

## **ECO WORLD INTERNATIONAL BERHAD**

Registration No. 201301030020 (1059850-A)

MINUTES OF THE SEVENTH ANNUAL GENERAL MEETING OF ECO WORLD INTERNATIONAL BERHAD (the “**COMPANY**” OR “**EWI**”) HELD AT THE BROADCAST VENUE AT BUKIT BINTANG CITY CENTRE SALES GALLERY, NO. 2 JALAN HANG TUAH, 55100 KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA ON WEDNESDAY, 31 MARCH 2021 AT 10.30 A.M.

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### **PRESENT**

Tan Sri Azlan Bin Mohd Zainol – Chairman  
Tan Sri Dato’ Sri Liew Kee Sin – Executive Vice Chairman  
Dato’ Teow Leong Seng – President & Chief Executive Officer (“**CEO**”)  
^ Mr Cheah Tek Kuang  
^ Dato’ Chang Khim Wah  
^ Mr Raymond Choong Yee How  
^ Mr Cheng Hsing Yao  
^ Tan Sri Datuk Dr Rebecca Fatima Sta Maria  
^ Dato’ Siow Kim Lun  
^ Dato’ Kong Sooi Lin  
^ Ms Pauline Wong Wan Voon

### **IN ATTENDANCE**

Ms Tan Ai Ning – Company Secretary

### **BY INVITATION**

Ms Melissa Tan Swee Peng - Chief Financial Officer  
Mr Foong Mun Kong – Signing Partner, KPMG PLT  
Mr Eric Kuo Sze-Wei – Engagement Partner, KPMG PLT

#### **Note:**

^ Participated via video conferencing

The list of shareholders, proxies, corporate representatives and invitees who participated in the Seventh Annual General Meeting (“**7<sup>th</sup> AGM**”) are set out in the Attendance Sheets attached and shall form an integral part of this Minutes.

## **1. INTRODUCTION BY THE CHAIRMAN**

Tan Sri Azlan Bin Mohd Zainol (“**Tan Sri Chairman**” or “**Tan Sri Azlan**”) being the Chairman of the Board of Directors presided as the Chairman of the Meeting welcomed all shareholders, proxies, corporate representatives and invitees to the 7<sup>th</sup> AGM of the Company conducted through live streaming and online remote participation by using Remote Participation and Voting Facilities (“**RPV**”), which is in compliance with Section 327 of the Companies Act 2016 (“**Act**”) and Clause 78 of the Constitution of the Company.

Tan Sri Chairman also informed that the RPV served as a precautionary measure amid coronavirus pandemic (“**Covid-19**”) and to support the Government’s advice of not having mass gatherings to combat the spread of Covid-19.

## **2. QUORUM AND SUMMARY OF PROXIES RECEIVED**

The Company Secretary informed that based on the report issued by the appointed Poll Administrator of this AGM, SS E Solutions Sdn Bhd (“**SSES**”), a total of 254 participants, comprising shareholders, proxies and corporate representatives (herein after referred as “**Participants**”), representing 175,654,207 ordinary shares or 7.32% of the total issued and paid-up shares of the Company have registered to attend the AGM via RPV.

The Company had received in total 75 proxy forms from the shareholders for a total of 1,919,898,096 ordinary shares representing 80% of the total issued and paid-up shares of the Company.

Out of these, there were 35 shareholders who have appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented stood at 718,667,798, which represented 29.94% of the total issued and paid-up shares of the Company.

The Company Secretary confirmed that a quorum was present. With the requisite quorum being present, the 7<sup>th</sup> AGM was called to order at 10.30 a.m.

## **3. INTRODUCTION OF BOARD MEMBERS**

As the 7<sup>th</sup> AGM was a fully virtual meeting held during the Conditional Movement Control Order period, majority of the Directors participated in the Meeting remotely. This is in accordance with the Guidance Note on the Conduct of General Meetings issued by Securities Commission Malaysia with as few individuals physically present at the broadcast venue as possible. Tan Sri Chairman then proceeded to introduce the members of the Board, Chief Financial Officer, Company Secretary and External Auditors, who were in attendance with him at the broadcast venue.

## **4. WELCOME ADDRESS AND SPEECH BY TAN SRI CHAIRMAN**

Tan Sri Chairman gave a welcome address and shared with the Meeting that year 2020 was a very tough and challenging year for the Company, its subsidiaries and joint-ventures (“**Group**”) amid uncertainties arising from the global Covid-19 pandemic, Brexit and ongoing spat between China and Australia which led to lower sales achieved. Nonetheless, the Group’s future plans remain unchanged namely focusing on the development within and outside of central London, United Kingdom (“**UK**”) as well as Build-to-Rent (“**BtR**”) segment albeit with lower margins as compared to Open Market Sales (“**OMS**”).

Tan Sri Chairman further shared with the Meeting that the British high streets economy were badly affected in year 2020 in which a recent article reported that more than 11,000 outlets were closed and another 15,000 to 18,000 outlets are expected to close in the current year.

He added that majority of the foreign-born residents have left London and this has impacted the property prices and rental market, the average rent in London and areas such as Kensington and Chelsea has dropped by 7%, 15% and 10% respectively. Nevertheless, the economy in the UK is expected to improve during the year given that Brexit has been settled and the Covid-19 vaccination programme in the UK is progressing at a rapid pace.

Tan Sri Chairman further shared with the Meeting the sales performance of the Group from November 2019 up to May 2020 and commended that the Management has performed well during this tough and challenging period.

## **5. SPEECH BY THE EXECUTIVE VICE CHAIRMAN**

At the invitation of Tan Sri Chairman, Tan Sri Dato' Sri Liew Kee Sin ("**Tan Sri Liew**"), the Executive Vice Chairman proceeded to share with the Meeting the tagline of the Group for financial year ("**FY**") 2021 is "*Refocus and Reward*".

He explained that the tagline of "*Refocus and Reward*" is to focus on the strength of the Group by effectively and efficiently utilising the resources to achieve satisfactory performance. With this, the Company can focus on rewarding its shareholders. On this note, the Company had on 25 March 2021 declared a maiden interim dividend of 1 sen per ordinary share.

Tan Sri Liew stressed that the Board and the Management are working towards strengthening the financial performance of the Group in order to further reward the shareholders in the near future. He also expressed appreciation to the shareholders for their continuous support to the Group.

## **6. NOTICE**

The Notice of the Meeting has been circulated within the stipulated time frame to the shareholders, Directors and External Auditors. With the permission of the Meeting, the Notice was taken as read and the Meeting proceeded with the Agenda proper.

Tan Sri Chairman further invited all the Participants to raise questions by transmitting via the text box.

## **7. VOTING PROCEDURES**

The Meeting noted that it is mandatory for all the resolutions set out in the Notice of AGM to be voted by poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”). Accordingly, Tan Sri Chairman directed the poll to be taken on all the resolutions set forth in the Notice of the 7<sup>th</sup> AGM by way of electronic polling.

Tan Sri Chairman further informed that the Company has appointed SSES B to conduct the poll voting electronically and GovernAce Advisory & Solutions Sdn Bhd as the Scrutineer to verify the poll results. The results of the poll voting will be announced after the Scrutineer has verified the poll results upon closure of the voting session.

Participants were informed that the voting on the resolutions could be done any time throughout the Meeting until the closure of the voting session. The process of voting was shared by the Poll Administrator vide video presentation.

## **8. PRESENTATION ON OVERVIEW OF PROJECTS AND FINANCIAL PERFORMANCE OF THE GROUP BY THE PRESIDENT & CEO**

At the invitation of Tan Sri Chairman, Dato’ Teow Leong Seng, the President & CEO (“**Dato’ Teow**”) gave an overview of the projects and financial performance of the Group with the salient points set out below:

- World economy was severely affected in year 2020 due to Covid-19 pandemic and most of the Company’s projects which are located in densely-populated cities such as London and Melbourne were badly affected by the lockdown.
- Construction sites in both UK and Australia were permitted to operate during the lockdown, but the productivity levels at sites were impaired by reduction of labour levels, disruption in supply chain and adherence to social distancing measures. The Group has migrated its sales efforts through online marketing platform, virtual roadshows and exhibitions to reach out to new potential buyers subsequent to the closure of sales galleries during the lockdown period.
- The Group has achieved a fairly decent result for FY2020 and remained profitable.
- Construction sites are now operating close to normal level and sales galleries have been reopened.
- In FY2020, the Group reported RM672.985 million revenue which was mainly contributed by the completions and handovers at West Village.
- Direct expenses of RM572.995 million were higher in FY2020 due to recognition of costs of sales of units handed over. The selling and marketing expenses also increased substantially from RM4.569 million in FY2019 to RM26.438 million in FY2020 due to sales commissions incurred in handovers of West Village.

- The Group had undertaken a major cost cutting exercise in FY2020 which saw the administrative expenses decreased significantly from RM61.659 million in FY2019 to RM39.326 million in FY2020.
- Impairment losses on goodwill of RM83 million relates to the acquisition of EcoWorld Ballymore joint-venture (“**JV**”) and West Village prior to the listing of the Company in year 2017. These projects are approaching completion and therefore the goodwill is expensed off in accordance with the relevant accounting standard. The remaining goodwill of RM9 million would be written off in FY2021.
- Lower share of results of JVs amounted RM176.847 million was attributable to the delay in handover of Wardian and disruption in the construction progress of Kew Bridge BtR arising from Covid-19 pandemic. The Company has since caught up on the progress and is expected to complete these 2 projects in FY2021.
- A profit after tax of RM82.580 million was recorded in FY2020 and if excluding the non-cash impairment of goodwill, the profit would have been RM165.6 million.
- As of 31 October 2020, the Group has an effective future revenue of RM2.9 billion, which consists of mainly the sales that have been secured at Wardian and Yarra One but yet to be handed over. The construction of these 2 projects have been substantially completed with Wardian completions being carried into the current year and Yarra One started handover since December 2020 of which both completions will contribute to FY2021 earnings.
- As at 31 October 2020, the shareholders’ funds and net asset per share stood at RM2.739 billion and RM1.14 respectively.
- Total cash balance within the Company and Australian subsidiaries as of 31 October 2020 was RM284.014 million whereby the Group (including the cash balances in JVs) has a total cash balance of approximately RM1.2 billion as of 31 October 2020.
- Net gearing ratio as of 31 October 2020 has improved to 0.35 times from 0.38 times recorded as at 31 October 2019. This was attributable to the completions in West Village which generated significant cashflows and enabled the Group to pare down the level of borrowings.
- The Group has achieved total sales of RM1.4 billion in FY2020, which is 25% higher than FY2019. This was due to stronger sales recorded in the fourth quarter of FY2020 (“**4QFY2020**”) driven by the launch of Embassy Gardens (“**EG**”) Block A03 and seasonal factors. The total cumulative sales of the Group since year 2015 is RM13.4 billion.
- The Group has set a sales target of RM2.2 billion for FY2021, which is 60% higher than the target set for FY2020.

- The Group had been awarded with several recognitions in FY2020 which include Mixed-Use Development of the Year for EG and Best Housing Partnership for Oxbow at the British Homes Awards. London City Island (“LCI”) was awarded The Edge Malaysia Outstanding Overseas Project Award 2020 and EWI was the Silver winner for the National Annual Corporate Report Awards 2020.
- The property transactions and construction activities were severely disrupted by the Covid-19 pandemic, however, the property markets where the Group have presence remained resilient. The house prices in London recorded a 5% growth from November 2019 to November 2020 despite the outbreak of Covid-19, supported by the strong pent-up demand from local and foreign buyers due to the acute undersupply of good quality homes.
- The house prices in Sydney and Melbourne have dropped 2% between March 2020 to June 2020 due to outbreak of Covid-19. However, the decline in prices for the apartment units narrowed to less than 1% as at February 2021. House prices in all Australian capitals are expected to rise in 2021, buoyed by low interest rates, improving economy and government stimulus.
- To ensure the Group’s business remains sustainable, a strategic Business Plan has been drawn up in order to strengthen the Balance Sheet and refocus the business. The target of the Group is to sell and handover all the remaining units at EcoWorld Ballymore projects as well as Australian projects within the next 1 to 2 years. Clearing the completed stocks will generate significant amount of funds to the Group and reduce the gearing level further. The cash generated will also allow the Company to reward the shareholders in the future.
- The Group has undertaken a comprehensive cost reduction exercise to reduce overhead costs across the entire Group. The Management is also focusing to expand the Group’s presence in the UK by developing more mid-market homes via EcoWorld London and expanding the BtR business as there is tremendous interest from institutional investors due to its huge potential to grow in the UK.
- APO is a newly launched residential management platform which provides end-to-end services for BtR investors in sourcing for investment opportunities, supporting design & development, leasing and long-term property management. Through this platform, the Company is hoping to secure better recurring income such as deal fees, rental premiums and performance fees linked to appreciation in investment values.
- In conclusion, the Group has achieved cumulative sales of RM13.4 billion as at 31 October 2020 with more than 4,400 units sold. Going forward, the Group will be focusing on BtR segment in the UK where institutional demand is rapidly increasing and the development of mid-market homes for local purchasers under the EcoWorld London portfolio. Completion of the ACE projects in London and Australia is generating significant funds, hence no equity from shareholders is required. The Company is planning to distribute dividends to shareholders from proceeds generated through the sale of remaining units in the UK (LCI, EG and Wardian) and Australia (West Village and Yarra One).

Tan Sri Chairman thanked Dato' Teow for his presentation and proceeded with the business of the 7<sup>th</sup> AGM.

## **AS ORDINARY BUSINESS**

### **9. AUDITED FINANCIAL STATEMENTS FOR FY2020 (“AFS”) AND THE REPORTS OF THE DIRECTORS AND AUDITORS**

Tan Sri Chairman informed the Meeting that the AFS together with the Directors' and Auditors' Reports were meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders.

It was recorded that the AFS together with the Directors' and Auditors' Reports were properly laid and have been duly received.

### **10. DIRECTORS' FEES FROM THE 7<sup>TH</sup> AGM UNTIL THE 8<sup>TH</sup> AGM OF THE COMPANY**

Ordinary Resolution 1 is to approve the payment of Directors' Fees of Ringgit Malaysia One Hundred and Sixty Thousand (RM160,000) per annum for each Independent Non-Executive Director from the 7<sup>th</sup> AGM until the 8<sup>th</sup> AGM of the Company, to be paid quarterly in arrears. The interested Directors have abstained from voting on the resolution.

Tan Sri Chairman is an interested person and has abstained from voting on this resolution. However, he was also appointed to act as a proxy for a number of shareholders and has voted in accordance to the instructions received from non-interested shareholders.

### **11. DIRECTORS' BENEFITS FROM THE 7<sup>TH</sup> AGM UNTIL THE 8<sup>TH</sup> AGM OF THE COMPANY**

Ordinary Resolution 2 is to seek shareholders' approval on the payment of Directors' Benefits of up to Ringgit Malaysia Two Hundred and Thirty Thousand (RM230,000) to the Independent Non-Executive Directors from the 7<sup>th</sup> AGM until 8<sup>th</sup> AGM of the Company. The Board has considered the number of scheduled and special meetings for the Board and Board Committees as well as the number of Independent Non-Executive Directors involved in the meetings in determining the estimated amount. The interested Directors have abstained from voting on the resolution.

Tan Sri Chairman is an interested person and has abstained from voting on this resolution. However, he was also appointed to act as a proxy for a number of shareholders and has voted in accordance to the instructions received from non-interested shareholders.

**12. RE-ELECTION OF MR CHOONG YEE HOW, MR CHENG HSING YAO AND TAN SRI DATUK DR REBECCA FATIMA STA MARIA**

Ordinary Resolutions 3, 4 and 5 are on the re-election of Mr Choong Yee How, Mr Cheng Hsing Yao and Tan Sri Datuk Dr Rebecca Fatima Sta Maria respectively who retire as Directors of the Company pursuant to Clause 114 of the Constitution of the Company and being eligible, have offered themselves for re-election.

**13. RE-ELECTION OF DATO' CHANG KHIM WAH**

Ordinary Resolution 6 is on the re-election of Dato' Chang Khim Wah who retires as Director of the Company pursuant to Clause 121 of the Constitution of the Company and being eligible, has offered himself for re-election.

**14. RE-APPOINTMENT OF MESSRS KPMG PLT ("KPMG") AS AUDITORS**

Ordinary Resolution 7 is on the re-appointment of KPMG as auditors and to authorise the Directors to fix their remuneration. KPMG have indicated their willingness to accept re-appointment.

**AS SPECIAL BUSINESS**

**15. AUTHORITY TO ISSUE AND ALLOT SHARES**

Ordinary Resolution 8 is the first item under Special Business to seek shareholders' approval on the authority to issue and allot new shares when the need arises up to a maximum amount of ten per centum (10%) of the total number of issued shares of the Company. This mandate if passed, would provide flexibility for the Company and empower the Directors to issue and allot new shares speedily for the purpose of funding future investments, working capital and/or acquisitions.

**16. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF A REVENUE OR TRADING NATURE**

Ordinary Resolution 9 is to seek shareholders' approval on the proposed renewal of shareholders' mandate for RRPT of a revenue or trading nature which is necessary for day-to-day operations of the Company and are in the ordinary course of its business. The interested Directors and persons connected to these Directors have abstained from voting on the resolution.

Tan Sri Chairman is an interested person and has abstained from voting on this resolution. However, he was also appointed to act as a proxy for a number of shareholders and has voted in accordance to the instructions received from non-interested shareholders.



**17. QUESTION AND ANSWER**

The Meeting noted that the Company has received a letter from the Minority Shareholders Watch Group (“MSWG”) seeking clarification/information pertaining to the operations and financial performance of the Group. For the benefit of the Participants, the questions raised by MSWG were shared on the screen and Dato’ Teow provided responses to the questions raised as follows:

No.	Question	Response/Answer
1.	<p><i>The Group had undertaken various initiatives to improve the cost structure for greater operational efficiencies and to ensure that the Group is able to weather any further storms in the future (page 13 AR).</i></p> <p><i>(a) What are the various initiatives which the Group has embarked on for greater operational efficiency?</i></p> <p><i>(b) By how much have the overhead costs been reduced in FY2020 compared to FY2019?</i></p> <p><i>(c) What are the overhead costs that the Group has successfully reduced in FY2020?</i></p>	<p>For long term sustainability and greater efficiency, the Group has initiated several cost rationalisation plans throughout FY2020, which include:</p> <ul style="list-style-type: none"> <li>(i) Realignment of roles and responsibilities and revision of ranking/grading structure of staff across the Group;</li> <li>(ii) Executive Directors and the Senior Management have volunteered a salary reduction of between 20% to 50% while the junior staff have also taken a salary reduction at lower rates;</li> <li>(iii) Independent Directors have also volunteered a 20% reduction in their Directors’ fees;</li> <li>(iv) Increase usage of virtual meetings to reduce traveling costs; and</li> <li>(v) Relocating of our rented sales galleries/offices in Australia to our own premise upon completion, to reduce rental.</li> </ul> <p>These plans have enabled the Group to significantly reduce the “administrative and general expenses” in FY2020 by 36% against FY2019 as disclosed in page 68 of the Annual Report 2020.</p>

No.	Question	Response/Answer
2.	<p><i>The Group recorded higher rescission income in FY2020 as a number of West Village purchasers decided against completing their sales contracts. The Group reported forfeiture of deposits of RM11.3 million as other income in FY2020.</i></p> <p><i>(a) What is the amount of rescission income from West Village purchasers who have breached their sales contracts?</i></p> <p><i>(b) How many units of West Village property have been rescinded?</i></p> <p><i>(c) How many of these rescinded West Village properties have been sold as at end February 2021?</i></p>	<p>The rescission income from West Village is approximately RM11 million. As at 23 March 2021, 59 units of West Village were rescinded and out of which, 30 units have been resold. The Management is targeting to sell all the remaining units in Yarra One and West Village in the next 1 to 2 years.</p>
3.	<p><i>The Group's inventory of developed properties was RM170.3 million in FY2020 (FY 2019: Nil) (page 98 AR).</i></p> <p><i>(a) Please provide a breakdown of the developed properties by country and value?</i></p> <p><i>(b) What are the measures taken by the Group to clear the inventory of developed properties? How successful are these measures in terms of units sold and value?</i></p> <p><i>(c) UK has left the European Union ("EU") community last year. What is the Brexit impact to the UK properties market in term of market demand and market value of properties?</i></p>	<p>100% of the Group's developed properties are in Australia. The key initiatives to sell the stocks in Australia include:</p> <ul style="list-style-type: none"> <li>(i) Placemaking efforts to enhance the appeal of our projects;</li> <li>(ii) Additional incentives for purchasers and sales agents;</li> <li>(iii) Marketing through social media and digital platforms; and</li> <li>(iv) Local and international marketing events and roadshows.</li> </ul> <p>The above initiatives have generated additional interests and the Company is pleased to note that after a very challenging year in FY2020, demand has improved in the first quarter of FY2021 ("<b>1QFY2021</b>") and Management is optimistic that things will improve further once the borders have reopened.</p> <p>With regards to the impact of the UK exiting the EU, the sales performance has been consistent over the 4 quarters of FY2020 which is 25% higher than that achieved in FY2019. The house</p>

No.	Question	Response/Answer
		prices in the UK rose in 2020 despite the formal departure of the UK from the EU.
4.	<p><i>The Group has embarked to supply BtR homes in London as part of realising the Group's ambitions of becoming a market leader in the BtR segment and expand its presence in the real estate management business in the UK (page 54 AR).</i></p> <p><i>(a) Please provide an update on the progress of construction of the BtR homes in London. When it is targeted to be completed?</i></p> <p><i>(b) Has the Group managed to secure buyers for all the BtR homes? If not, what is the percentage of unsold BtR homes?</i></p> <p><i>(c) Does the Company intend to retain some of the BtR homes to generate a regular income stream for the Group? If yes, what is the percentage of BtR homes to be retained?</i></p>	<p>The Group has 2 ongoing BtR projects, Kew and Barking Wharf in the UK which are expected to be completed in FY2021. The first block of Barking Wharf has been delivered in November 2020. Leasing activities have commenced and first move-in has taken place. All BtR homes of the ongoing projects have been sold to an investor.</p>
5.	<p><i>The Board has set a sales target of RM2.2 billion for FY2021 which will help to ensure continued earnings visibility for the Group going forward (page 13 AR).</i></p> <p><i>Please provide a breakdown of the sales target of RM2.2 billion by country and amount.</i></p>	<p>The Group does not split the sales target by country. The focus is to sell the completed stocks under the JV with Ballymore in London namely LCI, EG and Wardian, along with West Village and Yarra One in Australia. The Management will continue to review the sales plan and strategy during the year and make the necessary adjustments to achieve the target set.</p>

Dato' Teow informed that all the questions received from MSWG have been addressed and the Company has also received questions from the Participants before and during the 7<sup>th</sup> AGM via the text box. Before he proceeds to address the questions, the Participants were informed that due to time constraints, the Board would not address questions that have been covered in the presentation earlier and similar questions would be summarised to avoid repetition. All the questions raised were succinctly addressed by Dato' Teow as below:

<b>No.</b>	<b>Question</b>	<b>Response/Answer</b>
1.	<i>How does EWI plan to tap into growing demand for properties due to stamp duty holiday and changing of housing preferences, such as from bigger cities to smaller towns or rural areas and influx of Hong Kong residents to the UK due to the Visa Scheme.</i>	<p>The Management has planned for a series of marketing events and collaborations with local agents to tap into the growing demand for properties encouraged by the extension of stamp duty holiday. The focus will be on the mid-market OMS in London.</p> <p>The Company has also received encouraging response from home buyers in respect of the Visa Scheme offered by the UK.</p>
2.	<i>What is the profit margin of BtR project and the expected management fee?</i>	<p>The profit margin for BtR projects is relatively lower compared to OMS due to its significantly lower marketing risk and lower finance cost as it is on a forward funding structure. The property management service fee was charged based on market rates.</p>
3.	<i>What is the status of approval to commence the construction of Barking Wharf Phase 2?</i>	<p>The Group had secured planning approval for one of the two parcels in Tesco Barking.</p>
4.	<i>How and when the Company intends to grow its BtR business into a scalable business?</i>	<p>EcoWorld London has extensive experience in developing and managing large scale BtR projects and the Management is confident that the Company is able to create BtR products that appeal to both renters and investors.</p> <p>The Company is also actively engaging with potential investors and identifying new opportunities for BtR development.</p>

No.	Question	Response/Answer
5.	<i>What are the Company's plans in building more recurring income to reduce the lumpiness of earnings?</i>	The Management plans to expand the BtR portfolio to smoothen the earnings profile as the revenue from BtR is recognised progressively throughout the construction period. Besides that, the Company has initiated a new BtR platform, called APO, with the objective of generating recurring property management income.
6.	<i>Kindly provide the sales performance, profit margins, take-up rate and delivery timeline of Kew Bridge, Millbrook Park, Acton Lodge, Two Bridges, Oxbow and Jubilee.</i>	<p>On average, the above projects have achieved a take-up rate of 79%. The sales numbers are available in the presentation slides which are available on the Company's corporate website under "Investor Relations" page.</p> <p>All the projects have profit margins ranging from high single-digit percentage to approximately 20%.</p> <p>In terms of projects delivery, Kew Stadium was completed and handed over in FY2020 and Millbrook Park Phase 2 will commence handover in phases starting FY2021. Meanwhile, Kew Bridge BtR, Acton Lodge and Two Bridges will be completed in FY2021. Lastly, Oxbow (Aberfeldy Village) Phase 3B, Kew Bridge (Verdo) and Jubilee will be completed in FY2022.</p>
7.	<i>Why is the margin in the UK lower compared to Australia?</i>	The BtR projects in the UK have lower margin due to its significantly lower marketing risk, lower finance cost and forward funding structure. Besides that, the effective share of profits from the JVs in the UK are equity accounted after taking into consideration the taxation rate of 19% in the UK explains the lower margin as compared to Australia.

No.	Question	Response/Answer
8.	<i>What is the timing of handover and profit recognition from the various projects as disclosed in the 1QFY2021 results?</i>	<p>Yarra One commenced handover in 1QFY2021 which had significantly contributed to the 1QFY2021 results, meanwhile, Phase 2 of Millbrook Park and EG Block A03 are expected to contribute in the second half of FY2021 upon completion.</p> <p>Wardian was completed and progressively handed over since the 4QFY2020 and the recognition of revenue and profits were reflected accordingly in 4QFY2020 results under the “share of results of JVs”.</p>
9.	<i>What is the position of the Group’s future revenue and when would it be recognised, as well as the amount of cumulative revenue and earnings that the Group has recognised since its Initial Public Offer (“IPO”)?</i>	<p>The Group has an effective future revenue of RM2.2 billion and a substantial portion of it is expected to be realised in FY2021.</p> <p>As of to-date, the Group has recorded total revenue (including effective share of revenue from JVs in the UK) of RM6.5 billion since its IPO, whilst cumulative earnings between FY2017 to FY2020 amounted to RM186.3 million. EcoWorld Ballymore has recognised revenue of GBP1.2 billion since IPO and retained earnings of GBP87.5 million as at 31 October 2020.</p>
10.	<i>Kindly provide the breakdown of amount owing by EcoWorld Ballymore and EcoWorld London.</i>	<p>As at 31 October 2020, the amounts owing by EcoWorld Ballymore and EcoWorld London stood at GBP278 million and GBP138 million respectively.</p>
11.	<i>What is the bank balances and borrowings of EcoWorld Ballymore and EcoWorld London as at 31 October 2020?</i>	<p>As at 31 October 2020, the cash and bank balances in EcoWorld Ballymore and EcoWorld London stood at GBP151 million and GBP22 million respectively, whilst borrowings in EcoWorld Ballymore and EcoWorld London were recorded at GBP430 million and GBP100 million respectively.</p>

No.	Question	Response/Answer
12.	<i>Is the Company planning to venture into other countries for property development business and whether the Company is undertaking any new projects in Australia, apart from Macquarie Park? Are there any further projects under EcoWorld Ballymore?</i>	EWI does not have plans to venture into other countries and apart from Macquarie Park, there is no other project that has been confirmed and no plan to undertake any other projects under EcoWorld Ballymore at this juncture. Instead, the Company will be focusing on the projects under EcoWorld London in the mid-market and BtR segments.
13.	<i>Comments from the Board on the Company's share price and target prices set by investment banks during IPO and the Group's plans for its second phase of growth.</i>	<p>The past few years have been very challenging for developers. The Company had to battle through a prolonged Brexit, global trade wars and the outbreak of Covid-19, all of which were unforeseen circumstances during IPO. Such market disruptions have resulted in property prices falling in some parts of London and Australia whilst the costs of construction have increased due to prolongation of development period.</p> <p>Despite many challenges faced, the Group remained profitable. The Group's successful entry into the mid-market segments via OMS and BtR sectors in the UK is crucial as both segments are more resilient with greater growth potential. The strategic shift in business model will allow the Group to have better positioning in long-term sustainability and second phase of growth going forward.</p>
14.	<i>What are the measures to be undertaken to steer the Company's share price upwards?</i>	<p>The Board acknowledged that there is a huge disconnect between the Company's share price and its underlying value as reflected in the Company's Net Total Assets. In view that the share market forces are beyond the Company's control, the Company is striving to steer the business in the right direction.</p> <p>The Company has completed and handed over the bulk of the initial 4</p>

No.	Question	Response/Answer
		<p>projects which the Company had during the IPO. These completed projects had contributed profits and will be generating substantial cash to the Group. The Management is working on repatriating the funds from its JVs and subsidiaries to enable more distributions to the Company's shareholders following the Company's recent announcement of its maiden interim dividend of 1 sen per share.</p> <p>The Company's mantra is "<i>Clear stocks, raise cash and reward shareholders</i>". The Company will continue to deliver the said commitment and hope that the share price could improve to reflect the strong fundamentals of the Group's business.</p>
15.	<i>Please provide the manner in handling complaints about maintenance and facility management?</i>	<p>The Company has proper procedures in place to handle complaints raised by the purchasers and the Management is continuously review the procedures to improve on the services.</p> <p>The Company is in the process of linking the compensation of the managing agent to its performance, including response time to complaints in order to improve the performance of the team.</p>
16.	<i>Was the impairment of goodwill due to overpayment of interest in the JV?</i>	<p>Goodwill is the difference between purchase consideration and the book value of the underlying assets. Purchase consideration is supported by independent valuations and its anticipated profitability. Goodwill will be written off progressively as the projects are developed.</p>



<b>No.</b>	<b>Question</b>	<b>Response/Answer</b>
17.	<i>What is the Gross Development Cost (“GDC”), stages of development and sales percentage for all ongoing and upcoming projects of the Group?</i>	The sales performance of all the projects is disclosed in the presentation slides which are available on the Company’s corporate website. Most of the active phases under development will be completed in years 2021 and 2022. The Company is unable to disclose the GDC of the projects due to its sensitivity.
18.	<i>What is the amount of unsold completed stocks for projects in London and Australia?</i>	The unsold completed stocks in London and Australia worth approximately GBP300 million and AUD100 million respectively.
19.	<i>What is the plan of the Company in ensuring profitability and value creation to shareholders during and post Covid-19 pandemic?</i>	The Company continued to deliver profits in FY2020 despite being a “Covid year”. Going forward, the Management will focus on mid-market and BtR segments of London property market to grow its footprint in the UK. He added that these sectors remain resilient as the demand is supported by shortage of housing in the cities.
20.	<i>How much did the Company incur for the virtual AGM event?</i>	The cost for holding a virtual AGM is relatively lower than a physical AGM.
21.	<i>Is there any e-Tokens to be given to shareholders for attending the Meeting?</i>	The Company does not provide any e-Tokens/e-Vouchers for this Meeting.
22.	<i>What is the impact of the lockdown on the UK property market and strategies for EWI going forward?</i>	The transaction volume in year 2020 was affected due to the closure of sales galleries and longer time required to complete the home buying process. Nonetheless, the house prices in the UK grew approximately 5% in the previous year. The Company’s long-term strategy in the UK remained focussed on the mid-market and BtR segments.

No.	Question	Response/Answer
23.	<i>Is there any possibility to align the audit firms for both Eco World Development Group Berhad and EWI?</i>	EWI has changed the auditors to KPMG since FY2019 to align with the auditors of our operations in the UK. However, the Company is unable to comment on the auditors of the Company's shareholders, i.e. Eco World Development Group Berhad (" <b>EcoWorld Malaysia</b> ").
24.	<i>What is the Company's annual budget in terms of percentage of total expenditure in pursuing Environmental, Social and Governance ("<b>ESG</b>") aspects?</i>	The Company has taken ESG aspects into consideration in all key business decisions. The Company's projects in the UK and Australia strictly adheres to the environmental laws. The implemented key initiatives, progress and achievements in relation to the ESG are published in the Sustainability Report every year. No specific budget was allocated for ESG as it forms one of the central pillars of the Company's business.
25.	<i>What is the breakdown of the buyers' profile for the projects and whether the Company has identified new sites for future developments?</i>	<p>Generally, approximately 50% to 60% of the sales were done locally to buyers from various nationalities. Location of sales is a good indicator of where the buyers reside.</p> <p>The Company is actively pursuing new sites especially those sites which are suitable for BtR development. The Company will make the appropriate announcement when the Company has secured new sites.</p>
26.	<i>Will all the 30 units of Macquarie Park be launched in a single year or over several years and if is over several years, what is the target number of years to launch all the 30 units?</i>	The Company is in the process of submitting the development planning application and will finalise the launch plans based on the outcome of the approval.

No.	Question	Response/Answer
27.	<i>How are the revenue, direct expenses as well as marketing expenses being recognised and whether the direct expenses and marketing expenses are directly linked to the revenue recognition or spending for the current quarter/financial year?</i>	The revenue and direct costs are recognised upon project completion and handed over to buyers, except for BtR projects, which will be recognised progressively based on the construction progress. Only direct sales costs, such as sales commissions are linked to revenue, otherwise, expenses are charged out as and when incurred.
28.	<i>What is the impact of the rising raw material prices to the Company and how does the Company maintain its profit margin?</i>	The Company has procured majority of the construction packages for projects that are actively being developed. Hence, the impact of the rising raw material prices to the Company is minimal. The Company will review the price for future launches if the raw material prices continue to rise.
29.	<i>Will EWI bring in the property design from the UK to Malaysia?</i>	EWI does not have any project in Malaysia. However, EWI and EcoWorld Malaysia are collaborating and working closely to enhance the brand of “EcoWorld”.
30.	<i>What is the Company’s view on the increase of corporate tax rate in the UK with effect from April 2023?</i>	The earnings of the projects may not be affected by higher corporate tax rate as most of the launched projects will be completed by year 2022. Nonetheless, the Company will consider such factor in the pricing for future launches.

Tan Sri Chairman then concluded the questions and answers session with key takeaways i.e. (i) the Management strives to sell all completed units; (ii) seeking out opportunities for BtR segment in the UK which offer minimal risk; and (iii) complete all the construction soonest possible.

## 18. VOTING

After having addressed all the questions raised, Tan Sri Chairman proceeded to inform the Meeting to proceed with voting and that the verification of the votes would take approximately 20 minutes. Tan Sri Chairman placed on record that several shareholders have appointed him to be their proxy and he will vote according to their instructions.

Tan Sri Chairman informed that the outcome of the poll would be announced after a short break as it would take some time for the Scrutineers to tabulate the results of the poll. The AGM was then adjourned at 11.40 a.m. for the shareholders and proxies to cast their votes.

Tan Sri Chairman declared the polling closed at 11.50 a.m. for the votes to be counted and to enable the Scrutineers to present their report to him.

## 19. POLL RESULTS

Tan Sri Chairman called the Meeting to order at 12.05 p.m. The Scrutineers then proceeded to announce the results of the poll as follows:

Ordinary Resolution 1	Votes in favour		Votes against		Results
	No. of shares	%	No. of shares	%	
To approve the payment of Directors' Fees quarterly in arrears from the 7 <sup>th</sup> AGM until the 8 <sup>th</sup> AGM of the Company	1,920,049,891	99.9911	170,602	0.0089	CARRIED

It was RESOLVED:

THAT the payment of Directors' Fees of RM160,000 per annum for each Independent Non-Executive Director from the 7<sup>th</sup> AGM until the 8<sup>th</sup> AGM of the Company, to be paid quarterly in arrears is approved.

Ordinary Resolution 2	Votes in favour		Votes against		Results
	No. of shares	%	No. of shares	%	
To approve the payment of Directors' Benefits from the 7 <sup>th</sup> AGM until the 8 <sup>th</sup> AGM of the Company	1,919,902,891	99.9835	317,602	0.0165	CARRIED

It was RESOLVED:

THAT the payment of Directors' Benefits of up to RM230,000 to the Independent Non-Executive Directors of the Company from the 7<sup>th</sup> AGM until the 8<sup>th</sup> AGM of the Company is approved.

Ordinary Resolution 3	Votes in favour		Votes against		Results
	No. of shares	%	No. of shares	%	
To re-elect Mr Choong Yee How, who is retiring pursuant to Clause 114 of the Constitution of the Company	1,930,346,893	99.9979	39,700	0.0021	CARRIED

It was RESOLVED:

THAT the retiring Director, namely Mr Choong Yee How, who retired pursuant to Clause 114 of the Constitution of the Company is re-elected as a Director of the Company.

Ordinary Resolution 4	Votes in favour		Votes against		Results
	No. of shares	%	No. of shares	%	
To re-elect Mr Cheng Hsing Yao, who is retiring pursuant to Clause 114 of the Constitution of the Company	1,930,346,893	99.9979	39,700	0.0021	CARRIED

It was RESOLVED:

THAT the retiring Director, namely Mr Cheng Hsing Yao, who retired pursuant to Clause 114 of the Constitution of the Company is re-elected as a Director of the Company.

Ordinary Resolution 5	Votes in favour		Votes against		Results
	No. of shares	%	No. of shares	%	
To re-elect Tan Sri Datuk Dr Rebecca Fatima Sta Maria, who is retiring pursuant to Clause 114 of the Constitution of the Company	1,930,327,093	99.9969	59,500	0.0031	CARRIED

It was RESOLVED:

THAT the retiring Director, namely Tan Sri Datuk Dr Rebecca Fatima Sta Maria, who retired pursuant to Clause 114 of the Constitution of the Company is re-elected as a Director of the Company.

Ordinary Resolution 6	Votes in favour		Votes against		Results
	No. of shares	%	No. of shares	%	
To re-elect Dato' Chang Khim Wah, who is retiring pursuant to Clause 121 of the Constitution of the Company	1,930,347,093	99.9980	39,500	0.0020	CARRIED

It was RESOLVED:

THAT the retiring Director, namely Dato' Chang Khim Wah, who retired pursuant to Clause 121 of the Constitution of the Company is re-elected as a Director of the Company.

Ordinary Resolution 7	Votes in favour		Votes against		Results
	No. of shares	%	No. of shares	%	
To re-appoint KPMG as Auditors of the Company until the conclusion of the 8th AGM of the Company and to authorise the Directors to fix their remuneration	1,930,400,793	99.9981	37,500	0.0019	CARRIED

It was RESOLVED:

THAT KPMG having consented to act is re-appointed as Auditors of the Company to hold office until the conclusion of the 8<sup>th</sup> AGM of the Company and that authority is given to the Directors to fix their remuneration.

Ordinary Resolution 8	Votes in favour		Votes against		Results
	No. of shares	%	No. of shares	%	
Authority to issue and allot shares	1,778,257,691	92.1147	152,224,102	7.8853	CARRIED

It was RESOLVED:

THAT subject always to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities and the approvals of the relevant governmental or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Section 76 of the Act to issue and allot shares in the Company to such persons, at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company for the time being.

Ordinary Resolution 9	Votes in favour		Votes against		Results
	No. of shares	%	No. of shares	%	
Proposed Renewal of Shareholders' Mandate for RRPT of a revenue or trading nature	961,482,495	99.9956	42,000	0.0044	CARRIED

It was RESOLVED:

THAT subject to the provisions of the Main Market Listing Requirements of Bursa Securities, the Group be and is/are hereby authorised to enter into any of the transactions falling within the types of RRPT of a revenue or trading nature of the Group from time to time with related parties who may be a Director, a major shareholder of the Group or a person connected with such a Director and major shareholder, as specified in Section 2.2 of the Company's Circular dated 26 February 2021 which are necessary for the day to day operations and are in the ordinary course of business and are carried out at arms' length basis on normal commercial terms of the Group on terms not more favourable to the related parties than those generally available to the public and are not, in the Company's opinion, detrimental to minority shareholders of the Company.

THAT the mandate given by the shareholders of the Company shall only continue to be in force until:

- (i) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- (ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the proposed renewal of shareholders' mandate for RRPT of a revenue or trading nature.

Tan Sri Chairman declared that all the resolutions as set forth in the Notice of the 7<sup>th</sup> AGM were duly carried.

## **CONCLUSION**

Tan Sri Chairman expressed his appreciation to all the Participants who have attended this Meeting and reminded all the Participants to take extra precautions amid Covid-19 pandemic. There being no other business to be transacted, Tan Sri Chairman declared the AGM closed at 12.15 p.m.

SIGNED AS A CORRECT RECORD

TAN SRI AZLAN BIN MOHD ZAINOL

*Chairman/ Independent Non-Executive Director*