

ECO WORLD INTERNATIONAL BERHAD

(Company No. 1059850-A)

SUMMARY OF KEY MATTERS DISCUSSED AT THE FIFTH ANNUAL GENERAL MEETING (“**5th AGM**”) OF ECO WORLD INTERNATIONAL BERHAD (“**THE COMPANY**” OR “**EWI**”) HELD AT ECOWORLD GALLERY @ ECO GRANDEUR, LOT 6232, PERSIARAN MOKHTAR DAHARI, ECO GRANDEUR, 42300 BANDAR PUNCAK ALAM, SELANGOR DARUL EHSAN, MALAYSIA ON WEDNESDAY, 27 MARCH 2019 AT 10.30 A.M.

The following questions were raised during the 5th AGM of the Company which were duly responded by the Chairman and the President & Chief Executive Officer:

I. Operations - Australia Projects

Q1. Are there any delivery of units in Australia in view that 80% of the projects have been sold?

The sold units will only be completed and delivered in the financial year ended (“**FYE**”) 2020 and hence, revenue could only be recognised upon handover. Both Sydney and Melbourne in Australia have a stable market. That aside, Management is in the midst of acquiring Macquarie Park, Sydney to further expand its development pipeline in Sydney.

II. Financials

Q2. Please explain the amount owing by Joint Ventures (“JV**”) of RM2.1 billion recorded in **FYE2018**.**

The RM2.1 billion relates to the advances made to the JV companies to fund their operations. Upon completion of the JV projects, the advances made will be repaid to EWI.

Q3. What is the accounting treatment for the 3,338 units out of 4,100 which have been sold in United Kingdom (“UK**”) and the accounting treatment for the remaining units?**

It would be based on recognition of revenue and profit by its JV projects in the UK following completion and handover of units sold to customers. Out of the 3,338 units sold in respect of the UK projects, 584 have been completed and handed over in **FYE2018**. The revenue for the rest of 2,754 units will be recognised upon completion over **FYE2019** to **FYE2021**.

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II. Financials (Con't)

Q4. Please explain the rationale for charging different interest rates for the amounts owing by different JV companies.

The loans were granted to different jurisdictions and were exposed to different tax regulations and all decisions related to interest rates were based on the advice given by the tax consultant. In relation to the interest free loan offered to JV, it was merely due to withholding tax issue.

Q5. Does the Company adopt hedging policy given that the operating expenditure of EWI is mainly denominated in GBP and AUD whilst the funds raised were denominated in MYR?

The Company adopts natural currency hedging. The Company borrows in different currencies and remit these for the UK projects in GBP and to Australia projects in AUD and these are swapped back into the borrowing currency. As for the Medium Term Notes, EWI will remit the funds to the projects based on the required currency and are swapped back to MYR. Hence, the funds raised will not be subject to exchange rate fluctuation.

III. Dividend

Q6. When will the Company be able to declare dividend?

The Group's current focus remains on growth, Management will endeavour to declare dividend for FYE2020.

IV. Business Strategy

Q7. Please provide the market segmentation breakdown for the sales target of RM6.0 billion in FYE2019 and FYE2020.

The RM6.0 billion sales target for the two (2) financial years will provide Management with the requisite time to negotiate the best possible terms on potential en-bloc Build-to-Rent ("BtR") sales to institutional investors. The 2-year time frame will also provide greater latitude in the scheduling of sales and launches of products for the retail market, thereby enabling optimal value to be extracted from the Group's valuable landbank in both the UK and Australia. Ninety per centum (90%) of the sales target is expected to derive from the UK and the remaining ten per centum (10%) from Australia with regards to private residential sales. EWI is constantly looking for opportunities to grow its business. Nonetheless, the Company endeavours not to raise any capital from its shareholders unless a sizeable golden opportunity arises.

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IV. Business Strategy (Con't)

Q8. What are the Company's views given the challenges in Brexit negotiations between the UK and the European Union and the property market in Australia which is affected by tighter lending standards?

The current markets in UK and Australia have given EWI additional opportunities to expand its business presence. In particular, the BtR, with its forward funding model which requires minimal upfront funding to be sought from lenders and shareholders, is immensely scalable. The Group also constantly reviews its pricing, design and specifications to better meet buyer demand.

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