Malaysia Securities Berhad, which looks into appeals by listed companies and market participants on violations of the Listing Requirements. He retired from the Member of Appeals Committee in December 2022 after serving more than 12 years.
- Former Director of Employees Provident Fund Board and served on its Investment Panel.
- Former Director of various companies such as Berjaya Sports Toto Berhad, Cagamas Holdings Berhad, Danajamin Nasional Berhad, Velesto Energy Berhad and IOI Corporation Berhad.

Other Present Directorships in Public Companies and Listed Issuers:

Listed Companies
- Director of UPA 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).

TAN SRI DATO' SRI LIEW KEE SIN

Executive Vice Chairman/ Executive Director

Malaysian | Male | Age 65

Attendance: 8/8

Date of Appointment:
12 September 2014

Membership of Board Committees:
- Nil

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 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.
- Former Member of Authority of the Iskandar Regional Development Authority (IRDA).
- Joined a property development company from 1986 up to 1990 and subsequently set up his own property development business in 1990.
- 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

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

Malaysian | Male | Age 65

Attendance: 8/8

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

Membership of Board Committees:
- Member of Risk Management Committee

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 40 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.
- Former Vice President, Citibank N.A.

Other Present Directorships in Public Companies and Listed Issuers:

Listed Company
- Nil

Public Company
- Nil

TAN SRI DATUK DR REBECCA FATIMA STA MARIA

Senior Independent Non-Executive Director

Malaysian | Female | Age 66

Attendance: 7/8

Date of Appointment/Redesignation:
- 27 April 2017 – Independent Non-Executive Director
- 22 March 2023 – Redesignated as Senior Independent Non-Executive Director

Length of Service as Independent Director (as at 31 October 2023):
6 years 6 months

Membership of Board Committees:
- Chairperson of Nomination and Remuneration Committee
- Member of Whistleblowing Committee

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 Malaya, 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 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, Asian Productivity Organisation in 2021.
- 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' Profiles

DATUK HEAH KOK BOON

Non-Independent Non-Executive Director

Malaysian | Male | Age 56

Attendance: 1/1

Date of Appointment:
23 October 2023

Membership of Board Committees:
- Nil

Academic/Professional Qualification/Membership:
- Bachelor of Commerce (majoring in Accounting and Commercial Law), University of Melbourne, Australia
- Chartered Accountant of Malaysian Institute of Accountants

Skills and Experience:
- Currently, the Chief Financial Officer and Alternate Director to Executive Chairman of Eco World Development Group Berhad.
- More than 30 years' experience in audit, corporate finance and corporate investment.
- Involved in various corporate exercises to grow EcoWorld Malaysia from a property company with GDV of RM1 billion to the present GDV of over RM80 billion.
- Former Head of Corporate Affairs of S P Setia Berhad.
- Joined the Corporate Finance Department of Aseambankers Malaysia Berhad (now known as Maybank Investment Bank Berhad) with the last held position as the Executive Vice President.
- Audit exposures under the audit department of KPMG Malaysia.

Other Present Directorships in Public Companies and Listed Issuers:

Listed Companies
- Alternate Director to Executive Chairman of Eco World Development Group Berhad

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

CHENG HSING YAO

Non-Independent Non-Executive Director

Singaporean | Male | Age 52

Attendance: 8/8

Date of Appointment:
27 April 2017

Membership of Board Committees:
- Nil

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 Group 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 at the Urban Redevelopment Authority (URA) and the Centre for Liveable Cities (CLC) (Ministry of National Development).
- Board Member and Design Advisory Panel member of the Land Transport Authority of Singapore.
- Board Member of the National Parks Board, Singapore.
- Member of CLC's Advisory Panel.
- Member of URA's International Panel of Experts, Design Advisory Committee and Heritage and Identity Partnership.
- Co-Chairman of the Central Procurers Panel at the Building and Construction Authority, Singapore.
- Member of the Management Board of the Institute of Real Estate and Urban Studies at the National University of Singapore.
- Founding Chairman of Discover Tanjong Pagar, Singapore and currently serves as a Director of the association.
- Served as a Nominated Member of Parliament (appointed by the President of the Republic of Singapore) from January 2021 to July 2023.

Other Present Directorships in Public Companies and Listed Issuers:

Listed Companies
- Director of GuocoLand (Malaysia) Berhad

Public Companies
- Nil

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

ANDREW CHEW KWANG MING

Non-Independent Non-Executive Director

Malaysian | Male | Age 50

Attendance: 5/5

Date of Appointment/Redesignation:
- 3 March 2023 – Appointed as Alternate Director to Mr Cheng Hsing Yao
- 12 April 2023 – Redesignated as Non-Independent Non-Executive Director

Membership of Board Committees:
- Nil

Academic/Professional Qualification/Membership:
- Bachelor of Business (Accounting), Monash University, Australia
- Certified Practicing Accountant Australia
- Chartered Accountant of Malaysian Institute of Accountants

Skills and Experience:
- Currently, the Group Chief Financial Officer of GuocoLand Limited, which is listed on the Main Board of the Singapore Exchange, and an indirect major shareholder of EcoWorld International.
- Previously worked with GL Limited which is owned by Hong Kong-listed Guoco Group Limited.

Other Present Directorships in Public Companies and Listed Issuers:

Listed Companies
- Nil

Public Company
- Nil

DATO' SIOW KIM LUN

Independent Non-Executive Director

Malaysian | Male | Age 73

Attendance: 8/8

Date of Appointment:
12 September 2014

Length of Service as Independent Director (as at 31 October 2023):
6 years 7 months*

Membership of Board Committees:
- Chairman of Audit Committee
- Member of Nomination and Remuneration Committee
- Member of Whistleblowing Committee

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

Skills and Experience:
- Held various positions within Securities Commission Malaysia and has served as the Director of the Issues & Investment Division, Market Supervision Division and 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 including 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 Investment Bank 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).

Board of Directors' Profiles

DATO' KONG SOOI LIN

Independent Non-Executive Director

Malaysian | Female | Age 62

Attendance: 8/8

Date of Appointment:
1 April 2019

Length of Service as Independent Director (as at 31 October 2023):
4 years 7 months

Membership of Board Committees:
- Chairperson of Risk Management Committee
- Chairperson of Whistleblowing Committee
- Member of Audit Committee

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
- Director of PMB Technology Berhad

Public Company
- Director of AmInvestment Bank Berhad

PAULINE WONG WAN VOON

Independent Non-Executive Director

Malaysian | Female | Age 56

Attendance: 8/8

Date of Appointment:
2 April 2018

Length of Service as Independent Director (as at 31 October 2023):
5 years 7 months

Membership of Board Committees:
- Member of Audit Committee
- Member of Risk Management Committee
- Member of Nomination & Remuneration Committee

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

Skills and Experience:
- Currently she is the Executive Director of the Malaysian Investment Banking Association (MIBA) where for the past 25 years, she has been instrumental in leading and driving the development and implementation of key initiatives and strategies that ensured the steady growth of MIBA as a prominent and vital contributor towards the growth of a deep, vibrant and innovative capital markets, as well as promoting the development of sustainable intellectual capital in the industry, with emphasis on talent development and capacity building.
- Represents MIBA on the Financial Industry Collective Outreach (FINCO) Steering Committee.
- Represents MIBA on the Islamic Finance Profession Charter Governing Panel.
- Represented MIBA on the Bursa Malaysia Continuing Education Programme Accreditation Committee between 2003-2007.
- Secretary General and Council Member of the Malaysian Chapter of the Association of Certified Fraud Examiners for 2022-2024.
- Member of the Membership Committee of the Malaysian Chapter of the Association of Certified Fraud Examiners for 2021-2022.

Other Present Directorships in Public Companies and Listed Issuers:
Listed Companies
- Nil

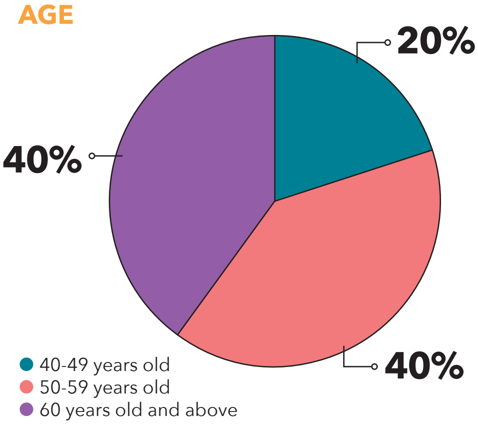
Public Company
- Nil

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 2023.

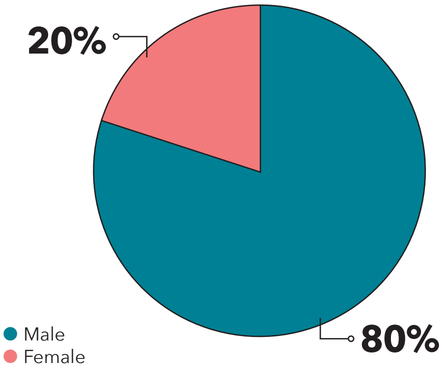
Key Senior Management Profiles

The summary of Key Senior Management as at 31 October 2023 is set out below:

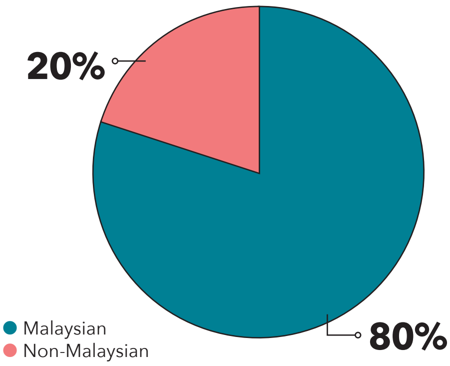
AGE



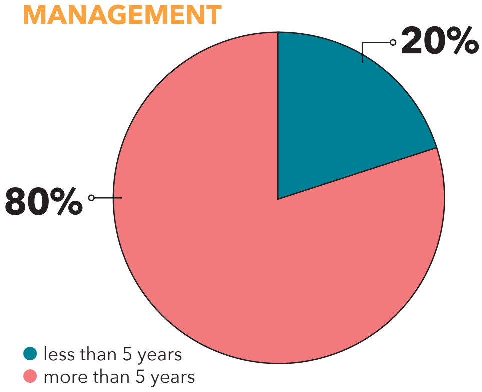
GENDER



NATIONALITY



TENURE AS KEY SENIOR MANAGEMENT



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 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

Date of Appointment:
1 July 2022

Academic/Professional Qualification/Membership:
- Fellow of Association of Chartered Certified Accountants
- Member of Malaysian Institute of Accountants

Skills and Experience:
- As the 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.

Key Senior Management Profiles

Malaysian | Male | Age 67

TAN CHENG YONG
(Retired on 9 February 2024)

Head of Global Development Operations

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:
- He oversaw 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

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.

Malaysian | Female | Age 59

Malaysian | Male | Age 43

CHEONG HENG LEONG

Chief Executive Officer,
International Business (UK)

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 overseeing the Group's portfolio of existing UK 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). 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)

Date of Appointment:
1 July 2014

Academic/Professional Qualification/Membership:
- Chartered Institute of Management Accountants, United Kingdom
- Diploma in Business (Real Estate Management), Macleay College, Australia
- Licensed Real Estate Agent, Class 1, 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.

Australian | Male | Age 65

Corporate Governance Overview Statement

This statement reflects the Board's commitments 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 they believe 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 year remains a challenging year for EcoWorld International Group as the macroeconomic uncertainties continue to impact the global economy and causing significant disruptions to our operations. Given the macroeconomic uncertainties which continue to subsist with cost pressures expected to continue to outstrip real estate price increases in the near to mid-term, the Board acknowledged the importance of balancing between the shareholders' interests and the operations of the Group to increase investors' confidence. The Company has completed a capital reduction exercise of RM1,500 million of the issued share capital of the Company pursuant to Section 117 of the Companies Act 2016 in August 2023 ("**Capital Reduction Exercise**"). This marks the realisation of EcoWorld International's commitment to distribute excess cash available to our shareholders, after setting aside funds for the Group's estimated capital and funding requirements.

This statement provides an overview of the corporate governance practices adopted by the Company for financial year ended 31 October 2023 ("**FY2023**") 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

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 FY2023, 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	3	-	-	2	**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 are the step-up practices that the Company has not adopted:

Practice 4.5	The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.
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 2023 of the Company which is available on the Company's corporate website.

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 to ensure the effectiveness of the Group's business and day-to-day operations:

BOARD OF DIRECTORS

CHAIRMAN	EXECUTIVE VICE CHAIRMAN	PRESIDENT & CEO	SENIOR INDEPENDENT DIRECTOR	INDEPENDENT DIRECTORS	NON-INDEPENDENT NON-EXECUTIVE DIRECTORS
Responsible for the leadership of the Board in ensuring the Board can perform its duties and responsibilities effectively	Assists the Chairman in performing the latter's duties and responsibilities and is responsible for the strategic planning of the Group	Responsible for the day-to-day operations of the Group's business and implementation of the policies, strategies and decisions made by the Board	Serves as the principal conduit between the Chairman, Non-Executive Directors and shareholders	Provide independent views and demonstrate objectivity in reviewing and challenging the proposals by the Management	Constructively challenge and help to develop proposals on strategy

COMPANY SECRETARY

BOARD COMMITTEES

AUDIT COMMITTEE	RISK MANAGEMENT COMMITTEE	NOMINATION & REMUNERATION COMMITTEE	WHISTLEBLOWING COMMITTEE
Assists the Board in fulfilling its fiduciary duties on financial reporting as well as the development of sound internal controls of the Group	Assists the Board to evaluate the Group's level of risk tolerance, assess and monitor risks, review the Company's internal controls	Assists the Board in reviewing the policies relating to the Board and Senior Management's appointments, remuneration, performance evaluation and succession planning	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

Corporate Governance Overview Statement

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 Chairman of the Board, Mr Cheah Tek Kuang ("**Mr Cheah**"), who is 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.

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.

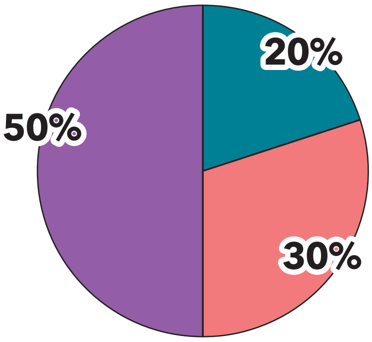
The Board acknowledged the Group's approach and commitment towards creating equality, diversity and inclusion in the workplace by adopting the revised Equality, Diversity & Inclusion Policy in June 2022, which has been revamped from the former Board Diversity Policy adopted in October 2017 based on the 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 2023, there were 3 female Directors out of 10 Directors on the Board, which represents 30% women representation on the Board.

During the year under review, following his appointment as Chairman of the Board in March 2023, Mr Cheah has relinquished his position as the Senior Independent Non-Executive Director of the Company, Chairman of the RMC and NRC as well as a member of the WBC. This is to prevent the risk of self-review which may impair the objectivity of the Chairman and the Board when deliberating on the observations and recommendations put forth by the Board Committees. Mr Cheah was not involved/participate in the decision-making process of all the Board Committees of the Company.

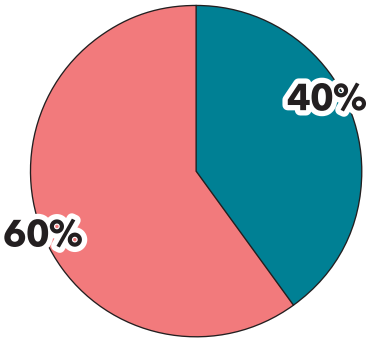
The Board is satisfied with the current composition as this size is optimal and would enable effective oversight and delegation of responsibilities. The summary of the Board composition as at 31 October 2023 is set out below:

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



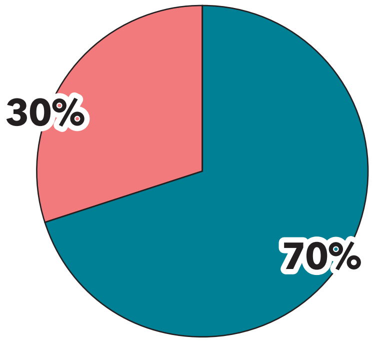
- Executive Directors (2)
- Non-Independent Non-Executive Directors (3)
- Independent Non-Executive Directors (5)

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



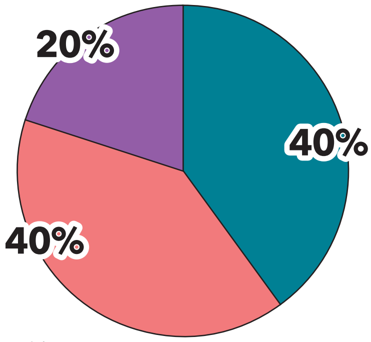
- Less than 3 years (0)
- Between 3 years to less than 6 years (2)
- 6 years and up to 9 years (3)
- More than 9 years (0)

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



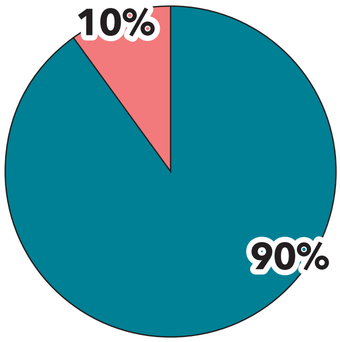
- Male
- Female

Age



- 50 to 59 years old (4)
- 60 to 69 years old (4)
- 70 years old and above (2)

Nationality



- Malaysian (9)
- Non-Malaysian (1)

Corporate Governance Overview Statement

APPOINTMENT OF NEW DIRECTOR

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 suitably 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.

The Board has 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 in June 2022. 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

There were some changes in the Board composition during the year under review. Firstly, the major shareholder of the Company, GLL EWI (HK) Limited has nominated Mr Andrew Chew Kwang Ming to be appointed as a Non-Independent Non-Executive Director of the Company following the resignation of Mr Tang Hong Cheong on 12 April 2023. Secondly, Dato' Chang Khim Wah, a representative nominated by another major shareholder of the Company, Eco World Capital (International) Sdn Bhd has resigned on 23 October 2023 as he would like to focus on his executive role in Eco World Development Group Berhad. In replacement thereof, Datuk Heah Kok Boon was nominated to be appointed as a Non-Independent Non-Executive Director of the Company.

Having conducted the fit and proper assessment, the NRC had also reviewed and assessed the experience, skills, time commitment and expertise of Mr Andrew Chew Kwang Ming and Datuk Heah Kok Boon and was satisfied that they had fulfilled the required criteria set by the Board. With the recommendation of the NRC and having reviewed their vast knowledge and broad-based experience, the Board approved the appointment of Mr Andrew Chew Kwang Ming and Datuk Heah Kok Boon as Non-Independent Non-Executive Directors of the Company effective from 12 April 2023 and 23 October 2023 respectively.

INDUCTION, SITE VISIT AND PROFESSIONAL TRAINING

In order for the new Directors to carry out their roles and duties effectively, documents such as disclosure obligations and schedule of meetings were furnished to them.

As at 31 October 2023, all Directors appointed to the Board have attended the Mandatory Accreditation Programme (MAP) and continue to attend training programmes 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. Other than formal training programmes, the Directors also kept abreast on various regulatory updates by the Company Secretary. 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 FY2023 are set out in the Corporate Governance Report 2023.

In order for the Directors to discharge their duties effectively and to make informed decisions regarding the business strategies of the Group, a site visit to London was organised for the President & CEO and Independent Directors to observe the progress of the Group's project developments in the United Kingdom in October 2023.

SUSTAINABILITY GOVERNANCE STRUCTURE

EcoWorld International has established a sustainability governance structure to effectively propagate its Environmental, Social and Governance ("**ESG**") agenda throughout the Group.

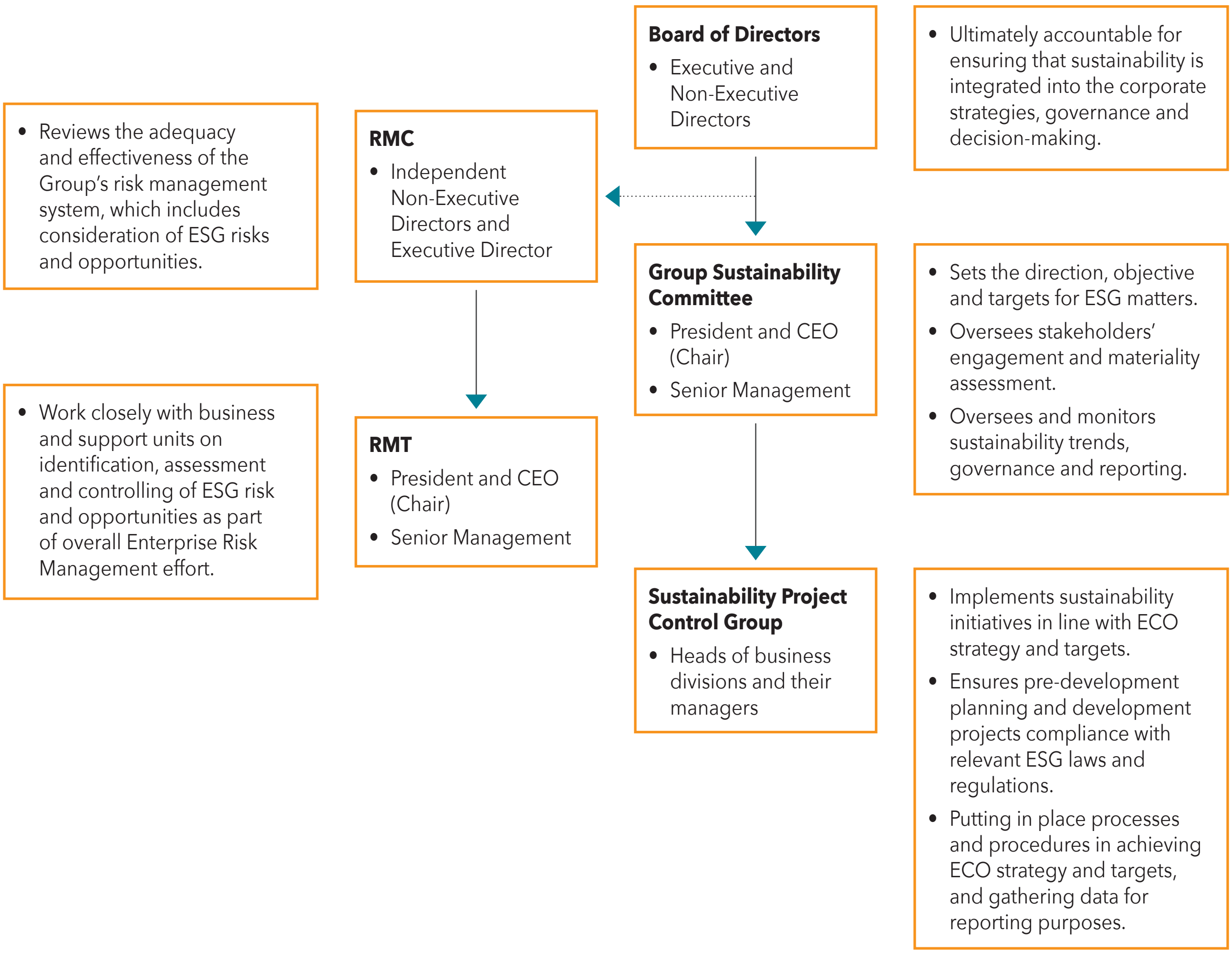
At the apex of EcoWorld International's sustainability efforts is the leadership and direction set by the Board. The Board provides oversight and acknowledges its overarching responsibility for all key ESG material aspects within the Group's Exceptional Environment, Connected Community, and Outstanding Organisation ("**ECO**") pillars. This includes ESG areas such as climate change adaptation and mitigation, green infrastructure, labour practices, anti-corruption efforts, circular economy, and others, which are taken into consideration in the Group's risk management strategies, executed via the RMC and Risk Management Team ("**RMT**").

The RMC and RMT are tasked with the strategic handling of vital sustainability issues and the incorporation of sustainability principles into the company's operations. These efforts are spearheaded by EcoWorld International's Senior Management and led by the President and CEO as the chair of the Group Sustainability Committee.

In December 2023, the sustainability governance structure has been revised to replace the Regional Sustainability Committee and Focus Working Group with the Sustainability Project Control Group, which steers sustainability initiatives at the project level as part of its monthly meetings.

The Sustainability Project Control Group is tasked to implement sustainability initiatives which are in line with our ECO strategy. Significant ESG matters are brought to the attention of the Board through inclusion of ESG risks into the Group's risk management system for deliberation and strategic management.

The Group's revised sustainability governance structure is as follow:



Corporate Governance Overview Statement

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 FY2023. 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 2023 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 compliance 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 the Group 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 on an annual basis to assess its implementation, adequacy and effectiveness. As part of the anti-corruption compliance programme for FY2023, all members of the Board have signed an Integrity Pledge to demonstrate both personal and collective commitment to fight against all forms of corrupt practices. The Anti-Bribery and Anti-Corruption ("**ABC**") Policy was amended in March 2023 to, among others, reflect the definition of "gratification" under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 in full.

The Code of Conduct and Business Ethics ("**Code of Conduct**") sets out the principles we should all observe in order to maintain the highest standards of professionalism, integrity and honour in our dealings with each other and with external parties. The Code of Conduct shall be observed by all 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 provides a platform 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 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 FY2023.

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 FY2023. 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 twice in March 2023 to share concerns about the Company. 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:

No.	Name of Director	Meetings held in FY2023						
		Board	9th AGM	EGM	AC	RMC	NRC	WBC
1	Mr Cheah Tek Kuang[a]	8/8	✔	✔	-	3/3	2/2	-
2	Tan Sri Dato' Sri Liew Kee Sin	8/8	✔	✔	-	-	-	-
3	Dato' Teow Leong Seng	8/8	✔	✔	-	5/5	-	-
4	Tan Sri Datuk Dr Rebecca Fatima Sta Maria[b]	7/8	✔	✔	-	-	3/3	0/1
5	Dato' Chang Khim Wah[c]	7/7	✔	✔	-	-	-	-
6	Datuk Heah Kok Boon[d]	1/1	-	-	-	-	-	-
7	Mr Tang Hong Cheong[e]	3/3	✔	-	-	-	-	-
8	Mr Cheng Hsing Yao	8/8	✔	✔	-	-	-	-
9	Mr Andrew Chew Kwang Ming[f]	5/5	-	✔	-	-	-	-
10	Dato' Siow Kim Lun	8/8	✔	✔	5/5	-	3/3	1/1
11	Dato' Kong Sooi Lin[g]	8/8	✔	✔	5/5	2/2	-	1/1
12	Ms Pauline Wong Wan Voon[h]	8/8	✔	✔	5/5	5/5	1/1	-

Notes

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

(a) Relinquished his position as the Chairman of the RMC and NRC as well as a member of WBC on 22 March 2023
(b) Redesignated as the Senior Independent Non-Executive Director and appointed as the Chairperson of the NRC as well as a member of WBC on 22 March 2023
(c) Resigned as Non-Independent Non-Executive Director on 23 October 2023
(d) Appointed as Non-Independent Non-Executive Director on 23 October 2023
(e) Resigned as Non-Independent Non-Executive Director on 12 April 2023
(f) Appointed as Non-Independent Non-Executive Director on 12 April 2023
(g) Appointed as the Chairperson of the RMC on 22 March 2023
(h) Appointed as a member of the NRC on 22 March 2023

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.

Corporate Governance Overview Statement

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 2023 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 10th AGM to be held in March 2024.

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 Kim Wah, Datuk Heah Kok Boon, Mr Cheng Hsing Yao and Mr Andrew Chew Kwang Ming, who are Non-Independent Non-Executive Directors 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 AC comprises 3 members who are Independent Non-Executive Directors. The Chairman of the AC, Dato' Siow Kim Lun is not the Chairman of the Board. All members of the AC are financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities as members of the AC.

The AC has a policy that requires a former key audit partner to observe a cooling-off period of at least 3 years before being appointed as a member of the AC and such practice was formalised and incorporated in the ToR of the AC.

An annual assessment on the independence and effectiveness of the External Auditors of the respective companies, namely KPMG PLT Malaysia ("**KPMG Malaysia**"), KPMG Australia, KPMG Dublin and BDO London was conducted in September 2023 in accordance with the criteria set out in the External Auditors Policy of the Company. The AC was satisfied with the performance of KPMG Malaysia and has recommended to the Board to put forth the proposal for re-appointment of KPMG Malaysia as External Auditors of the Company for FY2024 to the shareholders for approval at the upcoming 10th AGM.

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

An overview of the membership, composition and summary of work carried out by the AC during FY2023 is set out in the AC Report of this Integrated Annual Report. The Board was satisfied with the performance of the AC and confirmed that they have carried out their duties and responsibilities effectively in accordance with the ToR.

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 FY2023.

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. EcoWorld International conducted its 9th AGM on a virtual basis through live streaming and online remote voting using Remote Participation and Voting facilities on 30 March 2023. The Company also conducted a virtual Extraordinary General Meeting ("**EGM**") on 19 June 2023 to seek shareholders' approval on the Capital Reduction Exercise.

All the Directors, CFO, External Auditors and Company Secretary attended the virtual 9th AGM and EGM. The conduct of the virtual 9th AGM and EGM 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 and EGM via the Securities Services e-Portal platform and Boardroom Smart Investor platform respectively. During the AGM and EGM, shareholders also took the opportunity to raise questions via real time submission of typed texts on the agenda items of the AGM and EGM as well as on the current developments of the Group. 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 9th AGM were circulated at least 28 days before the date of the AGM, whilst, the notice of EGM and the Administrative Guide for the EGM were circulated at least 21 days before the date of the EGM. This is to enable shareholders to make the necessary arrangements to attend the AGM and the EGM remotely.

Corporate Governance Overview Statement

To strengthen transparency and efficiency in the voting process, the Company adopted electronic poll voting at its 9th AGM and EGM. An independent scrutineer for the electronic poll voting process was appointed for both General Meetings 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 and EGM. Subsequently, the poll results were announced via Bursa LINK on the same day.

The full minutes of the 9th AGM and EGM detailing the meeting proceedings, including issues and concerns raised by the shareholders together with the responses of the Company, were published on the Company's corporate website within 30 business days after the conclusion of the AGM and EGM.

COMPLIANCE STATEMENT

This Corporate Governance Overview Statement, together with the Corporate Governance Report 2023 were approved by the Board on 6 February 2024.

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 2023

(5) Directors' Fit & Proper Policy

(6) External Auditors Policy

(7) Remuneration Policy

(8) Whistleblowing Policy

Audit Committee Report

The Board of EcoWorld International is pleased to present the Audit Committee ("AC") Report which provides an overview of the activities undertaken by the AC in the financial year ended 2023 ("FY2023").

COMPOSITION AND ATTENDANCE OF MEETINGS

As at 31 October 2023, 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	5/5	100%
Dato' Kong Sooi Lin	Member	Independent Non-Executive Director	5/5	100%
Pauline Wong Wan Voon	Member	Independent Non-Executive Director	5/5	100%

All of the AC members are Independent Non-Executive Directors and have fulfilled the criteria of independence under the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"). No Alternate Director was appointed to act as a member of the AC.

The training attended by the AC members during the year under review are set out in the Corporate Governance Report 2023.

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 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.
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 5 AC meetings were held during FY2023. The President & Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**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 video conferencing.

Audit Committee Report

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 2023 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 Terms of Reference ("**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 21 June 2023 to be in line with the By-Laws of the MIA and International Ethics Standards Board of Accountants' ("**IESBA**") Code.

The AC has a policy that requires a former partner of External Auditors to observe a cooling-off period of at least 3 years before being appointed as a member of the AC. As of the date of this report, no former partner of External Auditors was appointed as a member of the AC.

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 Nomination and Remuneration Committee 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 FY2023 was discussed with KPMG Malaysia on 2 occasions. KPMG Malaysia also confirmed that they are independent of the Group and the Company and have fulfilled their other ethical responsibilities in accordance with the By-Laws of the MIA and the IESBA Code.

- 2 private sessions for FY2023 were held with the External Auditors, KPMG Malaysia on 20 June 2023 and 12 December 2023 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 FY2023 are disclosed in the Additional Compliance Information section of this Integrated Annual Report.

- The Audit Plan and Strategy for FY2023 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 was briefed on several changes made to:

  (i) the IESBA Code in relation to the acceptance of non-assurance services engagement; and

  (ii) International Sustainability Standards Board (ISSB) in relation to International Financial Reporting Standards ("**IFRS**") S1 and IFRS S2.

  Subsequent to the IESBA Code coming into effect, the AC has reviewed and recommended the revised EA Policy to the Board for approval wherein the amendments are in line with the IESBA Code which requires all non-assurance services provided by the independent auditor to an audit client that is a public interest entity, or its direct or indirect controlling/controlled entities, should be pre-approved by those charged with governance. 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 following:

  (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 FY2024 to the Board for consideration. The re-appointment of KPMG Malaysia is subject to shareholders' approval to be sought at the upcoming Annual General Meeting ("**AGM**").

(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 that 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 FY2023 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 before recommending them to the Board for approval and inclusion in the Integrated Annual Report 2023. 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 FY2023.

(iii) Related Party Transactions and Conflict of Interest

- 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.

- The AC reviewed the conflict of interests ("**COI**") and potential COI situations every quarter.

Audit Committee Report

(iv) Internal Audit ("IA")

- GCG conducted the audit work based on the approved FY2023 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 Management.
- 2 private sessions for FY2023 were held with GCG to discuss any issues and significant matters without the presence of the Executive Board members and Management on 20 June 2023 and 12 December 2023.
- 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 FY2024 which covers the Group's operations in Malaysia 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 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.

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 22 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 particularly in Malaysia 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 FY2023 was approximately RM1.7 million (FY2022: RM2.1 million) which included the fees incurred for the UK IA function amounting to RM0.8 million.

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 2023, 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 the adequacy and effectiveness of the Group's risk management and internal control systems on a quarterly basis.

Due to inherent limitations in the system of risk management and internal control, 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:

1. Identifying and evaluating the risks relevant to the Group's business, and the achievement of business objectives and strategies.
2. Formulating relevant policies and procedures to manage these risks in accordance with the Group's strategic vision and overall risk appetite.
3. Designing, implementing and monitoring the effective implementation of the risk management and internal control system.
4. Implementing the policies approved by the Board.
5. Implementing remedial actions to address the control design gaps and compliance deficiencies as directed by the Board.
6. 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, measuring, 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:

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.

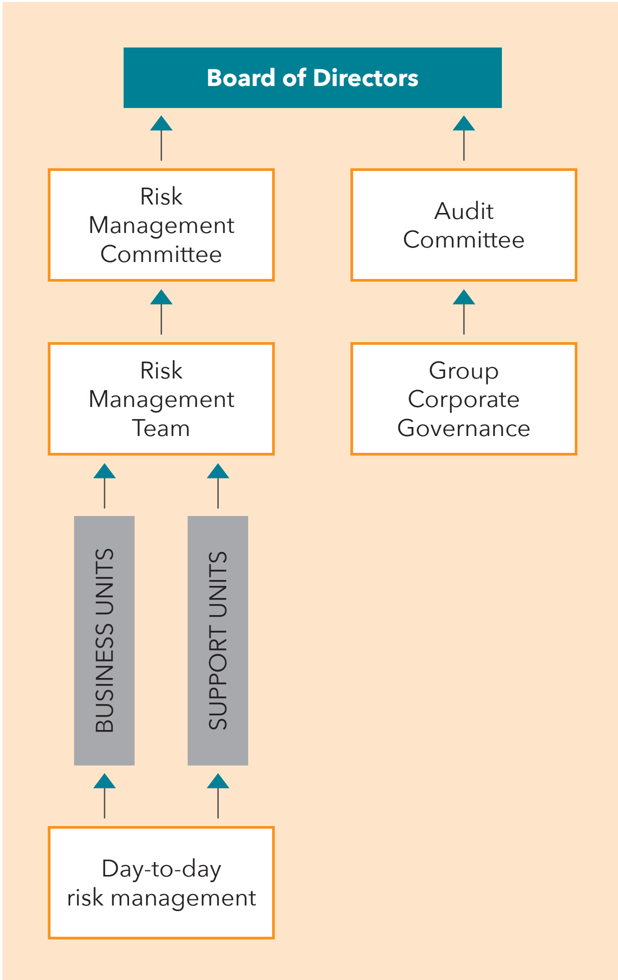


Diagram 1

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;
- 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 support 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 support 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 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 risk 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:

01 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 geopolitical risks which include a prolonged Middle East Conflict, escalation in the Russia-Ukraine war and slower global economic growth. The challenging market conditions in the United Kingdom real estate market with high interest rates and elevated cost of living have dampened homebuyers' purchasing powers.

Sales are on track during the financial year and have generated sizeable amount of cash, which enabled the Group to settle its debts and distribute dividends to shareholders. All new project launches are on hold while the Group reviews the project feasibility which is impacted by the low confidence among homebuyers and the high cost inflation in the United Kingdom and will consider moving forward with new launches when the market conditions improve, cost pressure stabilises and the expected returns are more certain.

Apart from that, regular reviews are undertaken for all potential opportunities to improve financial performance throughout the financial year. We focus on achieving sales targets to ensure that remaining completed units are sold in order to generate cash so as to improve the balance sheet strength of the Group.

02 Health, Safety and Environmental

The Group is exposed to health, safety and environmental risks at our project sites. Any health, safety and environmental 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 environmental policy, by implementing Health and Safety Management system with training workshops conducted, regular 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 as well as regularly monitoring environmental risks and controls.

03 Financial

The Company functional currency is denominated in Ringgit Malaysia ("RM"), while the Group's funding of its joint venture in United Kingdom is denominated in Pounds Sterling ("GBP"). Any repatriation of funds from United Kingdom which is above or below the average exchange rate of funding will result in realisation of foreign exchange gain or loss.

To minimise any potential losses from adverse currency fluctuations, the Group collaborates closely with bankers to monitor the fluctuations of exchange rates in order to capitalise on opportunities for conversion of funds at favourable rates as well as maintain banking facilities to enter into any suitable hedging instruments.

04 Regulatory

The Group is subject to various government regulations. 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 regularly updates 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.

05 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 overruns 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. Appointment 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 enable competent contractors to be awarded.

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.

06 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 staff. 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 countries which we operate. 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.

07 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. The cyber security of the Group is further monitored and discussed through regular meetings amongst the Cyber Security Subgroup via the development of cyber security scenarios to achieve continuous improvement in protection of the Group's data and reduction of risk.

Various IT policies and procedures are developed and deployed. Trainings are conducted to create and enhance staff awareness on the importance of cybersecurity and engagement of established service providers that are ISO certified to provide 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.

Statement on Risk Management and Internal Control

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 all Directors and Employees of the Group. 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 approval 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 appraisals to maintain high competency and capability levels.

Business Plans and Financial Budgeting

Annual business plans and budgets are prepared in advance for each financial year and these business plans and budgets are subject to review by Senior Management prior to tabling to the Board for approval. Actual performance is reviewed against the business plans and budgets 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 reported 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 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 Malaysia, United Kingdom and Australia. The Committee is responsible for monitoring the implementation of sustainability initiatives as well as reporting to 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 Eco World-Ballymore; and

(ii) Messrs PricewaterhouseCoopers LLP ("PwC") is the Internal Auditor of Eco World 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 2023 can be found in the Audit Committee Report included in this Annual Report.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the Audit and Assurance Practice Guide ("AAPG") 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 October 2023, 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 risks 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 6 February 2024.

Additional Compliance Information

UTILISATION OF PROCEEDS FROM CORPORATE PROPOSAL

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

AUDIT AND NON-AUDIT FEES

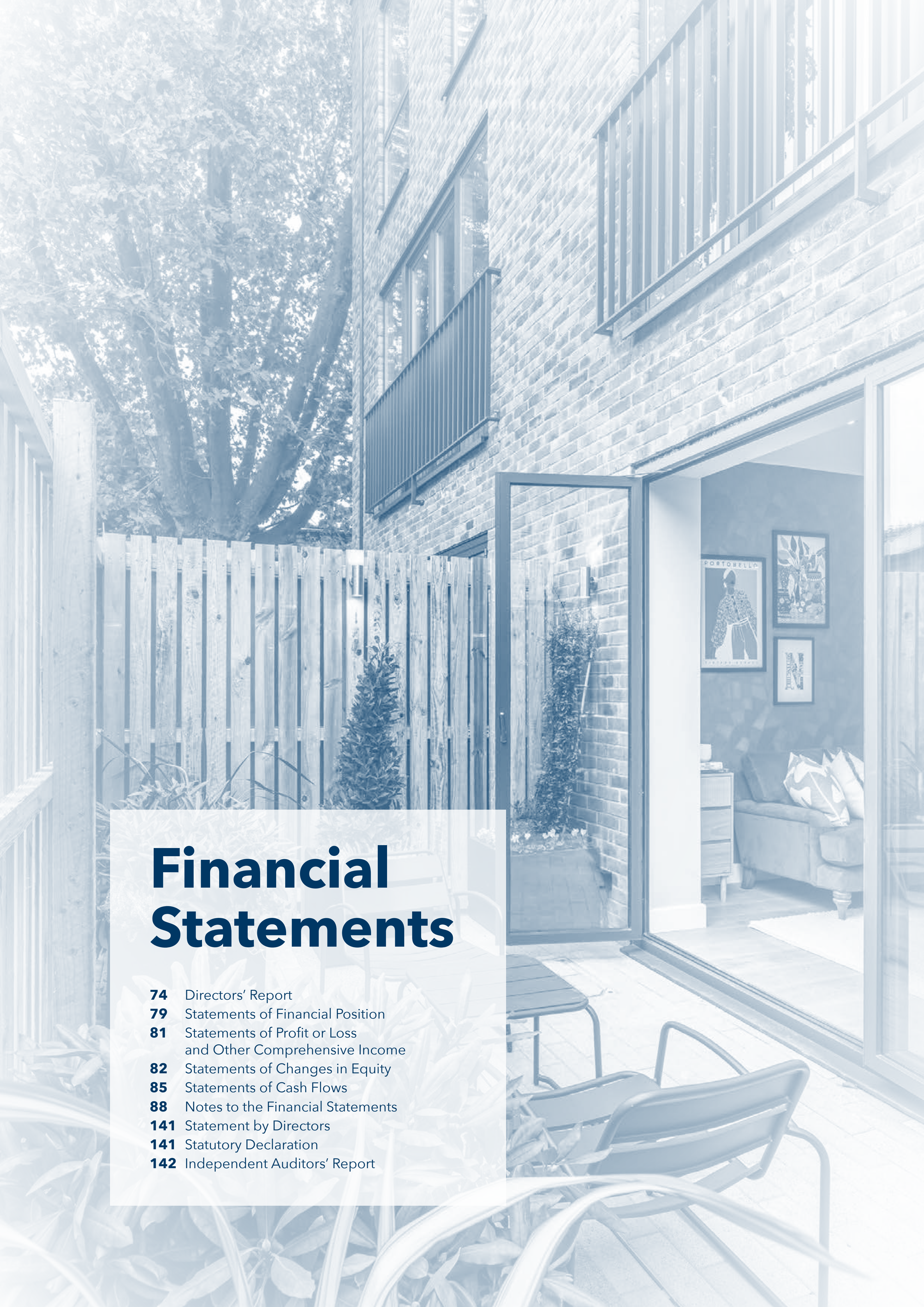
The amount of audit fees and non-audit fees paid or payable to the external auditors and firms affiliated to the external auditors' firm are as follows:

	Group (RM)	Company (RM)
Audit Fees	730,000	104,000
Non-Audit Fees	101,000*	101,000*
Total	**831,000**	**205,000**

* *Consists of limited assurance work on Statement on Risk Management and Internal Control and Share Capital Reduction exercise.*

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 FY2023.



Financial Statements

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

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 2023.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries and joint ventures are stated in Note 6 and Note 7 respectively to 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	(85,373)	(51,731)
Non-controlling interests	385	-
	(84,988)	(51,731)

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

The amount of dividends declared and paid by the Company since the end of the previous financial year were as follows:

In respect of the financial year ended 31 October 2023:

	RM'000
a) A first interim dividend of 33 sen per ordinary share was declared on 24 August 2023 and paid on 29 September 2023.	792,001
b) A final dividend of 6 sen per ordinary share was declared on 13 December 2023 and paid on 17 January 2024.	144,000

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 January 2023)
Cheah Tek Kuang	
Tan Sri Dato' Sri Liew Kee Sin*	
Dato' Teow Leong Seng*	
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	
Dato' Chang Khim Wah	(Resigned on 23 October 2023)
Datuk Heah Kok Boon	(Appointed on 23 October 2023)
Tang Hong Cheong	(Resigned on 12 April 2023)
Cheng Hsing Yao	
Dato' Siow Kim Lun	

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

DIRECTORS OF THE COMPANY (CONTINUED)

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

Dato' Kong Sooi Lin	
Pauline Wong Wan Voon	
Andrew Chew Kwang Ming*	(Appointed as Alternate Director to Cheng Hsing Yao on 3 March 2023 and redesignated as Director on 12 April 2023)
Wong Hock Chuan* (Alternate Director to Cheng Hsing Yao)	(Resigned on 3 March 2023)

* *These Directors are also Directors of certain subsidiaries*

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	(Resigned on 31 October 2023)
Lord Edward Udny-Lister	(Resigned on 1 February 2024)
Au Yong Fui Choy (Alternate Director to Andrew Chew Kwang Ming)	(Appointed on 7 March 2023)

DIRECTORS' INTERESTS

The interests and deemed interests in the ordinary shares 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			
	AS AT 1.11.2022/ DATE OF APPOINTMENT	**ACQUIRED**	**SOLD**	**AS AT 31.10.2023**
The Company				
Direct interest				
Tan Sri Dato' Sri Liew Kee Sin				
- own	246,540,798	-	-	246,540,798
- spouse and child[(1)]	45,700,000	-	(21,883,600)	23,816,400
Dato' Teow Leong Seng	15,263,000	-	-	15,263,000
Cheah Tek Kuang	3,000,000	-	-	3,000,000
Dato' Siow Kim Lun	2,000,000	-	-	2,000,000
Datuk Heah Kok Boon	100,000	-	-	100,000
Andrew Chew Kwang Ming	2,000	-	-	2,000
Tan Sri Datuk Dr Rebecca Fatima Sta Maria				
- spouse[(2)]	5,000,000	-	-	5,000,000

(1) *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*

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

DIRECTORS' INTERESTS (CONTINUED)

Other than as disclosed above, none of the other Directors holding office as at 31 October 2023 had any interest in the ordinary shares 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 2023 are as follows:

	FROM THE COMPANY RM'000	FROM SUBSIDIARY COMPANIES RM'000
Directors of the Company:		
Salaries, allowances and bonuses	3,686	3,040
Fees	780	-
Defined contribution plan	421	319
Others	2	184
	4,889	3,543

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

Following the completion of the capital reduction of the issued share capital of the Company of RM1,500 million ("Capital Reduction") pursuant to Section 117 of the Companies Act 2016 on 3 August 2023, the issued and paid-up capital of the Company was reduced from RM2,592,453,931 comprising 2,400,001,780 ordinary shares to RM1,092,453,931 comprising 2,400,001,780 ordinary shares.

On 6 February 2024, the Company proposed a capital reduction of the issued share capital of the Company of RM500 million ("Subsequent Capital Reduction") pursuant to Section 117 of the Companies Act 2016, where the issued and paid-up capital of the Company will be reduced from RM1,092,453,931 comprising 2,400,001,780 ordinary shares to RM592,453,931 comprising 2,400,001,780 ordinary shares. The Subsequent Capital Reduction is subject to approval from shareholders on 25 March 2024.

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

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

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.

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 loss on investments in subsidiaries, reversal of impairment loss on investment in a joint venture, impairment loss on amount owing by a joint venture and net gains on foreign exchange 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 2023 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.

SUBSEQUENT EVENT

During the current financial year, the Group intends to dispose off its land held in Eco World (Macquarie) Pty. Ltd. ("EW Macquarie"). Subsequent to the end of the current financial year, an application was submitted to Foreign Investment Review Board to revoke the construction condition and impose the condition to sell the land. On 12 January 2024, EW Macquarie obtained the approval for the disposal of the land within the next 12 months.

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept the re-appointment as auditors of the Company.

The auditors' remunerations of the Group and of the Company during the year are as follows:

	GROUP RM'000	COMPANY RM'000
Auditors' remunerations:		
Audit fees		
- current year		
KPMG PLT	122	104
Overseas affiliates of KPMG PLT	608	-
- prior year		
Overseas affiliates of KPMG PLT	50	-
Non-audit fees		
KPMG PLT	101	101

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

Kuala Lumpur,
Date: 6 February 2024

STATEMENTS OF FINANCIAL POSITION
AS AT 31 OCTOBER 2023

		GROUP		COMPANY	
	NOTE	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Assets					
Plant and equipment	3	**1,321**	1,691	**261**	334
Right-of-use assets	4	**-**	1,511	**-**	-
Goodwill	5	**31**	287	**-**	-
Investments in subsidiaries	6	**-**	-	**1,361,325**	2,303,246
Investments in joint ventures	7	**270,038**	263,785	**-**	-
Inventories	8	**143,809**	141,679	**-**	-
Amounts owing by joint ventures	9	**606,324**	941,258	**-**	-
Deferred tax assets	10	**213**	234	**-**	-
Total non-current assets		**1,021,736**	1,350,445	**1,361,586**	2,303,580
Inventories	8	**31,370**	114,437	**-**	-
Amounts owing by joint ventures	9	**296,759**	807,609	**-**	-
Trade receivables	11	**134**	460	**-**	-
Other receivables, deposits and prepayments	12	**23,187**	22,089	**421**	23
Contract costs	13.1	**60**	807	**-**	-
Amounts owing by subsidiaries	14	**-**	-	**142**	278,540
Current tax assets		**1,040**	1,470	**1,036**	507
Other investments	15	**33**	41,123	**33**	40,434
Cash and cash equivalents	16	**295,207**	614,220	**263,614**	301,715
Total current assets		**647,790**	1,602,215	**265,246**	621,219
Total assets		**1,669,526**	2,952,660	**1,626,832**	2,924,799

STATEMENTS OF FINANCIAL POSITION

AS AT 31 OCTOBER 2023

		GROUP		COMPANY	
	NOTE	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Equity					
Share capital	17	**1,092,454**	2,592,454	**1,092,454**	2,592,454
Hedging reserve	18.2	**-**	(832)	**-**	(832)
Exchange translation reserve	18.3	**84,189**	12	**-**	-
Retained earnings/(Accumulated losses)		**478,179**	(144,447)	**530,481**	(125,787)
Total equity attributable to owners of the Company		**1,654,822**	2,447,187	**1,622,935**	2,465,835
Non-controlling interests		**736**	1,001	**-**	-
Total equity		**1,655,558**	2,448,188	**1,622,935**	2,465,835
Liabilities					
Lease liabilities		**-**	770	**-**	-
Deferred tax liabilities	10	**41**	1,184	**-**	-
Total non-current liabilities		**41**	1,954	**-**	-
Borrowings	19	**-**	482,816	**-**	449,616
Derivative financial liabilities	20	**-**	832	**-**	832
Trade payables	21	**550**	925	**-**	-
Other payables and accruals	22	**8,707**	13,341	**3,851**	8,516
Contract liabilities	13.2	**-**	621	**-**	-
Amounts owing to subsidiaries	14	**-**	-	**46**	-
Lease liabilities		**-**	1,051	**-**	-
Current tax liabilities		**4,670**	2,932	**-**	-
Total current liabilities		**13,927**	502,518	**3,897**	458,964
Total liabilities		**13,968**	504,472	**3,897**	458,964
Total equity and liabilities		**1,669,526**	2,952,660	**1,626,832**	2,924,799

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 2023

	NOTE	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Revenue	23	**104,798**	159,964	**2,184**	12,110
Cost of sales		**(86,803)**	(130,275)	**-**	-
Gross profit		**17,995**	29,689	**2,184**	12,110
Other income	24	**30,674**	6,197	**27,741**	4,355
Marketing expenses		**(5,780)**	(6,605)	**-**	-
Administrative and general expenses		**(35,877)**	(37,810)	**(17,816)**	(14,201)
Impairment loss on goodwill	5	**(257)**	(389)	**-**	-
Impairment loss on investments in subsidiaries		**-**	-	**(77,960)**	(238,713)
Reversal of impairment loss/(Impairment loss) on investment in a joint venture	7	**64,673**	(74,111)	**-**	-
Impairment loss on amount owing by a joint venture	34.4	**(90,961)**	-	**-**	-
Net gains/(losses) on foreign exchange	27	**31,637**	(1,307)	**31,638**	(1,265)
Finance costs	25	**(16,598)**	(42,117)	**(16,089)**	(38,164)
Share of loss of joint ventures	7	**(75,029)**	(102,907)	**-**	-
Loss before tax		**(79,523)**	(229,360)	**(50,302)**	(275,878)
Tax expense	26	**(5,465)**	(3,896)	**(1,429)**	1
Loss for the year	27	**(84,988)**	(233,256)	**(51,731)**	(275,877)
Other comprehensive income/(loss), net of tax					
Items that may be reclassified subsequently to profit or loss:					
Hedge of net investment		**832**	484	**832**	484
Exchange differences on translation of foreign operations		**84,252**	(134,296)	**-**	-
Other comprehensive income/(loss) for the year, net of tax	28	**85,084**	(133,812)	**832**	484
Total comprehensive income/(loss) for the year		**96**	(367,068)	**(50,899)**	(275,393)
Loss for the year attributable to:					
Owners of the Company		**(85,373)**	(234,418)	**(51,731)**	(275,877)
Non-controlling interests		**385**	1,162	**-**	-
		(84,988)	(233,256)	**(51,731)**	(275,877)
Total comprehensive income/(loss) for the year attributable to:					
Owners of the Company		**(364)**	(368,114)	**(50,899)**	(275,393)
Non-controlling interests		**460**	1,046	**-**	-
		96	(367,068)	**(50,899)**	(275,393)
Loss per ordinary share (sen):					
Basic loss per share	29	**(3.56)**	(9.77)		
Diluted loss per share	29	**(3.56)**	(9.77)		

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 2023

		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)
		-	-	484	(134,180)	-	(133,696)	(116)	(133,812)
(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 2023

	NOTE	ATTRIBUTABLE TO OWNERS OF THE COMPANY — NON-DISTRIBUTABLE: SHARE CAPITAL RM'000	HEDGING RESERVE RM'000	EXCHANGE TRANSLATION RESERVE RM'000	(ACCUMULATED LOSSES)/ *DISTRIBUTABLE* RETAINED EARNINGS RM'000	TOTAL RM'000	NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
Group								
At 1 November 2022		2,592,454	(832)	12	(144,447)	2,447,187	1,001	2,448,188
Other comprehensive income for the year:								
- Hedge of net investment	28	-	832	-	-	832	-	832
- Exchange differences on translation of foreign operations	28	-	-	84,177	-	84,177	75	84,252
		-	832	84,177	-	85,009	75	85,084
(Loss)/Profit for the year		-	-	-	(85,373)	(85,373)	385	(84,988)
Total comprehensive income/(loss) for the year		-	832	84,177	(85,373)	(364)	460	96
Capital reduction		(1,500,000)	-	-	1,500,000	-	-	-
Dividends paid to owners of the Company	30	-	-	-	(792,001)	(792,001)	-	(792,001)
Dividends paid to non-controlling interests of a subsidiary		-	-	-	-	-	(725)	(725)
At 31 October 2023		**1,092,454**	**-**	**84,189**	**478,179**	**1,654,822**	**736**	**1,655,558**
		Note 17	Note 18.2	Note 18.3	Note 18.4			

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2023

	NOTE	NON-DISTRIBUTABLE SHARE CAPITAL RM'000	NON-DISTRIBUTABLE WARRANTS RESERVE RM'000	NON-DISTRIBUTABLE HEDGING RESERVE RM'000	(ACCUMULATED LOSSES)/ *DISTRIBUTABLE* RETAINED EARNINGS RM'000	TOTAL EQUITY RM'000
Company						
At 1 November 2021		2,592,451	276,418	(1,316)	(126,328)	2,741,225
Other comprehensive income for the year						
- Hedge of net investment	28	-	-	484	-	484
Loss for the year		-	-	-	(275,877)	(275,877)
Total comprehensive income/(loss) 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/ 1 November 2022		2,592,454	-	(832)	(125,787)	2,465,835
Other comprehensive income for the year						
- Hedge of net investment	28	-	-	832	-	832
Loss for the year		-	-	-	(51,731)	(51,731)
Total comprehensive income/(loss) for the year		-	-	832	(51,731)	(50,899)
Capital reduction		(1,500,000)	-	-	1,500,000	-
Dividends paid to owners of the Company	30	-	-	-	(792,001)	(792,001)
At 31 October 2023		**1,092,454**	**-**	**-**	**530,481**	**1,622,935**
		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 2023

	NOTE	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Cash flows from operating activities					
Loss before tax		**(79,523)**	(229,360)	**(50,302)**	(275,878)
Adjustments for:					
Interest income	24	**(28,694)**	(4,781)	**(27,726)**	(4,355)
Dividend income	23	**-**	-	**(2,184)**	(12,110)
Gain on disposal of plant and equipment	27	**(88)**	-	**-**	-
Gain on lease modification	4	**(166)**	-	**-**	-
Plant and equipment written off	27	**82**	-	**-**	-
Depreciation of plant and equipment	3	**313**	568	**98**	99
Depreciation of right-of-use assets	4	**907**	907	**-**	-
Reclassification of losses from hedge of net investment included in profit or loss	27	**605**	-	**605**	-
Share of loss of joint ventures	7	**75,029**	102,907	**-**	-
Finance costs	25	**16,598**	42,117	**16,089**	38,164
Foreign exchange differences		**(8,733)**	4,068	**(6,767)**	4,068
Impairment loss on goodwill	5	**257**	389	**-**	-
Impairment loss on investment in subsidiaries		**-**	-	**77,960**	238,713
(Reversal of impairment loss)/ Impairment loss on investment in a joint venture	7	**(64,673)**	74,111	**-**	-
Impairment loss on amount owing by a joint venture	34.4	**90,961**	-	**-**	-
Operating profit/(loss) before working capital changes		**2,875**	(9,074)	**7,773**	(11,299)
Changes in inventories		**81,289**	127,139	**-**	-
Changes in receivables and other current assets		**1,717**	(9,074)	**(13)**	4,263
Changes in payables and other current liabilities		**2,566**	(1,164)	**3,010**	(231)
Changes in contract liabilities		**(614)**	(763)	**-**	-
Changes in derivatives		**(605)**	-	**(605)**	-
Cash generated from/(used in) operations		**87,228**	107,064	**10,165**	(7,267)
Interest received		**721**	228	**258**	154
Tax paid		**(5,575)**	(8,678)	**(2,149)**	(563)
Tax refunded		**1,150**	8,585	**191**	-
Net cash generated from/(used in) operating activities		**83,524**	107,199	**8,465**	(7,676)
Cash flows from investing activities					
Purchase of plant and equipment	3	**(41)**	(31)	**(25)**	(11)
Proceeds from disposal of plant and equipment		**114**	2	**-**	2
Withdrawal/(Placement) of other investments		**41,090**	(22,363)	**40,401**	(21,674)
Net advances repaid by joint ventures		**830,089**	660,967	**-**	-
Net repayment of advances and equity contribution by subsidiaries		**-**	-	**1,150,140**	357,782
Dividends received		**-**	-	**2,184**	12,110
Interest received		**27,588**	4,553	**27,083**	4,201
Net cash generated from investing activities		**898,840**	643,128	**1,219,783**	352,410

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2023

	NOTE	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Cash flows from financing activities					
Proceeds from issuance of share capital		**-**	3	**-**	3
Drawdown of borrowings	a	**261,332**	272,446	**261,332**	272,446
Repayment of borrowings	a	**(744,053)**	(690,383)	**(711,332)**	(576,376)
Dividends paid to owners of the Company	30	**(792,001)**	-	**(792,001)**	-
Dividends paid to non-controlling interests of a subsidiary		**(725)**	(2,021)	**-**	-
Repayment of lease liabilities	a	**(1,051)**	(920)	**-**	-
Interest paid in relation to lease liabilities	25	**(68)**	(117)	**-**	-
Interest paid		**(23,799)**	(40,852)	**(23,380)**	(37,019)
Net cash used in financing activities		**(1,300,365)**	(461,844)	**(1,265,381)**	(340,946)
Net (decrease)/increase in cash and cash equivalents		**(318,001)**	288,483	**(37,133)**	3,788
Cash and cash equivalents at the beginning of the year		**614,220**	317,355	**301,715**	296,981
Effect of exchange rate changes		**(1,012)**	8,382	**(968)**	946
Cash and cash equivalents at the end of the year	16	**295,207**	614,220	**263,614**	301,715

Cash outflows for leases as a lessee

	NOTE	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Included in net cash from operating activities:					
Payment relating to short-term leases	27	**413**	455	**180**	180
Payment relating to leases of low-value assets	27	**34**	47	**14**	21
Included in net cash from financing activities:					
Interest paid in relation to lease liabilities	25	**68**	117	**-**	-
Repayment of lease liabilities		**1,051**	920	**-**	-
Total cash outflows for leases		**1,566**	1,539	**194**	201

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2023

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 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 2022/1 November 2022	482,816	1,821	484,637
Net changes from financing cash flows			
Drawdown of borrowings	261,332	-	261,332
Repayment of borrowings	(744,053)	-	(744,053)
Repayment of lease liabilities	-	(1,051)	(1,051)
Other changes			
Termination of lease (Note 4.2)	-	(770)	(770)
Amortisation of transaction costs	411	-	411
Foreign exchange movements	(506)	-	(506)
At 31 October 2023	**-**	**-**	**-**

COMPANY	BORROWINGS RM'000
At 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 2022/1 November 2022	449,616
Net changes from financing cash flows	
Drawdown of borrowings	261,332
Repayment of borrowings	(711,332)
Other changes	
Amortisation of transaction costs	384
At 31 October 2023	**-**

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:

Unit No. 19-01, Menara The Stride
Bukit Bintang City Centre
No. 2, Jalan Hang Tuah
55100 Kuala Lumpur
Wilayah Persekutuan
Malaysia

The consolidated financial statements of the Company as at and for the financial year ended 31 October 2023 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 and joint ventures are stated in Note 6 and Note 7 respectively to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 6 February 2024.

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 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*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements*

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 2025

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

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 2023 for the accounting standard and amendments that are effective for annual periods beginning on or after 1 January 2023;
- 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; and
- from the annual period beginning on 1 November 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.

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, valuation of inventories as disclosed in Note 8 and valuation of amounts owing by joint ventures as disclosed in Note 34.4.

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) 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)

(iv) 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.

(v) 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.

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.

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.

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.

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.

(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 on an individual basis with reference to their financial information, past trend of payments and external credit ratings.

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.

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.

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.

(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	TOTAL RM'000
Cost						
At 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 November 2022	1,906	974	955	9	6,504	10,348
Additions	-	-	41	-	-	41
Disposals	(110)	(433)	(28)	-	-	(571)
Write off	(82)	-	(385)	-	(4,348)	(4,815)
Effect of movement in exchange rates	100	-	1	-	6	107
At 31 October 2023	**1,814**	**541**	**584**	**9**	**2,162**	**5,110**
Accumulated depreciation						
At 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 November 2022	1,690	927	909	7	5,124	8,657
Charge for the year	75	6	17	-	215	313
Disposals	(83)	(434)	(28)	-	-	(545)
Write off	-	-	(385)	-	(4,348)	(4,733)
Effect of movement in exchange rates	94	-	-	-	3	97
At 31 October 2023	**1,776**	**499**	**513**	**7**	**994**	**3,789**
Carrying amount						
At 1 November 2021	541	67	38	3	1,641	2,290
At 31 October 2022/1 November 2022	216	47	46	2	1,380	1,691
At 31 October 2023	**38**	**42**	**71**	**2**	**1,168**	**1,321**

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 2021	18	166	324	9	814	1,331
Additions	-	-	11	-	-	11
Disposal	-	-	(4)	-	-	(4)
Write off	-	-	(6)	(4)	-	(10)
At 31 October 2022/1 November 2022	18	166	325	5	814	1,328
Additions	-	-	25	-	-	25
Write off	-	-	(11)	-	-	(11)
At 31 October 2023	**18**	**166**	**339**	**5**	**814**	**1,342**
Accumulated depreciation						
At 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 2022/1 November 2022	11	165	304	4	510	994
Charge for the year	2	1	14	-	81	98
Write off	-	-	(11)	-	-	(11)
At 31 October 2023	**13**	**166**	**307**	**4**	**591**	**1,081**
Carrying amount						
At 1 November 2021	9	2	25	2	386	424
At 31 October 2022/1 November 2022	7	1	21	1	304	334
At 31 October 2023	**5**	**-**	**32**	**1**	**223**	**261**

4. RIGHT-OF-USE ASSETS

GROUP	NOTE	OFFICE 2023 RM'000	OFFICE 2022 RM'000
At 1 November 2022/2021		**1,511**	2,418
Depreciation		**(907)**	(907)
Derecognition	4.2	**(604)**	-
At 31 October		**-**	1,511

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 contained 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 assessed at lease commencement whether it was reasonably certain to exercise the extension option. The Group reassessed whether it was reasonably certain to exercise the option if there was a significant event or significant change in circumstances within its control.

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

4.2 Lease modification

The Group and the lessor terminated the lease agreement in FY2023. This had resulted in the derecognition of right-of-use assets and lease liabilities of RM604,000 and RM770,000 respectively and gain on lease modification of RM166,000.

5. GOODWILL

GROUP	2023 RM'000	2022 RM'000
At 1 November 2022/2021	**287**	695
Impairment loss for the year	**(257)**	(389)
Effect of movement in exchange rates	**1**	(19)
At 31 October	**31**	287

Eco World Sydney Development Pty. Ltd.

Goodwill is attributable to Eco World Sydney Development Pty. Ltd.. As the balance is not material, no further disclosures are provided.

6. INVESTMENTS IN SUBSIDIARIES

COMPANY	NOTE	2023 RM'000	2022 RM'000
Unquoted shares, at cost		**50,047**	50,047
Equity contribution to subsidiaries	6.1	**1,627,951**	2,491,912
Allowance for impairment loss	6.2	**(316,673)**	(238,713)
		1,361,325	2,303,246

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. The decrease in equity contribution is due to net repayment of capital contribution amounting to RM863,961,000 (2022: RM639,279,000) during the financial year.

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. For impairment loss recognised in prior period, the Group assesses 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.

Eco World Investment Co. Ltd. ("EWIC"), a subsidiary of the Company has reported significant losses from the impairment of its investments 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 with regards to the investment in EWIC amounting to RM50.3 million (2022: RM238.7 million) for the financial year ended 31 October 2023.

The Company estimated the recoverable amount of EWIC and has recorded impairment loss as follows:

COMPANY	2023 RM'000	2022 RM'000
EWIC		
Cost of investment	**1,461,922**	2,287,214
Less: Allowance for impairment loss	**(289,061)**	(238,713)
	1,172,861	2,048,501
Recoverable amount	**1,172,861**	2,048,501
Impairment loss recognised during the year	**50,348**	238,713

The recoverable amount of EWIC was estimated based on the following:

(a) Recoverable amount of Eco World-Ballymore Holding Company Limited ("EW Ballymore");

(b) Recoverable amount of Be Eco World Investment Company Limited and Eco World London Development Company Limited (collectively "Eco World London"); and

(c) Amounts owing by joint ventures.

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

Furthermore, in 2023, the net assets of Fortune Quest Group Ltd. ("Fortune Quest") and Eco World Management & Advisory Services (UK) Limited ("EW Management"), subsidiaries of the Company, are lower than the carrying value of the investments in both subsidiaries. Consequently, this is an indication that Fortune Quest and EW Management may be impaired and the Company has estimated the recoverable amount of both subsidiaries and recorded impairment loss with regards to the investment in Fortune Quest and EW Management amounting to RM27.4 million and RM0.2 million respectively for the financial year ended 31 October 2023.

NOTES TO THE FINANCIAL STATEMENTS

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

6.2 Impairment loss (continued)

The Company estimated the recoverable amount of Fortune Quest and EW Management and has recorded impairment loss as follows:

COMPANY	2023 RM'000
Fortune Quest	
Cost of investment	**213,688**
Less: Allowance for impairment loss	**(27,431)**
	186,257
Recoverable amount	**186,257**
Impairment loss recognised during the year	**27,431**
EW Management	
Cost of investment	**2,388**
Less: Allowance for impairment loss	**(181)**
	2,207
Recoverable amount	**2,207**
Impairment loss recognised during the year	**181**

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

(i) Inventories of Fortune Quest will be completely sold by the financial year ending 31 October 2024.

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

(iii) Post-tax discount rate of 8.11% 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 Fortune Quest's ability to sell its inventories within the forecast time period and assumption on market forces.

As the investment in Fortune Quest was impaired to its recoverable amount, any change to the key assumptions will result in a different impairment loss amount recognised.

The impairment loss recognised with regards to the investment in EW Management is not material, no further disclosures are provided.

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 2023 %	2022 %
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 overseas affiliates 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	2023 RM'000	2022 RM'000
Unquoted shares, at cost		**315,414**	296,958
Share of post-acquisition reserves		**(31,129)**	40,938
Allowance for impairment loss	7.1	**(14,247)**	(74,111)
		270,038	263,785

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 2023 %	2022 %
Joint venture 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 with 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.

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.

2023	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	117,977	75,424	1,004	
Current assets	592,730	1,370,488	36,864	
Non-current liabilities	-	(35,089)	-	
Current liabilities	(322,799)	(1,449,309)	(51,787)	
Net assets/(liabilities)	387,908	(38,486)	(13,919)	
The above assets and liabilities include:				
Cash and cash equivalents	30,953	42,858	4,332	
Financial liabilities (excluding trade and other payables and provisions)				
- Current	(192,354)	(1,330,710)	-	
Year ended 31 October				
Loss and total comprehensive loss for the year	(21,346)	(156,005)	(1,989)	
Included in the total comprehensive loss:				
Revenue	963,293	311,980	90,201	
Depreciation	-	-	(3,117)	
Interest income	7	5,660	70	
Interest expense	(399)	(11,400)	(1,302)	
Tax expense	(1,576)	(5,505)	(3,328)	
Reconciliation of net assets to carrying amount as at 31 October				
Group's share of net assets/(liabilities)	290,931	(26,940)	(9,743)	254,248
Elimination of unrealised profits	(6,646)	(3,883)	-	(10,529)
Impairment loss on investment in joint venture	(14,247)	-	-	(14,247)
Discontinued share of losses in joint ventures	-	30,823	9,743	40,566
Carrying amount in the statement of financial position	270,038	-	-	270,038
Group's share of results for the year ended 31 October				
Group's share of loss and total comprehensive loss for the year	(16,010)	(109,203)	(1,392)	(126,605)
Realisation of unrealised profits previously eliminated	10,782	228	-	11,010
Discontinued share of losses in joint ventures	-	30,823	9,743	40,566
Group's share of loss and total comprehensive loss in the statement of profit or loss and other comprehensive income	(5,228)	(78,152)	8,351	(75,029)

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Summarised financial information (continued)

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)	
Tax expense	(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)

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Commitments

In accordance with 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 shareholder loans in proportion to their interests, where required. The maximum additional shareholder loans that the Group is required to make under the joint venture agreements is as disclosed below:

GROUP	2023 RM'000	2022 RM'000
EW Ballymore	**171,338**	161,312
Be EW Investment	**139,232**	11,684
EW London DMCo	**-**	1,796
	310,570	174,792

It is not anticipated that the Group will be required to make the additional shareholder loans to EW Ballymore as all property development site under EW Ballymore were completed as at 31 October 2023 and the development facility obtained by EW Ballymore 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. For impairment loss recognised in prior period, the Group assesses 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.

The joint ventures of the Group had reported significant losses. Consequently, this is an indication that the joint ventures may be impaired.

(a) EW Ballymore

The Group has estimated the recoverable amount of the joint venture and recorded a reversal of impairment loss with regards to the investment in EW Ballymore amounting to RM64.7 million (2022: impairment loss amounting to RM74.1 million) for the financial year ended 31 October 2023. The reversal of impairment loss is mainly due to improvement in the cash flows projection of EW Ballymore.

GROUP	2023 RM'000	2022 RM'000
Equity-accounted carrying amount	**284,285**	272,476
Less: Allowance for impairment loss	**(14,247)**	(74,111)
	270,038	198,365
Recoverable amount	**270,038**	198,365
(Reversal of impairment loss)/Impairment loss recognised during the year	**(64,673)**	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 completely sold by the financial year ending 31 October 2024 (2022: 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 9.02% (2022: 8.48%) was estimated based on an industry average weighted average cost of capital.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENTS IN JOINT VENTURES (CONTINUED)

7.1 Impairment loss (continued)

(a) EW Ballymore (continued)

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 was impaired to its recoverable amount, any change to the key assumptions will result in a different impairment loss amount recognised.

(b) Eco World London

GROUP	2023 RM'000	2022 RM'000
Equity-accounted carrying amount	-	65,420
Recoverable amount	-	118,377

In the current financial year, the equity-accounted carrying amount was fully reduced by the Group's share of losses in the joint venture. The Group discontinued recognition of further losses in Eco World London joint venture when the Group's share of losses exceeded its interest in the equity-accounted joint venture.

The Group has not recognised losses relating to Eco World London, totalling RM40.6 million in the current financial year, since the Group has no obligation in respect of these losses.

In the previous financial year, the recoverable amount was estimated based on the equity value of Eco World London, which was 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 were 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.

8. INVENTORIES

GROUP	2023 RM'000	2022 RM'000
Non-current		
Land held for development	**143,809**	141,679
Current		
Developed properties	**31,370**	114,437
	175,179	256,116
Inventories pledged as securities for borrowings (Note 19)		
- Developed properties	-	112,798

8. INVENTORIES (CONTINUED)

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.

9. AMOUNTS OWING BY JOINT VENTURES

GROUP	NOTE	2023 RM'000	2022 RM'000
Non-current			
- EW Ballymore		**-**	254,226
- Eco World London		**697,285**	687,032
- Impairment loss	34.4	**(90,961)**	-
		606,324	941,258
Current			
- EW Ballymore		**149,303**	590,603
- Eco World London		**147,456**	217,006
		296,759	807,609
		903,083	1,748,867

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 2023 RM'000	ASSETS 2022 RM'000	LIABILITIES 2023 RM'000	LIABILITIES 2022 RM'000	NET 2023 RM'000	NET 2022 RM'000
Inventories	**-**	-	**(537)**	(1,673)	**(537)**	(1,673)
Other items	**137**	138	**-**	-	**137**	138
Plant and equipment	**572**	576	**-**	-	**572**	576
Tax loss carry-forwards	**-**	9	**-**	-	**-**	9
Tax assets/(liabilities)	**709**	723	**(537)**	(1,673)	**172**	(950)
Set off of tax	**(496)**	(489)	**496**	489	**-**	-
Net tax assets/ (liabilities)	**213**	234	**(41)**	(1,184)	**172**	(950)

Unrecognised deferred tax assets

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

	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Tax losses carry-forwards	**11,632**	9,938	**-**	-
Capital allowance carry-forwards	**405**	411	**-**	-
Right-of-use assets	**-**	(1,511)	**-**	-
Lease liabilities	**-**	1,822	**-**	-
Other items	**16**	96	**-**	-
	12,053	10,756	**-**	-

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	2023 TAX LOSS RM'000	2023 EXPIRY YEAR	2022 TAX LOSS RM'000	2022 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	**326**	**2032**	326	2032
YA 2023	**1,694**	**2033**	-	-
	11,632		9,938	

Tax losses can be carried forward up to 10 years (2022: 10 years) following the enactment of the Finance Act 2023.

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 1.11.2021 RM'000	RECOGNISED IN PROFIT OR LOSS (NOTE 26) RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATES RM'000	AT 31.10.2022/ 1.11.2022 RM'000	RECOGNISED IN PROFIT OR LOSS (NOTE 26) RM'000	EFFECT OF MOVEMENT IN EXCHANGE RATES RM'000	AT 31.10.2023 RM'000
Inventories	(4,365)	2,579	113	(1,673)	1,127	9	**(537)**
Other items	128	12	(2)	138	(2)	1	**137**
Plant and equipment	382	210	(16)	576	(6)	2	**572**
Tax loss carry-forwards	-	9	-	9	(17)	8	**-**
	(3,855)	2,810	95	(950)	1,102	20	**172**

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.

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	NOTE	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Other receivables		**1,096**	351	**385**	-
Less: Allowance for impairment loss	a	**(208)**	(207)	**-**	-
		888	144	**385**	-
Pre-sale deposits held by solicitors	b	**75**	621	**-**	-
Prepayments		**21,829**	20,283	**29**	-
Goods and services tax ("GST") recoverable		**-**	336	**-**	-
Value-added tax ("VAT") recoverable		**47**	62	**-**	-
Amount owing by a joint venture	c	**91**	388	**-**	17
Sundry deposits		**257**	255	**7**	6
		23,187	22,089	**421**	23

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

Note a

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

GROUP	2023 RM'000	2022 RM'000
At 1 November 2022/2021	**207**	214
Effect of movement in exchange rate	**1**	(7)
At 31 October	**208**	207

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	2023 RM'000	2022 RM'000
Cost to obtain a contract	**60**	807

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 RM1,281,000 (2022: RM1,837,000).

13.2 Contract liabilities

GROUP	2023 RM'000	2022 RM'000
Contract liabilities	**-**	621

The contract liabilities primarily related to the advance consideration received from customers for the sale of properties. The contract liabilities were recognised as revenue in the ordinary course of business during the current financial year.

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

GROUP	2023 RM'000	2022 RM'000
Contract liabilities at the beginning of the period recognised as revenue	**614**	1,243

NOTES TO THE FINANCIAL STATEMENTS

14. AMOUNTS OWING BY/TO SUBSIDIARIES

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

The amounts owing to subsidiaries represent payment made on behalf by the subsidiaries, which are unsecured, interest free and repayable on demand.

15. OTHER INVESTMENTS

	GROUP		COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Other investments	**33**	41,123	**33**	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 AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Cash on hand and at banks	**37,916**	43,108	**8,341**	9,145
Short-term deposits	**257,291**	571,112	**255,273**	292,570
	295,207	614,220	**263,614**	301,715

17. SHARE CAPITAL

GROUP AND COMPANY	NUMBER OF SHARES 2023 '000	NUMBER OF SHARES 2022 '000	AMOUNT 2023 RM'000	AMOUNT 2022 RM'000
Issued and fully paid shares with no par value classified as equity instruments				
Ordinary shares				
At 1 November 2022/2021	**2,400,002**	2,400,000	**2,592,454**	2,592,451
Issue for cash under Warrants 2017/2022	**-**	2	**-**	3
Capital Reduction	**-**	-	**(1,500,000)**	-
At 31 October	**2,400,002**	2,400,002	**1,092,454**	2,592,454

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.

Following the completion of the capital reduction of the issued share capital of the Company of RM1,500 million ("Capital Reduction") pursuant to Section 117 of the Companies Act 2016 on 3 August 2023, the issued and paid-up capital of the Company was reduced from RM2,592,453,931 comprising 2,400,001,780 ordinary shares to RM1,092,453,931 comprising 2,400,001,780 ordinary shares.

On 6 February 2024, the Company proposed a capital reduction of the issued share capital of the Company of RM500 million ("Subsequent Capital Reduction") pursuant to Section 117 of the Companies Act 2016, where the issued and paid-up capital of the Company will be reduced from RM1,092,453,931 comprising 2,400,001,780 ordinary shares to RM592,453,931 comprising 2,400,001,780 ordinary shares. The Subsequent Capital Reduction is subject to approval from shareholders on 25 March 2024.

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 the 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

In 2022, the hedging reserve comprised 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.

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 Retained earnings/Accumulated losses

During the current financial year, accumulated losses have reduced by RM1,500,000,000 following the capital reduction exercise. In 2022, accumulated losses of the Company were reduced by RM276,418,000 following the transfer of warrant reserve relating to expired unexercised warrants.

NOTES TO THE FINANCIAL STATEMENTS

19. BORROWINGS

	NOTE	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Current					
Secured:					
Term loans	a	-	33,200	-	-
Unsecured:					
Medium term notes ("MTNs")	b	-	449,616	-	449,616
		-	482,816	-	449,616
Represented by:					
- Term loans		-	33,200	-	-
- MTNs		-	449,616	-	449,616
		-	482,816	-	449,616
Repayable:					
- not later than 1 year		-	482,816	-	449,616

Note a

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

Note b

The MTNs were 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.

On 27 April 2023, the Company fully redeemed the first issuance of Sukuk Murabahah of RM180.0 million in nominal value upon its maturity date. On 24 May 2023, the Company fully redeemed the third and final issuance of Sukuk Murabahah of RM270.0 million in nominal value upon its maturity date.

20. DERIVATIVE FINANCIAL LIABILITIES

GROUP AND COMPANY	2023 NOTIONAL VALUE RM'000	2023 ASSETS RM'000	2023 LIABILITIES RM'000	2022 NOTIONAL VALUE RM'000	2022 ASSETS RM'000	2022 LIABILITIES RM'000
Cross currency swaps - Derivatives used for hedging	-	-	-	10,935	-	(832)

Cross currency swaps were 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. As at 31 October 2022, the Group and the Company held cross currency swaps with nominal value of RM10,935,000 to hedge the cash flow risk in relation to foreign currency exchange fluctuation of equity contributions to subsidiaries denominated in AUD. The cross currency swaps have matured during the current reporting period.

21. TRADE PAYABLES

Included in trade payables of the Group is an amount owing to a related company amounting to RM15,000 (2022: RM425,000), which is non-interest bearing and expected to be settled within the normal credit terms.

22. OTHER PAYABLES AND ACCRUALS

	NOTE	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Other payables		**2,034**	2,306	**845**	424
GST payable		**1,644**	1,597	**-**	-
VAT payable		**61**	109	**-**	-
Accruals	a	**3,742**	9,058	**2,309**	8,027
Amounts owing to joint ventures	b	**265**	11	**265**	11
Amounts owing to related companies	c	**961**	260	**432**	54
		8,707	13,341	**3,851**	8,516

Note a

In 2022, included in accruals of the Group and the Company were finance costs payable of RM7,680,000 and RM7,675,000 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.

NOTES TO THE FINANCIAL STATEMENTS

23. REVENUE

	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Revenue from contracts with customers	**104,798**	159,964	**-**	-
Other revenue				
- Dividend income	**-**	-	**2,184**	12,110
	104,798	159,964	**2,184**	12,110

23.1 Disaggregation of revenue from contracts with customers

	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Primary geographical markets				
Australia	**104,667**	159,512	**-**	-
Malaysia	**131**	452	**-**	-
	104,798	159,964	**-**	-
Major products and services				
Sales of developed properties	**104,667**	159,512	**-**	-
Sales and marketing services*	**131**	452	**-**	-
	104,798	159,964	**-**	-
Timing and recognition				
At a point in time	**104,667**	159,512	**-**	-
Over time	**131**	452	**-**	-
	104,798	159,964	**-**	-

* 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. REVENUE (CONTINUED)

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.

24. OTHER INCOME

	GROUP		COMPANY	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Interest income of financial assets calculated using the effective interest method that are at amortised cost	**28,694**	4,781	**27,726**	4,355
Forfeiture of deposits	**-**	225	**-**	-
Gain on disposal of plant and equipment	**88**	-	**-**	-
Gain on lease modification (Note 4.2)	**166**	-	**-**	-
Others	**1,726**	1,191	**15**	-
	30,674	6,197	**27,741**	4,355

25. FINANCE COSTS

	GROUP		COMPANY	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Interest expense of financial liabilities that are not at fair value through profit or loss:				
Amortisation of facility fee on borrowings	**411**	2,979	**384**	1,757
Interest on borrowings	**16,119**	39,021	**15,705**	36,407
Interest expense on lease liabilities	**68**	117	**-**	-
	16,598	42,117	**16,089**	38,164
Recognised in profit or loss	**16,598**	42,117	**16,089**	38,164

NOTES TO THE FINANCIAL STATEMENTS

26. TAX EXPENSE

	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Current tax				
Malaysian tax				
- current year	**1,433**	4	**1,433**	4
- prior years	**(4)**	(5)	**(4)**	(5)
Foreign tax				
- current year	**4,895**	6,619	**-**	-
- prior years	**243**	88	**-**	-
	6,567	6,706	**1,429**	(1)
Deferred tax (Note 10)				
Foreign tax				
- current year	**(953)**	(2,753)	**-**	-
- prior years	**(149)**	(57)	**-**	-
	(1,102)	(2,810)	**-**	-
	5,465	3,896	**1,429**	(1)

The Group operates in a multi-jurisdictional tax environment.

The Malaysian income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 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% (2022: 0%);

(b) subsidiaries incorporated in the United Kingdom: 19% - 25% (2022: 19%); and

(c) subsidiaries incorporated in Australia: 30% (2022: 30%).

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

	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Loss before tax	**(79,523)**	(229,360)	**(50,302)**	(275,878)
Less: Share of results of joint ventures	**75,029**	102,907	**-**	-
Loss before tax and share of results in joint ventures	**(4,494)**	(126,453)	**(50,302)**	(275,878)
Tax at applicable tax rates	**8,375**	(11,122)	**(12,073)**	(66,211)
Non-taxable and tax exempted income	**(9,583)**	-	**(10,107)**	(2,906)
Non-deductible expenses	**6,272**	14,915	**23,613**	69,121
Effect of deferred tax assets not recognised	**311**	77	**-**	-
Under/(Over) provision in prior years	**90**	26	**(4)**	(5)
	5,465	3,896	**1,429**	(1)

27. LOSS FOR THE YEAR

	NOTE	GROUP 2023 RM'000	GROUP 2022 RM'000	COMPANY 2023 RM'000	COMPANY 2022 RM'000
Loss for the year is arrived at after (crediting)/charging:					
Auditors' remunerations:					
Audit fees					
- current year					
KPMG PLT		**122**	112	**104**	95
Overseas affiliates of KPMG PLT		**608**	522	**-**	-
- prior year					
Overseas affiliates of KPMG PLT		**50**	(21)	**-**	-
Non-audit fees					
KPMG PLT		**101**	15	**101**	15
Material expenses/(income)					
Depreciation of plant and equipment	3	**313**	568	**98**	99
Depreciation of right-of-use assets	4	**907**	907	**-**	-
Employee benefits expense (excluding directors but including other key management personnel as disclosed in Note 32)	31	**15,905**	14,719	**8,712**	6,470
Impairment loss on goodwill	5	**257**	389	**-**	-
Impairment loss on investment in subsidiaries		**-**	-	**77,960**	238,713
(Reversal of impairment loss)/ Impairment loss on investment in a joint venture	7	**(64,673)**	74,111	**-**	-
Net (gains)/losses on foreign exchange		**(31,637)**	1,307	**(31,638)**	1,265
Reclassification of losses from hedge of net investment included in profit or loss	28, a	**605**	-	**605**	-
Gain on disposal of plant and equipment		**(88)**	-	**-**	-
Plant and equipment written off		**82**	-	**-**	-
Share of loss of joint ventures	7	**75,029**	102,907	**-**	-
Expenses arising from leases					
Expenses relating to short-term leases	b	**413**	455	**180**	180
Expenses relating to leases of low-value assets	c	**34**	47	**14**	21
Net loss on impairment of financial instruments					
Impairment loss on amount owing by a joint venture	34.4	**90,961**	-	**-**	-

Note a

Losses from hedge of net investment were reclassified from hedging reserve to administrative and general expenses in 2023 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 INCOME/(LOSS) FOR THE YEAR, NET OF TAX

GROUP	BEFORE TAX RM'000	TAX (EXPENSE)/ BENEFIT RM'000	NET OF TAX RM'000
2023			
Items that are or may be reclassified subsequently to profit or loss			
Hedge of net investment			
- Gains arising during the year	**227**	**-**	**227**
- Reclassification adjustments for losses included in profit or loss	**605**	**-**	**605**
	832	**-**	**832**
Foreign currency translation differences for foreign operations			
- Gains arising during the year	**84,252**	**-**	**84,252**
			85,084
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)

COMPANY	BEFORE TAX RM'000	TAX (EXPENSE)/ BENEFIT RM'000	NET OF TAX RM'000
2023			
Items that are or may be reclassified subsequently to profit or loss			
Hedge of net investment			
- Gains arising during the year	**227**	**-**	**227**
- Reclassification adjustments for losses included in profit or loss	**605**	**-**	**605**
	832	**-**	**832**
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

29. LOSS PER ORDINARY SHARE

Basic loss per ordinary share

The calculation of basic loss per ordinary share at 31 October 2023 was based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

GROUP	2023	2022
Loss for the year attributable to owners of the Company (RM'000)	**(85,373)**	(234,418)
Weighted average number of ordinary shares ('000)	**2,400,002**	2,400,002
Basic loss per ordinary share (sen)	**(3.56)**	(9.77)

Diluted loss per ordinary share

The diluted loss per ordinary share at 31 October 2023 and 31 October 2022 were the same as basic loss per ordinary share as there were no outstanding instruments with potentially dilutive effect.

30. DIVIDENDS

Dividends recognised by the Company:

	SEN PER SHARE	TOTAL AMOUNT RM'000	DATE OF PAYMENT
2023			
Interim 2023 ordinary	33.0	792,001	29 September 2023

On 13 December 2023, the Directors declared a final dividend of 6 sen per ordinary share amounting to RM144,000,000 for the financial year ended 31 October 2023 and paid on 17 January 2024.

31. EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Salaries, wages, bonuses and allowances	**13,206**	12,286	**7,288**	5,386
Defined contribution plan	**1,564**	1,489	**889**	646
Other staff benefits	**1,135**	944	**535**	438
	15,905	14,719	**8,712**	6,470

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.

NOTES TO THE FINANCIAL STATEMENTS

32. RELATED PARTY DISCLOSURES (CONTINUED)

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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
A. Joint ventures				
Revenue	**131**	452	**-**	-
Advances to joint ventures	**151,856**	291,237	**-**	-
Repayment of advances by joint ventures	**(981,945)**	(952,204)	**-**	-
B. Subsidiaries				
Dividend income	**-**	-	**2,184**	12,110
Capital contribution to subsidiaries	**-**	-	**47,207**	161,393
Repayment of advances and capital contribution by subsidiaries	**-**	-	**(1,197,347)**	(519,175)
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	**123**	477	**-**	-
Support service fees paid or payable	**268**	153	**268**	153
Rental paid or payable	**180**	180	**180**	180
Staff secondment fee	**2,922**	-	**2,565**	-
Joint venture of EW Berhad where certain directors of the Company are also the directors of EW Berhad				
Rental paid or payable	**1,119**	1,036	**-**	-
D. Key management personnel				
Salaries, allowances and bonuses	**8,957**	8,794	**5,917**	5,790
Fees	**780**	800	**780**	800
Defined contribution plan	**1,009**	1,026	**690**	668
Others	**209**	220	**25**	24
Total remuneration to key management personnel	**10,955**	10,840	**7,412**	7,282
Included in remuneration to key management personnel is remuneration to Directors:				
Salaries, allowances and bonuses	**6,726**	6,759	**3,686**	3,754
Fees	**780**	800	**780**	800
Defined contribution plan	**740**	782	**421**	424
Others	**186**	196	**2**	1
	8,432	8,537	**4,889**	4,979
Company where a director of a subsidiary has interest				
Consultancy fees paid or payable	**735**	858	**-**	-

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.

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
2023				
Segment (loss)/profit	**(109,944)**	**2,704**	**22,252**	**(84,988)**
Included in the measure of segment (loss)/profit are:				
Revenue from external customers	-	**104,667**	**131**	**104,798**
(Impairment loss)/Reversal of impairment loss:				
- goodwill	-	**(257)**	-	**(257)**
- investment in a joint venture	**64,673**	-	-	**64,673**
- amount owing by a joint venture	**(90,961)**	-	-	**(90,961)**
Share of loss of joint ventures	**(75,029)**	-	-	**(75,029)**
Depreciation of plant and equipment and right-of-use assets	**(44)**	**(161)**	**(1,015)**	**(1,220)**
Finance costs	-	**(441)**	**(16,157)**	**(16,598)**
Finance income	**534**	**416**	**27,744**	**28,694**
Tax expense	**(583)**	**(3,453)**	**(1,429)**	**(5,465)**
Segment assets	**1,196,959**	**206,386**	**266,181**	**1,669,526**
Included in the measure of segment assets are:				
Additions to plant and equipment	**16**	-	**25**	**41**
Investments in joint ventures	**270,038**	-	-	**270,038**
Segment liabilities	**836**	**8,396**	**4,736**	**13,968**

NOTES TO THE FINANCIAL STATEMENTS

33. SEGMENTAL REPORTING (CONTINUED)

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 loss:				
- 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
Tax expense	(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

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

2023	CARRYING AMOUNT (AC) RM'000
Financial Assets	
Group	
Amounts owing by joint ventures	**903,083**
Trade receivables	**134**
Other receivables and deposits	**1,311**
Other investments	**33**
Cash and cash equivalents	**295,207**
	1,199,768
Company	
Other receivables and deposits	**392**
Amounts owing by subsidiaries	**142**
Other investments	**33**
Cash and cash equivalents	**263,614**
	264,181

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.1 Categories of financial instruments (continued)

2023	CARRYING AMOUNT (AC) RM'000
Financial liabilities	
Group	
Trade payables	**(550)**
Other payables and accruals	**(7,002)**
	(7,552)
Company	
Other payables and accruals	**(3,851)**
Amounts owing to subsidiaries	**(46)**
	(3,897)

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 and cash equivalents	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 and cash equivalents	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)

34.2 Net gains/(losses) arising from financial instruments

	GROUP		COMPANY	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Net gains/(losses) on:				
Derivatives used for hedging	**227**	484	**227**	484
Financial assets at amortised cost	**(31,535)**	(8,836)	**58,464**	(9,245)
Financial liabilities at amortised cost	**(15,625)**	(29,690)	**(15,189)**	(25,829)
	(46,933)	(38,042)	**43,502**	(34,590)

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

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

The following table provides information about the exposure to credit risk and ECLs for advances owing by joint ventures.

GROUP	NOTE	GROSS CARRYING AMOUNT RM'000	IMPAIRMENT LOSS ALLOWANCES RM'000	NET BALANCE RM'000
2023				
Low credit risk - EW Ballymore	a	**149,303**	**-**	**149,303**
Significant increase in credit risk - Eco World London	b	**844,741**	**(90,961)**	**753,780**
		994,044	**(90,961)**	**903,083**

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.4 Credit risk (continued)

Amounts owing by joint ventures (continued)

Recognition and measurement of impairment loss (continued)

GROUP	GROSS CARRYING AMOUNT RM'000	IMPAIRMENT LOSS ALLOWANCES RM'000	NET BALANCE RM'000
2022			
Low credit risk			
- EW Ballymore	844,829	-	844,829
- Eco World London	904,038	-	904,038
	1,748,867	-	1,748,867

(a) Advances owing by EW Ballymore

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

i. EW Ballymore reported net assets, which indicate that EW Ballymore has sufficient assets to repay all its liabilities, including the advances owing to the Group (which is included in current liabilities of EW Ballymore).

ii. EW Ballymore is expected to be able to realise the sales of its developed properties in the foreseeable future to generate continuous cash inflows to repay the advances owing to the Group.

iii. Forward-looking macroeconomic information, such as the property demand in the United Kingdom, did not indicate any significant increase in credit risk in respect of the advances owing by EW Ballymore.

(b) Advances owing by Eco World London

The Group determined that the credit risk for advances owing by Eco World London has increased significantly during the year due to continuous losses reported by Eco World London and Eco World London has reported a net liabilities position as at 31 October 2023.

Consequently, the Group recognised an allowance for impairment in respect of the amounts owing from Eco World London using internal information available.

The movement in the allowance for impairment in respect of amounts owing by joint ventures during the year is as follows:

GROUP	2023 RM'000	2022 RM'000
Balance at 1 November 2022/2021	**-**	-
Net remeasurement of loss allowance	**90,961**	-
Balance at 31 October	**90,961**	-

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.4 Credit risk (continued)

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.

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	
	2023 RM'000	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Financial guarantees to banks in respect of banking facilities granted to:				
- Joint ventures	**70,571**	66,600	**70,571**	66,600
- Subsidiaries	**-**	-	**-**	33,200
	70,571	66,600	**70,571**	99,800

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.

The Group and the Company determine the probability of default of the guaranteed loans individually using internal information available.

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.4 Credit risk (continued)

Financial guarantees (continued)

Recognition and measurement of impairment loss (continued)

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 arises 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.

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:

2023	CARRYING AMOUNT RM'000	CONTRACTUAL INTEREST RATE %	CONTRACTUAL CASH FLOWS RM'000	UNDER 1 YEAR RM'000	1 - 5 YEARS RM'000	MORE THAN 5 YEARS RM'000
Group						
Non-derivative financial liabilities						
Trade payables	550	-	550	550	-	-
Other payables and accruals	7,002	-	7,002	7,002	-	-
Financial guarantees	-	-	70,571	70,571	-	-
	7,552		78,123	78,123	-	-

2023	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						
Other payables and accruals	3,851	-	3,851	3,851	-	-
Amounts owing to subsidiaries	46	-	46	46	-	-
Financial guarantees	-	-	70,571	70,571	-	-
	3,897		74,468	74,468	-	-

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.5 Liquidity risk (continued)

Maturity analysis (continued)

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	-	-

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 and cash equivalents and receivables and payables 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").

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 previous reporting period and all swaps have matured during the current reporting period.

The Group and the Company used cross-currency swaps to hedge their foreign currency risk. As hedging activities of the Group was inconsequential, no further disclosures were 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:

	DENOMINATED IN	
2023	**AUD RM'000**	**GBP RM'000**
Group		
Trade receivables	**-**	**134**
Other receivables, deposits and prepayments	**-**	**476**
Cash and cash equivalents	**2**	**151,287**
Other payables and accruals	**-**	**(265)**
Net exposure	**2**	**151,632**
Company		
Amount owing to subsidiary	**-**	**(46)**
Other receivables, deposits and prepayments	**-**	**385**
Cash and cash equivalents	**2**	**151,287**
Other payables and accruals	**-**	**(265)**
Net exposure	**2**	**151,361**

	DENOMINATED IN	
2022	**AUD RM'000**	**GBP RM'000**
Group		
Trade receivables	-	460
Other receivables, deposits and prepayments	-	388
Other investments	-	1,639
Cash and cash equivalents	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 and cash equivalents	319	58,582
Derivative financial liabilities	(832)	-
Other payables and accruals	-	(11)
Net exposure	(513)	338,656

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% (2022: 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	**2023 RM'000**	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
AUD	**-**	51	**-**	51
GBP	**(15,163)**	(6,106)	**(15,136)**	(33,866)
	(15,163)	(6,055)	**(15,136)**	(33,815)

A 10% (2022: 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.

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.6 Market risk (continued)

34.6.2 Interest rate risk (continued)

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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Fixed rate instruments				
Financial assets	**153,278**	338,643	**151,260**	60,102
Financial liabilities	**-**	(449,616)	**-**	(449,616)
Lease liabilities	**-**	(1,821)	**-**	-
	153,278	(112,794)	**151,260**	(389,514)
Floating rate instruments				
Financial assets	**104,046**	272,900	**104,046**	272,900
Financial liabilities	**-**	(33,200)	**-**	-
	104,046	239,700	**104,046**	272,900

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
2023				
Floating rate instruments	**1,040**	**(1,040)**	**1,040**	**(1,040)**
2022				
Floating rate instruments	2,397	(2,397)	2,729	(2,729)

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.

	FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE				FAIR VALUE OF FINANCIAL INSTRUMENTS NOT CARRIED AT FAIR VALUE					
	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000	TOTAL RM'000	LEVEL 1 RM'000	LEVEL 2 RM'000	LEVEL 3 RM'000	TOTAL RM'000	TOTAL FAIR VALUE RM'000	CARRYING AMOUNT RM'000
2023										
Group										
Financial assets										
Amounts owing by joint ventures	**-**	**-**	**-**	**-**	**-**	**-**	**839,540**	**839,540**	**839,540**	**903,083**
2022										
Group										
Financial assets										
Amounts owing by joint ventures	-	-	-	-	-	-	1,555,785	1,555,785	1,555,785	1,748,867
Financial liabilities										
Derivative financial liabilities	-	832	-	832	-	-	-	-	832	832
Company										
Financial liabilities										
Derivative financial liabilities	-	832	-	832	-	-	-	-	832	832

34. FINANCIAL INSTRUMENTS (CONTINUED)

34.7 Fair value information (continued)

Level 2 fair value

Derivatives

The fair value of cross currency swap was estimated by discounting the future contractual cash flows at the current market rate available for similar instruments.

Level 3 fair value

Amounts owing by joint ventures

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future cash flows, discounted at the market rate of interest at the end of the reporting period.

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 (2022: 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 Group is not subjected to any externally imposed capital requirements at 31 October 2023. In prior year, the Company and certain group entities were required to maintain debt-to-equity ratios to comply with bank covenants, failing which, the banks may call an event of default. The Company and these group entities had maintained the required debt-to-equity ratios and complied with the bank covenants.

There was no change in the Group's and the Company's approach to capital management during the financial year.

36. SUBSEQUENT EVENTS

During the current financial year, the Group intends to dispose off its land held in EW Macquarie. Subsequent to the end of the current financial year, an application was submitted to Foreign Investment Review Board to revoke the construction condition and impose the condition to sell the land. On 12 January 2024, EW Macquarie obtained the approval for the disposal of the land within the next 12 months.

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 79 to 140 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 2023 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

Kuala Lumpur,
Date: 6 February 2024

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 79 to 140 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 Kuala Lumpur in the Federal Territory on 6 February 2024.

Before me,

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Eco World International Berhad, which comprise the statements of financial position as at 31 October 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 79 to 140.

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 2023, 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 RM270.0 million as at 31 October 2023. 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. For impairment loss recognised in prior period, the Group assesses 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.

During the financial year, the Group has estimated the recoverable amount of a joint venture, Eco World-Ballymore Holding Company Limited ("EW Ballymore") and recorded a reversal of impairment loss with regards to the investment in EW Ballymore amounting to RM64.7 million.

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, which is subjected to the assumptions used in calculating the recoverable amounts of the joint ventures, in particular relating to the forecast timing of sales and selling prices of inventories 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 reversal of impairment loss recognised for the year in the financial statements of EWIC.

We also performed the following audit procedures:

- Recalculated the reversal of 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 investments in joint ventures in Eco World-Ballymore Holding Company Limited, Be Eco World Investment Company Limited and Eco World London Development Company Limited at 31 October 2023. For the financial year ended 31 October 2023, the share of loss of joint ventures amounted to RM75.0 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;

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 performed the following audit procedures, among others: (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.

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 RM1,361 million as at 31 October 2023. 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. For impairment loss recognised in prior period, the Group assesses 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.

During the financial year, the Group has estimated the recoverable amounts of its subsidiaries and recorded impairment losses with regards to the investments in subsidiaries amounting to RM78.0 million.

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 Fortune Quest Group Ltd. ("FQ") and the joint ventures held by EWIC, in particular relating to the forecast timing of sales and selling prices of inventories included in the discounted future cash flows.

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 amounts of EWIC, EWMAS and FQ. We also recalculated the impairment loss recognised for EWIC 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 amounts of EWIC, EWMAS and FQ.

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)

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: (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: 03473/11/2025 J
Chartered Accountant

Petaling Jaya, Selangor
Date: 6 February 2024

LIST OF PROPERTIES HELD BY THE GROUP
AS AT 31 OCTOBER 2023

(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	5,378
2	**Yarra One, Melbourne** 16-22, Claremont Street South Yarra, Victoria 3141 Australia	Developed properties	10 April 2017	2,128	Freehold	25,992
3	**Macquarie Park** 1-3 Lachlan Avenue Macquarie Park Sydney New South Wales 2113 Australia	Development site for Macquarie Park Project	9 November 2018	2,751	Freehold	143,809

Note:
^ *Based on the exchange rate of AUD1.00 : RM3.0363, being the closing rate for AUD to RM as at 31 October 2023*

LIST OF PROPERTIES HELD BY THE GROUP

AS AT 31 OCTOBER 2023

(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	14,689
	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	278,492
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	190,770

Note:

^ *Based on the exchange rate of GBP1.00 : RM5.7987, being the closing rate for GBP to RM as at 31 October 2023*

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 2023

(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	3,231
	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	138,546
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*

LIST OF PROPERTIES HELD BY THE GROUP

AS AT 31 OCTOBER 2023

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	102,216
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	34,001
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	301,470
7	**Aberfeldy New Village LLP** Aberfeldy Marketing Gallery Lighterman Point 2A Abbott Road London E14 0ND United Kingdom	Development site for Aberfeldy Village Project Phase 3-6	23 March 2017	66,000	Leasehold	102,731
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	514,170

Notes:

^ *Based on the exchange rate of GBP1.00 : RM5.7987, being the closing rate for GBP to RM as at 31 October 2023*

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 16 JANUARY 2024

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	22	0.14	564	0.00
100 - 1,000	2,892	18.57	1,723,063	0.07
1,001 - 10,000	7,439	47.76	40,391,554	1.68
10,001 - 100,000	4,479	28.76	150,839,635	6.28
100,001 to less than 5% of issued shares	742	4.76	911,046,964	37.96
5% and above of issued shares	2	0.01	1,296,000,000	54.00
Total	**15,576**	**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	0.12	-	-
Tan Sri Dato' Sri Liew Kee Sin	246,540,798	10.27	44,766,400[(1)]	1.87
Dato' Teow Leong Seng	15,263,000	0.64	-	-
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	-	-	5,000,000[(2)]	0.21
Datuk Heah Kok Boon	100,000	0.00	-	-
Cheng Hsing Yao	-	-	-	-
Andrew Chew Kwang Ming	2,000	0.00	-	-
Dato' Siow Kim Lun	2,000,000	0.08	-	-
Dato' Kong Sooi Lin	-	-	-	-
Pauline Wong Wan Voon	-	-	-	-

(1) *Deemed interest by virtue of his interest in Eco World Development Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016 ("**Act**") and indirect interest by virtue of his spouse's and child's interests in the Company pursuant to Section 59(11)(c) of the Act.*
(2) *Indirect interest by virtue of her spouse's interest in the Company pursuant to Section 59(11)(c) of the Act.*

ANALYSIS OF SHAREHOLDINGS

AS AT 16 JANUARY 2024

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

	NO. OF ORDINARY SHARES HELD			
NAME	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	44,766,400[(1)]	1.87
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 interest by virtue of his interest in Eco World Development Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016 ("**Act**") and indirect interest by virtue of his spouse's and child's interests in the Company pursuant to Section 59(11)(c) of the Act.*
(2) *Deemed interest by virtue of its interest in Eco World Capital (International) Sdn Bhd pursuant to Section 8 of the Act.*
(3) *Deemed interest by virtue of his interest in Syabas Tropikal Sdn Bhd pursuant to Section 8 of the Act.*
(4) *Deemed interest by virtue of its interest in Sinarmas Harta Sdn Bhd pursuant to Section 8 of the Act.*
(5) *Deemed interest by virtue of their interest in GLL EWI (HK) Limited pursuant to Section 8 of the Act.*

ANALYSIS OF SHAREHOLDINGS
AS AT 16 JANUARY 2024

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	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM BUMIPUTERA	119,930,600	5.00
4	LIEW KEE SIN	116,540,798	4.86
5	SINARMAS HARTA SDN BHD	78,726,900	3.28
6	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW KEE SIN	70,000,000	2.92
7	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW KEE SIN (7005994)	60,000,000	2.50
8	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ECO WORLD DEVELOPMENT HOLDINGS SDN BHD	22,000,000	0.92
9	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LIEW TIAN XIONG (PB)	21,066,400	0.88
10	TEOW LEONG SENG	15,263,000	0.64
11	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (GROWTH)	9,172,400	0.38
12	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA 2 - WAWASAN	9,000,000	0.37
13	SIGMA SELEKSI SDN BHD	6,809,200	0.28
14	VOON TIN YOW	6,056,000	0.25
15	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (DANA EKT PRIMA)	5,524,000	0.23
16	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAH LILY (E-BBB/SNG)	5,200,000	0.22
17	AZLAN BIN MOHD ZAINOL	5,120,000	0.21
18	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JAYASANKARAN A/L K.K.SANKARAN	5,000,000	0.21

ANALYSIS OF SHAREHOLDINGS
AS AT 16 JANUARY 2024

THIRTY (30) LARGEST SHAREHOLDERS (CONTINUED)

NO.	NAME OF SHAREHOLDERS	NO. OF SHARES	%
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (PREM EQUITY)	4,673,600	0.19
20	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA FAMILY TAKAFUL BERHAD (FAMILY PIF)	4,508,000	0.19
21	KENANGA NOMINEES (TEMPATAN) SDN BHD KHO CHAI YAM	4,341,900	0.18
22	PUBLIC INVEST NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MUHAMAD ALOYSIUS HENG (M)	4,265,800	0.18
23	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (BALANCE)	3,902,900	0.16
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (LIFE PAR)	3,756,400	0.16
25	CARTABAN NOMINEES (ASING) SDN BHD SSBT FUND ZYEF FOR VANGUARD GLOBAL EX-U.S. REAL ESTATE INDEXFUND	3,627,400	0.15
26	HSBC NOMINEES (ASING) SDN BHD J.P. MORGAN SECURITIES PLC	3,425,500	0.14
27	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENTS)	3,400,000	0.14
28	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LOW CHEE CHOON (PB)	3,300,000	0.14
29	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DOH JEE MING	3,299,900	0.14
30	PARMJIT SINGH A/L MEVA SINGH	3,259,100	0.14
		1,897,169,798	**79.05**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Tenth Annual General Meeting ("**10th AGM**") of Eco World International Berhad ("**Company**") will be held as a virtual meeting at the broadcast venue at EcoWorld Gallery @ Eco Grandeur, Lot 6232, Persiaran Mokhtar Dahari, Eco Grandeur, 42300 Bandar Puncak Alam, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**") on Monday, 25 March 2024 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 2023 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 10th AGM until the 11th Annual General Meeting ("**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**
[Please refer to Explanatory Note (ii)]

3 To approve the payment of Directors' Benefits to the Non-Executive Directors of the Company from the 10th AGM until the 11th AGM of the Company. **Ordinary Resolution 6** *[Please refer to Explanatory Note (iii)]*

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

(i) Mr Cheah Tek Kuang **Ordinary Resolution 7**
(ii) Tan Sri Datuk Dr Rebecca Fatima Sta Maria **Ordinary Resolution 8**
[Please refer to Explanatory Note (iv)]

5 To re-appoint KPMG PLT as Auditors of the Company until the conclusion of the 11th AGM of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 9**

AS SPECIAL BUSINESS

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

6 **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 10** *[Please refer to Explanatory Note (v)]*

"THAT, subject to the provisions of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"), 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 to Shareholders dated 23 February 2024 which are necessary for the day-to-day operations and are in the ordinary course of business and are carried out at arms' 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 the 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."

7 **Proposed Reduction of the Issued Share Capital of the Company of RM500 million pursuant to Section 117 of the Act ("Proposed Capital Reduction")**

Special Resolution
[Please refer to Explanatory Note (vi)]

"THAT, subject to the approvals from the relevant parties and/or authorities (where applicable) pursuant to Section 117 of the Act being obtained, the Company be and is hereby given the authority and approval to reduce the share capital of the Company via the cancellation of the issued share capital by RM500 million and for the credit arising from such cancellation to be used to set-off against any accumulated losses of the Company (if any) and the remaining balance credited to the retained earnings account of the Company which shall be used in a manner to be determined by the Board of Directors of the Company ("**Board**") at a later date and in the best interest of the Company as permitted by the relevant and applicable laws and regulations as well as the MMLR of Bursa Malaysia.

AND THAT the Board be and is hereby empowered and authorised to take such steps and do all acts, deeds and things and to execute, sign, deliver and cause to be delivered for and on behalf of the Company all such documents and/or agreements (including, without limitation, the affixing of the Company's common seal, where necessary) as the Board may consider necessary, expedient and/or relevant to finalise, implement and to give full effect to and complete the Proposed Capital Reduction with full powers to assent to any conditions, terms, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities or as the Board may in their discretion deem fit, necessary, expedient or relevant and to do all such acts and things as the Board may consider necessary or expedient in the best interest of the Company."

8 To transact any other business for which due notice shall have been given in accordance with the Act.

By Order of the Board

TAI YIT CHAN (SSM PC No. 202008001023) (MAICSA 7009143)
TAN AI NING (SSM PC No. 202008000067) (MAICSA 7015852)
Company Secretaries

Selangor Darul Ehsan
23 February 2024

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

(i) The 10th 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 10th 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 general meeting 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 10th AGM.

(iii) In respect of deposited securities, only members whose names appear on the Record of Depositors on 18 March 2024 (General Meeting Record of Depositors) shall be eligible to participate in the 10th AGM or appoint proxy(ies) to attend and/or vote on his/her behalf.

(iv) A member entitled to attend and vote at the 10th 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 10th AGM shall have the same rights as the member to participate at the 10th AGM.

The members, proxies or corporate representatives may submit questions before the 10th AGM to the Chairman of the meeting or Board of Directors electronically by email to eservices@sshsb.com.my no later than Saturday, 23 March 2024 at 10.30 a.m. or via real time submission of typed texts via RPV facilities during the live streaming of the 10th 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 10th AGM, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing 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 his/her attorney duly authorised in writing or via electronic submission. If the appointor is a corporation, the instrument shall be 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 Saturday, 23 March 2024 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 the 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 10th AGM and subsequently decide to appoint another person or wish to personally participate in the 10th AGM via RPV facilities, please write in to eservices@sshsb.com.my to revoke the earlier appointed proxy(ies) no later than Saturday, 23 March 2024 at 10.30 a.m. or any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING

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 5 – Directors' Fees from the 10th AGM until the 11th AGM of the Company

The payment of the Directors' Fees of RM128,000 per annum for each Non-Executive Director from the 10th AGM until the 11th AGM of the Company will only be made quarterly in arrears if the proposed Ordinary Resolutions 1 to 5 have been passed at the 10th AGM pursuant to Clause 122 of the Constitution of the Company.

(iii) Ordinary Resolution 6 – Directors' Benefits from the 10th AGM until the 11th AGM of the Company

There is no revision to the proposed Directors' Benefits payable to the Non-Executive Directors from the 10th AGM to the 11th AGM of the Company. The proposed Directors' Benefits of RM250,000 for the services rendered from the 10th AGM until the 11th AGM of the Company will only be made by the Company as and when incurred if the proposed Ordinary Resolution 6 has been passed at the 10th AGM.

In determining the total estimated 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 2023.

(iv) Ordinary Resolutions 7 and 8 – Re-election of Directors

Mr Cheah Tek Kuang and Tan Sri Datuk Dr Rebecca Fatima Sta Maria who retire pursuant to Clause 114 of the Company's Constitution, being eligible, have offered themselves for re-election.

Mr Cheng Hsing Yao who retires pursuant to Clause 114 of the Company's Constitution together with Datuk Heah Kok Boon and Mr Andrew Chew Kwang Ming who retire pursuant to Clause 121 of the Company's Constitution, have expressed their intention not to seek re-election. Hence, they will hold office as Non-Independent Non-Executive Directors of the Company until the conclusion of the 10th AGM.

The profiles of the Directors who are standing for re-election as per Agenda item no. 4 (collectively referred to as "**Retiring Directors**") are set out in the Board of Directors' profiles section of the Integrated Annual Report 2023.

The Nomination & Remuneration Committee ("**NRC**") had assessed the skills, experience, character, integrity, competency, commitment and contribution of the Retiring Directors and had recommended for the Retiring Directors to be re-elected based on the following justifications:

(i) the performance and contribution of the Retiring Directors were found to be satisfactory and they are competent and able to discharge their duties and responsibilities as Directors of the Company;

(ii) met the fit and proper criteria as set out in the Directors' Fit and Proper Policy; and

(iii) fulfills the requirement of independence set out in the MMLR of Bursa Malaysia.

Based on the above, the Board had endorsed the recommendation of the NRC to seek the shareholders' approval for the re-election of the Retiring Directors. The Retiring Directors had abstained from deliberation and decision on their respective eligibility to stand for re-election at the relevant NRC/Board meeting and will continue to abstain from voting on their own re-election at the 10th AGM.

(v) Ordinary Resolution 10 – Proposed Shareholders' Mandate

The proposed Ordinary Resolution 10, 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 Malaysia 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 Company's Circular to Shareholders dated 23 February 2024 which is available on the Company's website at https://ecoworldinternational.com/investor-relations/general-meetings/ for further information.

NOTICE OF ANNUAL GENERAL MEETING

(vi) Special Resolution – Proposed Capital Reduction

The Special Resolution on the Proposed Capital Reduction if passed, will enable the creation of a reasonable amount of retained earnings for our Company to facilitate and enhance our ability to declare and pay dividends in the future in anticipation of the progressive receipt of future cash proceeds from our joint venture companies and subsidiaries following sales of the completed stocks.

For information purposes, the Proposed Capital Reduction of RM500 million was arrived at after taking into account the following considerations:

- the resultant pro forma retained earnings of our Company, after accounting for the final dividend of RM144 million representing RM0.06 per ordinary share in the financial year ended 31 October 2023, of approximately RM386.5 million as at 31 October 2023 will not be sufficient to facilitate declaration of the targeted dividends of up to RM504 million, representing 21 sen per ordinary share, in 2024 and 2025 ("**Targeted Distribution Amount**");
- to provide additional headroom for further declaration of dividends by our Company in the future in excess of the Targeted Distribution Amount subject to, amongst others, the working capital and funding requirements of our Group as well as compliance with all legal and regulatory requirements at the material points in time; and
- to avoid having to seek multiple shareholders' approvals for multiple share capital reduction exercises in the future, resulting in delays in distributing excess cash available to shareholders, making it costly and inefficient.

Please refer to the Company's Circular to Shareholders dated 23 February 2024 which is available on the Company's website at https://ecoworldinternational.com/investor-relations/general-meetings/ for further information.

PERSONAL DATA PRIVACY

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.*

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PROXY FORM

ECO WORLD INTERNATIONAL BERHAD
Registration No. 201301030020 (1059850-A)
(Incorporated in Malaysia)

ECOWORLD INTERNATIONAL
CREATING TOMORROW & BEYOND

I/We, ____ NRIC/Passport/Company No. ____________________________
(NAME IN FULL AND BLOCK LETTERS)

of ____
(FULL ADDRESS)

and Telephone No./Email Address ____ being a member/members of **ECO WORLD INTERNATIONAL BERHAD** ("**Company**"), hereby appoint

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

and

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

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 Tenth Annual General Meeting ("**10th AGM**") of the Company, to be held as a virtual meeting at the broadcast venue at EcoWorld Gallery @ Eco Grandeur, Lot 6232, Persiaran Mokhtar Dahari, Eco Grandeur, 42300 Bandar Puncak Alam, Selangor Darul Ehsan, Malaysia ("**Broadcast Venue**") on Monday, 25 March 2024 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 Directors' Benefits		
Ordinary Resolution 7	Re-election of Mr Cheah Tek Kuang		
Ordinary Resolution 8	Re-election of Tan Sri Datuk Dr Rebecca Fatima Sta Maria		
Ordinary Resolution 9	Re-appointment of KPMG PLT as Auditors of the Company		
Ordinary Resolution 10	Proposed Shareholders' Mandate for Recurrent Related Party Transactions		
Special Resolution	Proposed Capital Reduction		

Signed this __________________ day of __________________ 2024

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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By electronic means

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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 10th AGM dated 23 February 2024.

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

Unit No. 19-01, Menara The Stride,
Bukit Bintang City Centre, No. 2, Jalan Hang Tuah,
55100 Kuala Lumpur, Wilayah Persekutuan, Malaysia

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