

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT ADVISER IMMEDIATELY.**

Bursa Malaysia Securities Berhad ("**Bursa Malaysia**") has not perused the content of this Circular prior to issuance as the Company has been selected by Bursa Malaysia as a company qualify under the Green Lane Policy, which entitles certain privileges including the exemption of the need for pre-vetting of this Circular.

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**ECO WORLD INTERNATIONAL BERHAD**

*(Registration No. 201301030020 (1059850-A))*

*(Incorporated in Malaysia)*

**CIRCULAR TO SHAREHOLDERS IN RELATION TO THE**

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

The resolution in respect of the above proposal will be tabled at the Eighth Annual General Meeting ("**8<sup>th</sup> AGM**") of our Company which will be held as a virtual meeting at the Broadcast Venue.

The Notice of the 8<sup>th</sup> AGM, Proxy Form, Administrative Guide and this Circular to Shareholders are available online at the Company's corporate website at <https://ecoworldinternational.com/investor-relations/annual-general-meetings/>.

Date and time of the 8 <sup>th</sup> AGM	: Thursday, 24 March 2022 at 10:30 a.m. or at any adjournment thereof
Broadcast Venue of the 8 <sup>th</sup> AGM	: Bukit Bintang City Centre Sales Gallery No. 2, Jalan Hang Tuah 55100 Kuala Lumpur Wilayah Persekutuan Malaysia
Online Meeting Platform	: SS e-Portal at <a href="https://sshsb.net.my/">https://sshsb.net.my/</a>
Last date and time for lodging of the Proxy Form	: Tuesday, 22 March 2022 at 10:30 a.m.

This Circular is dated 23 February 2022

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## DEFINITIONS

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Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

Act	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
Board	:	Board of Directors of EcoWorld International
Bursa Malaysia	:	Bursa Malaysia Securities Berhad
Circular	:	This circular to the shareholders of EcoWorld International in relation to the Proposed Shareholders' Mandate dated 23 February 2022
Director(s)	:	Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007, and for the purpose of the Proposed Shareholders' Mandate, includes any person who is or was within the preceding six months of the date on which the terms of the transaction were agreed upon, a Director or a chief executive of our Group
EcoWorld-Ballymore Group	:	Collectively, EcoWorld-Ballymore Holding and its wholly-owned subsidiaries, namely Eco World-Ballymore Embassy Gardens Company Limited, Eco World-Ballymore Arrowhead Quay Company Limited and Eco World-Ballymore London City Island Company Limited
EcoWorld-Ballymore Holding	:	Eco World-Ballymore Holding Company Limited, a 75% indirect joint venture of EcoWorld International
EcoWorld International or Company	:	Eco World International Berhad
EcoWorld International Group or Group	:	EcoWorld International, our subsidiaries and joint ventures
EcoWorld International Share(s) or Share(s)	:	Ordinary share(s) in EcoWorld International
EcoWorld International Warrants(s) or Warrant(s)	:	960,000,000 warrants issued by EcoWorld International on 30 March 2017 and expiring on 4 April 2022 as constituted by the deed poll dated 20 February 2017
Listing Requirements	:	Main Market Listing Requirements of Bursa Malaysia, as amended from time to time and any re-enactment thereof
London Projects	:	Collectively, Embassy Gardens Phase 2 project, Wardian London project and London City Island Phase 2 project
LPD	:	31 January 2022, being the latest practicable date prior to the printing of this Circular
Major Shareholder(s)	:	A person who has an interest or interests in one or more voting shares in our Company and the number or aggregate number of those shares, is:  (a) 10% or more of the total number of voting shares in our Company; or  (b) 5% or more of the total number of voting shares in our Company where such person is the largest shareholder of our Company

For the purpose of this definition, "interest" shall have the meaning of "interest in shares" given in Section 8 of the Act. A major shareholder includes any person who is or was within the preceding six months of the date on which the terms of the transaction were agreed upon.

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**DEFINITIONS (Cont'd)**

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Person(s) Connected	:	Shall have the same meaning given in Paragraph 1.01 of the Listing Requirements
Proposed Shareholders' Mandate	New :	Proposed new shareholders' mandate for new Recurrent Related Party Transactions to be entered by our Group from the date of the upcoming 8 <sup>th</sup> AGM to the 9 <sup>th</sup> AGM
Proposed Renewal of Shareholders' Mandate	:	Proposed renewal of shareholders' mandate for existing Recurrent Related Party Transactions to be entered into by our Group from the date of the upcoming 8 <sup>th</sup> AGM to the 9 <sup>th</sup> AGM
Proposed Shareholders' Mandate	:	Proposed Renewal of Shareholders' Mandate and Proposed New Shareholders' Mandate
Recurrent Related Party Transaction(s)	:	Related Party Transaction(s) involving recurrent transactions of a revenue or trading nature that are necessary for the day-to-day operations and are in the ordinary course of business of our Group
Related Party(ies)	:	Director(s), Major Shareholder(s) or Person(s) Connected with such Director or Major Shareholder
Related Party Transaction(s)	:	Transaction(s) entered into by our Group which involve(s) the interest, direct or indirect, of the Related Party(ies)

**Currency**

<b>AUD</b>	:	Australian Dollar, the lawful currency of Australia
<b>GBP or £</b>	:	Great Britain Pound, the lawful currency of the United Kingdom
<b>RM and sen</b>	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia

All references to “**our Company**” in this Circular are to EcoWorld International, and references to “**our Group**” are to our Company, our subsidiaries and joint ventures. References to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and where the context otherwise requires, shall include our subsidiaries and joint ventures. All references to “**you**” in this Circular are to our shareholders.

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine shall, where applicable, include the feminine and/or neuter gender, and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Group's plans and objectives will be achieved.

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

**Registered Office:**

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

23 February 2022

**Board of Directors:**

Tan Sri Azlan Bin Mohd Zainol (*Chairman/Independent Non-Executive Director*)  
Tan Sri Dato' Sri Liew Kee Sin (*Executive Vice Chairman/Executive Director*)  
Dato' Teow Leong Seng (*President & Chief Executive Officer/Executive Director*)  
Mr Cheah Tek Kuang (*Senior Independent Non-Executive Director*)  
Dato' Chang Khim Wah (*Non-Independent Non-Executive Director*)  
Mr Choong Yee How (*Non-Independent Non-Executive Director*)  
Mr Cheng Hsing Yao (*Non-Independent Non-Executive Director*)  
Tan Sri Datuk Dr Rebecca Fatima Sta Maria (*Independent Non-Executive Director*)  
Dato' Siow Kim Lun (*Independent Non-Executive Director*)  
Dato' Kong Sooi Lin (*Independent Non-Executive Director*)  
Ms Pauline Wong Wan Voon (*Independent Non-Executive Director*)  
Mr Wong Hock Chuan (*Alternate Director to Mr Cheng Hsing Yao*)

**To: Our Shareholders**

Dear Sir/Madam

**PROPOSED SHAREHOLDERS' MANDATE**

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**1. INTRODUCTION**

At our 7<sup>th</sup> AGM held on 31 March 2021, we had obtained shareholders' mandate for our Group to enter into Recurrent Related Party Transactions on terms that are not more favourable to the Related Parties than those generally available to the public. The authority conferred by the existing shareholders' mandate shall, in accordance with the Listing Requirements, lapse at the conclusion of our upcoming 8<sup>th</sup> AGM unless authority for its renewal is obtained from our shareholders at our upcoming 8<sup>th</sup> AGM.

In relation thereto, we had on 10 February 2022 announced our intention to seek our shareholders' approval for the Proposed Shareholders' Mandate at our upcoming 8<sup>th</sup> AGM.

The purpose of this Circular is to provide you with the relevant information on the Proposed Shareholders' Mandate and to seek your approval for the ordinary resolution to be tabled at the upcoming 8<sup>th</sup> AGM of our Company. The Notice of the 8<sup>th</sup> AGM together with the Proxy Form are available online at the Company's corporate website at <https://ecoworldinternational.com/investor-relations/annual-general-meetings/>.

An extract of the ordinary resolution in respect of the Proposed Shareholders' Mandate is set out in **Appendix I** of this Circular.

**YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE TO BE TABLED AT THE 8<sup>th</sup> AGM OF OUR COMPANY.**

## **2. DETAILS OF THE PROPOSED SHAREHOLDERS' MANDATE**

### **2.1 Introduction**

Pursuant to Part E, Paragraph 10.09 of Chapter 10 of the Listing Requirements, our Company may seek our shareholders' mandate with regard to Recurrent Related Party Transactions subject to, among others, the following:

- (i) the transactions are in the ordinary course of business of our Group and are on terms not more favourable to the Related Parties than those generally available to the public;
- (ii) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where:
  - (a) the consideration, value of the assets, capital outlay or costs of the Recurrent Related Party Transactions is RM1.0 million or more; or
  - (b) the percentage ratio of such Recurrent Related Party Transactions is 1% or more,whichever is the higher;
- (iii) the circular to our shareholders for the shareholders' mandate shall include the information as may be prescribed by Bursa Malaysia;
- (iv) in a meeting to obtain the shareholders' mandate, the interested Related Parties must not vote on the resolution approving the transactions and an interested Director or interested Major Shareholder must ensure that Persons Connected with them abstain from voting on the resolution approving the transaction; and
- (v) our Company to immediately announce to Bursa Malaysia when the actual value of a Recurrent Related Party Transaction entered into by our Company, exceeds the estimated value of the Recurrent Related Party Transaction disclosed in this Circular by 10% or more based on the relevant currency in which such transaction is denominated and must include the information as may be prescribed by Bursa Malaysia in its announcement.

As disclosed in Section 2.2(e) of this Circular, the estimated value of the transaction for this category cannot be ascertained given the various types of properties sold by our Group with prices which vary from project to project and that the Directors and/or Persons Connected with them who intend to purchase the properties sold by our Group could not be ascertained at this juncture. However, in accordance with Paragraph 3.3(a) of Practice Note 12 of the Listing Requirements, any one of the percentage ratios of the transaction cannot exceed 10%.

In addition, as disclosed in Section 2.4 of this Circular, our Group has established various procedures to monitor the Recurrent Related Party Transactions to ensure that the total purchases by the Related Parties do not exceed 10% of the percentage ratio in accordance with Paragraph 3.3(a) of Practice Note 12 of the Listing Requirements.

The principal activity of our Company is investment holding whilst our subsidiaries and joint ventures are principally involved in, among others, property development, investment holding, provision of advisory and project monitoring services, and promoting and marketing services for international projects.

It is envisaged that in the ordinary course of our Group's businesses, transactions of a revenue or trading nature between companies in our Group and the Related Parties are likely to occur, and which are necessary for its day-to-day operations.

In this respect, our Company is seeking approval from our shareholders for the Proposed Shareholders' Mandate which will allow our Group, in their ordinary course of business, to enter into the category of Recurrent Related Party Transaction disclosed in Section 2.2 of this Circular with the Related Parties, provided such transaction is made at arms' length, on our Group's normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of our Company.

The Proposed Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders' Mandate, if approved, shall take effect from and including 24 March 2022, being the date of the upcoming 8<sup>th</sup> AGM, and shall continue to be in force until:

- (i) the conclusion of the next AGM of our Company, at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed; or
- (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 in a general meeting,

whichever is the earlier.

Further disclosure required, which includes the breakdown of the aggregate value of the Recurrent Related Party Transactions made during the financial year ended 31 October 2021 pursuant to the Proposed Shareholders' Mandate will be made in our Annual Report 2021 in accordance with Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements based on the following information:

- (i) type of Recurrent Related Party Transactions made; and
- (ii) names of the Related Parties involved in each type of the Recurrent Related Party Transaction made and their relationship with our Company.

Details of the Recurrent Related Party Transactions of our Group pursuant to Paragraph 10.09(1) of the Listing Requirements are set out in the ensuing paragraphs.

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## 2.2 Classes of Related Parties and Nature of Recurrent Related Party Transactions

The classes of Related Parties and nature of the Recurrent Related Party Transactions which have been entered into and are to be entered into by our Group are detailed as below:

### (i) Proposed Renewal of Shareholders' Mandate

	Transacting party within our Group	Transacting Related Parties	Nature of transaction	Estimated value from 7 <sup>th</sup> AGM to 8 <sup>th</sup> AGM ('000) <sup>(1)(2)</sup>	Actual value from 7 <sup>th</sup> AGM up to the LPD ('000) <sup>(2)</sup>	Estimated value from 8 <sup>th</sup> AGM to 9 <sup>th</sup> AGM ('000) <sup>(2)(3)</sup>	Nature of relationship between our Group and the Related Parties
(a)	EcoWorld-Ballymore Group	Whistleglade Limited	Provision of sales and marketing services by Whistleglade Limited to EcoWorld-Ballymore Group in relation to the London Projects	GBP8,008 (equivalent to RM45,024)	GBP4,003 (equivalent to RM22,506)	GBP6,760 (equivalent to RM38,007)	<ul style="list-style-type: none"> <li>Sean Martin Mulryan is the ultimate shareholder of ACE Investment Holdings Limited ("AIHL"), which owns 25.0% equity interest of EcoWorld-Ballymore Holding</li> <li>He is also the ultimate owner of Whistleglade Investment Limited ("Whistleglade") and Donareed Investments Ltd</li> <li>Whistleglade Limited is a wholly-owned subsidiary of Whistleglade</li> <li>MF (Other Interests) Ltd is an indirect wholly-owned subsidiary of Donareed Investments Ltd</li> </ul>
		MF (Other Interests) Ltd	Provision of marketing suite by Whistleglade Limited to EcoWorld-Ballymore Group	GBP53 (equivalent to RM298)	GBP33 (equivalent to RM186)	GBP20 (equivalent to RM112)	
(b)	EcoWorld-Ballymore Group	Ballymore Construction Services Limited (" <b>Ballymore Construction</b> ")	Provision of pre-construction services and construction management by Ballymore Construction to EcoWorld-Ballymore Group in relation to the London Projects	GBP2,640 (equivalent to RM14,843)	GBP2,982 (equivalent to RM16,766)	-	<ul style="list-style-type: none"> <li>Sean Martin Mulryan is the ultimate shareholder of AIHL, which owns 25.0% equity interest of EcoWorld-Ballymore Holding</li> <li>He is also the ultimate owner of Whistleglade</li> <li>Ballymore Construction is a wholly-owned subsidiary of Whistleglade</li> </ul>

	Transacting party within our Group	Transacting Related Parties	Nature of transaction	Estimated value from 7 <sup>th</sup> AGM to 8 <sup>th</sup> AGM ('000) <sup>(1)(2)</sup>	Actual value from 7 <sup>th</sup> AGM up to the LPD ('000) <sup>(2)</sup>	Estimated value from 8 <sup>th</sup> AGM to 9 <sup>th</sup> AGM ('000) <sup>(2)(3)</sup>	Nature of relationship between our Group and the Related Parties
(c)	EcoWorld-Ballymore Group	Ballymore Development Management Limited ("Ballymore Development")	Provision of completions and occupation management services by Ballymore Development to EcoWorld-Ballymore Group in relation to the London Projects	GBP1,530 (equivalent to RM8,602)	-	GBP530 (equivalent to RM2,980)	<ul style="list-style-type: none"> <li>Sean Martin Mulryan is the ultimate shareholder of AIHL, which owns 25.0% equity interest of EcoWorld-Ballymore Holding</li> <li>He is also the ultimate owner of Whistleglade</li> <li>Ballymore Development and BAML are wholly-owned subsidiaries of Whistleglade.</li> </ul>
		Ballymore Asset Management Limited ("BAML")	Provision of property/estates management services by BAML to EcoWorld-Ballymore Group in relation to the London Projects	GBP100 (equivalent to RM562)	GBP451 (equivalent to RM2,536)	GBP120 (equivalent to RM675)	
(d)	EcoWorld-Ballymore Group	Ballymore Construction	Provision of after sales-care services by Ballymore Construction to EcoWorld-Ballymore in relation to the London Projects	GBP2,226 (equivalent to RM12,515)	GBP1,289 (equivalent to RM7,247)	GBP1,740 (equivalent to RM9,783)	<ul style="list-style-type: none"> <li>Sean Martin Mulryan is the ultimate shareholder of AIHL, which owns 25.0% equity interest of EcoWorld-Ballymore Holding</li> <li>He is also the ultimate owner of Whistleglade</li> <li>Ballymore Construction is wholly-owned subsidiary of Whistleglade</li> </ul>
<b>Total</b>				<b>GBP14,557 (equivalent to RM81,844)</b>	<b>GBP8,758 (equivalent to RM49,241)</b>	<b>GBP9,170 (equivalent to RM51,557)</b>	

	Transacting party within our Group	Transacting Related Parties	Nature of transaction	Estimated value from 7 <sup>th</sup> AGM to 8 <sup>th</sup> AGM ('000) <sup>(1)(2)</sup>	Actual value from 7 <sup>th</sup> AGM up to the LPD ('000) <sup>(2)</sup>	Estimated value from 8 <sup>th</sup> AGM to 9 <sup>th</sup> AGM ('000) <sup>(2)(3)</sup>	Nature of relationship between our Group and the Related Parties
(e)	EcoWorld International Group	Directors and Persons Connected with them	Sale of land or land based properties to Directors and Persons Connected with them in the ordinary course of business of not more than 10% of any one of the percentage ratios in the Listing Requirements	See Note (4) below	See Note (5) below	See Note (4) below	Directors and Persons Connected with them who intend to purchase the properties sold by our Group could not be ascertained at this juncture

**(ii) Proposed New Shareholders' Mandate**

	Transacting party within our Group	Transacting Related Parties	Nature of transaction	Estimated value from 8 <sup>th</sup> AGM to 9 <sup>th</sup> AGM ('000) <sup>(2)(3)</sup>	Nature of relationship between our Group and the Related Parties
(a)	EcoWorld-Ballymore Group	Ballymore Development	Provision of corporate services	GBP430 (equivalent to RM2,418)	<ul style="list-style-type: none"> <li>Sean Martin Mulryan is the ultimate shareholder of AIHL, which owns 25.0% equity interest of EcoWorld-Ballymore Holding. He is also the ultimate owner of Whistleglade</li> <li>Ballymore Development is a wholly-owned subsidiary of Whistleglade</li> </ul>

**Notes:**

- (1) Estimated value as disclosed in the preceding year's Circular to Shareholders dated 26 February 2021.
- (2) Based on the exchange rate of GBP1.00: RM5.6224 being the middle rate for GBP to RM quoted by Bank Negara Malaysia, respectively, at 5:00 p.m. as at the LPD.
- (3) Due to the nature of the transactions, the actual value of the transactions may vary and are subject to change from the estimated value disclosed above.
- (4) The estimated value of the transaction for this category cannot be ascertained given the various types of properties sold by our Group with prices which vary from project to project. However, our Group is guided by the provision of Paragraph 3.3(a) of Practice Note 12 of the Listing Requirements, which allows our Company to procure its shareholders' mandate for disposal of land or land-related property provided that the transaction is a Recurrent Related Party Transaction and any one of the percentage ratios is not more than 10% based on the relevant currency in which such transaction is denominated. Our Group has established various procedures to monitor the Recurrent Related Party Transactions to ensure that the total purchases by the Related Parties do not exceed 10% of any one of the percentage ratios and will be carried out on an arm's length basis, on transaction prices and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders.
- (5) There was no sale of land or land-based properties to the Related Parties during the period.

### **2.3 Amounts due and owing by Related Parties to our Group**

As at the LPD, there were no amounts due and owing by the Related Parties to our Group under the Recurrent Related Party Transactions which exceeded the credit term.

### **2.4 Review Procedures in relation to Recurrent Related Party Transactions**

Our Group has established various procedures to ensure that the Recurrent Related Party Transactions are conducted at arm's length and on normal commercial terms, which are consistent with our Group's normal business practices and policies, and on terms not more favourable to the Related Party than those generally available to the public and are not to the detriment of the minority shareholders.

The Recurrent Related Party Transactions will be undertaken based on prevailing rates according to normal commercial terms, business practices and policies or otherwise in accordance with other applicable industry norms/considerations. There are no specific thresholds for approval of Recurrent Related Party Transactions within our Group.

To monitor the Recurrent Related Party Transactions, the procedures established by our Group are as follows:

- (i) a list of Related Parties will be circulated within our Group to notify that all Recurrent Related Party Transactions are required to be undertaken on an arm's length basis and normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public. These include transacting at prevailing market rates/prices of the products or services provider's usual commercial terms or otherwise in accordance with applicable industry norm. Transactions refer to both sales and purchases of products or provision of services involving our Group;
- (ii) any tender, quotation or contract received from or proposed to be entered with a Related Party will not be approved unless the terms offered are comparable with those offered by other unrelated parties for the same or substantially similar type of transactions;
- (iii) records will be maintained by our Company to capture all Recurrent Related Party Transactions entered into pursuant to the Proposed Shareholders' Mandate to ensure that relevant approvals have been obtained and review procedures in respect of such transactions are adhered to. As disclosed in Section 2.2(e) of this Circular, the estimated value of the transaction this category cannot be ascertained given the various types of properties sold by our Group with prices which vary from project to project and that the Directors and/or Person Connected with them who intend to purchase the properties sold by our Group could not be ascertained at this juncture. Our Company will monitor all transactions to ensure that any one of the percentage ratios of the transactions do not exceed 10% in accordance with Section 3.3(a) of Practice Note 12 of the Listing Requirements;
- (iv) the internal auditor shall periodically review the guidelines and procedures in respect of all Recurrent Related Party Transactions entered into pursuant to the Proposed Shareholders' Mandate and ascertain that the guidelines and procedures have been complied with;
- (v) the Audit Committee shall review the internal audit reports to ascertain that the guidelines and procedures established to monitor Recurrent Related Party Transactions have been complied with and the review shall be done at every quarter together with the review of the quarterly results;
- (vi) disclosure will be made in the Annual Report of our Company of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year, in accordance with the provisions of Paragraph 10.09, Chapter 10 and Paragraph 3.1.5 of Practice Note 12 of the Listing Requirements;

- (vii) the Audit Committee has reviewed and shall continue to review the adequacy and appropriateness of the procedures as and when required, with the authority to sub-delegate to individuals or committees within our Company as they deem appropriate; and
- (viii) at least two other contemporaneous transactions with unrelated 3<sup>rd</sup> parties for similar products or services will be used as comparison, whenever possible, to determine whether the price and terms offered to the related parties are fair and reasonable and comparable to those offered to other unrelated 3<sup>rd</sup> parties for the same or substantially similar type of products or services. In the event that comparative pricing from unrelated 3<sup>rd</sup> parties cannot be obtained, our Group will rely on the prevailing market norms and practices taking into account the efficiency, quality and type of products or services to be provided to ensure that the Recurrent Related Party Transactions are not detrimental to our Group.

Where any Director has an interest (direct or indirect) in any Recurrent Related Party Transaction, such Director shall abstain from deliberation and voting on the matter. The interested Directors shall also abstain from deliberating at Board meetings in respect of the Recurrent Related Party Transactions in which they or Persons Connected with them are interested.

Pursuant to Paragraph 10.09 of the Listing Requirements, in a meeting to obtain shareholders' approval for the Proposed Shareholders' Mandate, the interested Directors, interested Major Shareholders or interested Persons Connected with a Director or Major Shareholder; and where it involves the interest of an interested Person Connected to a Director and/or Major Shareholder, such Director or Major Shareholder must abstain from voting on the resolution approving the transactions. An interested Director or interested Major Shareholder must also ensure that Persons Connected with him/her abstain from voting on the resolution approving the transactions.

## **2.5 Audit Committee Statement**

The Audit Committee of our Company has considered the procedures mentioned above and is of the view that:

- (i) the procedures are sufficient to ensure that the Recurrent Related Party Transactions are conducted at arm's length and on normal commercial terms which are consistent with our Group's normal business practices and policies and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of our Group; and
- (ii) our Group has in place adequate procedures and processes to monitor, track and identify Recurrent Related Party Transactions in a timely and orderly manner. Such procedures and processes are reviewed by the Audit Committee and/or the management staff on a yearly basis and as and when required.

## **3. RATIONALE AND BENEFITS OF THE PROPOSED SHAREHOLDERS' MANDATE**

The Recurrent Related Party Transactions that are set out in Section 2.2 of this Circular are in the ordinary course of business and intended to meet the business needs of our Group on the best possible terms and represent sound business decisions which are taken for legitimate and bona fide business purposes which will enhance our Group's ability to explore beneficial business opportunities within our Group and its joint venture partners.

The Proposed Shareholders' Mandate, if approved by the shareholders, will eliminate the need to make announcements to Bursa Malaysia or to convene separate general meetings from time to time to seek shareholders' approval as and when Recurrent Related Party Transaction(s) with the specified classes of Related Parties arise. This will reduce substantially the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficiency considerably and allow manpower resources and time to be focused on attaining our Group's corporate objectives and business opportunities.

The Proposed Shareholders' Mandate, is intended to facilitate transactions entered into in the ordinary course of business of our Group which are transacted from time to time with the Related Parties at arm's length, on our Group's normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not detrimental to the minority shareholders of our Company.

#### 4. EFFECTS OF THE PROPOSED SHAREHOLDERS' MANDATE

The Proposed Shareholders' Mandate will not have any effect on the share capital and the Major Shareholders' shareholdings in our Company, and is not expected to have any material effect on the net assets, gearing and earnings of our Group for the financial year ending 31 October 2022.

#### 5. APPROVAL REQUIRED

The Proposed Shareholders' Mandate is subject to the approval of our shareholders at the 8<sup>th</sup> AGM of our Company to be convened or any adjournment thereof.

#### 6. INTERESTS OF DIRECTORS AND/OR MAJOR SHAREHOLDER

The direct and indirect interests of the interested Directors and/or Major shareholder as at the LPD are as follows:

(i) Interest in EcoWorld International Shares

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
<b>Interested Director and Major Shareholder</b>				
Tan Sri Dato' Sri Liew Kee Sin	246,540,798	10.27	45,700,000 <sup>(1)</sup>	1.90
<b>Interested Directors</b>				
Tan Sri Azlan Bin Mohd Zainol	5,120,000	0.21	67,200 <sup>(2)</sup>	negligible
Dato' Teow Leong Seng	15,263,000	0.64	-	-
Cheah Tek Kuang	3,000,000	0.13	-	-
Dato' Chang Khim Wah	1,471,400	0.06	-	-
Choong Yee How	-	-	-	-
Cheng Hsing Yao	-	-	-	-
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	-	-	5,000,000 <sup>(3)</sup>	0.21
Dato' Siow Kim Lun	2,000,000	0.08	-	-
Dato' Kong Sooi Lin	-	-	-	-
Pauline Wong Wan Voon	-	-	-	-
Wong Hock Chuan	-	-	-	-

(ii) Interest in EcoWorld International Warrants

	Direct		Indirect	
	No. of Warrants	%	No. of Warrants	%
<b>Interested Director and Major Shareholder</b>				
Tan Sri Dato' Sri Liew Kee Sin	98,616,319	10.27	680,000 <sup>(4)</sup>	0.07
<b>Interested Directors</b>				
Tan Sri Azlan Bin Mohd Zainol	2,048,000	0.21	27,280 <sup>(2)</sup>	negligible
Dato' Teow Leong Seng	6,105,200	0.64	-	-
Cheah Tek Kuang	1,200,000	0.13	-	-
Dato' Chang Khim Wah	8,000	negligible	-	-
Choong Yee How	-	-	-	-
Cheng Hsing Yao	-	-	-	-
Tan Sri Datuk Dr Rebecca Fatima Sta Maria	-	-	-	-
Dato' Siow Kim Lun	800,000	0.08	-	-
Dato' Kong Sooi Lin	-	-	-	-
Pauline Wong Wan Voon	-	-	-	-
Wong Hock Chuan	-	-	-	-

**Notes:**

- (1) Deemed interested by virtue of his spouse and child's interest in our Company pursuant to Section 59(11)(c) of the Act.
- (2) Deemed interested by virtue of his child's interest in our Company pursuant to Section 59(11)(c) of the Act.
- (3) Deemed interested by virtue of her spouse's interest in our Company pursuant to Section 59(11)(c) of the Act.
- (4) Deemed interested by virtue of his spouse's interest in our Company pursuant to Section 59(11)(c) of the Act.

The above interested Directors and Major Shareholder have and will continue to abstain from Board deliberations on the entry of the Recurrent Related Party Transactions under Section 2.2(e) of this Circular and voting of the Proposed Shareholders Mandate in respect of their direct and/or indirect shareholdings in EcoWorld International at the 8<sup>th</sup> AGM to be convened.

In addition, the above interested Directors and Major Shareholder have undertaken and will ensure that the Persons Connected with them (if any) will abstain from voting in respect of their direct and/or indirect shareholdings in EcoWorld International on the ordinary resolution pertaining to the Proposed Shareholders' Mandate at the 8<sup>th</sup> AGM of our Company.

## 7. OPINION AND RECOMMENDATION FROM DIRECTORS

All the Directors who are deemed interested in respect of the Recurrent Related Party Transaction under Section 2.2(e) of this Circular, have abstained from expressing an opinion and any recommendation to the shareholders in respect thereof.

The Board, having considered all aspects of the Proposed Shareholders' Mandate is of the opinion that the Proposed Shareholders' Mandate (except on the entry of the Recurrent Related Party Transaction under Section 2.2(e) of this Circular) is in the best interest of our Company and recommend that you vote in favour of the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the 8<sup>th</sup> AGM of our Company.

## 8. DETAILS OF THE 8<sup>th</sup> AGM

The 8<sup>th</sup> AGM, the Notice of which is available online at the Company's corporate website at <https://ecoworldinternational.com/investor-relations/annual-general-meetings/>, will be held as a virtual meeting at the Broadcast Venue at Bukit Bintang City Centre Sales Gallery, No. 2, Jalan Hang Tuah, 55100 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Thursday, 24 March 2022 at 10.30 a.m. or at any adjournment thereof for the purpose of considering and, if thought fit, passing the ordinary resolution to give effect to the Proposed Shareholders' Mandate under Special Business.

If you are unable to participate and vote at the 8<sup>th</sup> AGM of our Company, you are requested to complete, sign and return the Proxy Form, which is available online at the Company's corporate website at <https://ecoworldinternational.com/investor-relations/annual-general-meetings/>, in accordance with the instructions stated in the Proxy Form.

The appointment of proxy may be made in the form of hardcopy or by electronic means as specified below and must be received by the Poll Administrator, SS E Solutions Sdn Bhd no later than Tuesday, 22 March 2022 at 10.30 a.m. or any adjournment thereof:

**(i) 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.

**(ii) By electronic means**

Alternatively, the instrument appointing of proxy may also be lodged electronically via SS e-Portal at <https://sshsb.net.my/> or by fax to +603-2094 9940 or by email to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my).

If you have submitted your proxy form(s) prior to the 8<sup>th</sup> AGM and subsequently decide to appoint another person or wish to personally participate in the 8<sup>th</sup> AGM via Remote Participation and Voting (RPV) facilities, please write in to [eservices@sshsb.com.my](mailto:eservices@sshsb.com.my) to revoke the earlier appointed proxy(ies) no later than Tuesday, 22 March 2022 at 10.30 a.m. or any adjournment thereof.

## 9. FURTHER INFORMATION

You are advised to refer to the attached **Appendix II** for further information.

Yours faithfully,  
For and on behalf of the Board of  
**ECO WORLD INTERNATIONAL BERHAD**

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

**EXTRACT OF THE NOTICE OF 8<sup>TH</sup> AGM**

**AS SPECIAL BUSINESS**

**ORDINARY RESOLUTION 14**

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

"THAT subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, 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 new RRPT of the Group from time to time with related parties who may be a Director, a major shareholder of the Group or a person connected with such a Director and major shareholder, as specified in Section 2.2 of the Company's Circular dated 23 February 2022 which are necessary for the day to day operations and are in the ordinary course of business and are carried out at arms' length basis on normal commercial terms of the Group on terms not more favourable to the related parties than those generally available to the public and are not, in the Company's opinion, detrimental to minority shareholders of the Company.

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

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

whichever is earlier.

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the Proposed Shareholders' Mandate."

## FURTHER INFORMATION

### 1. RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that, after making all the reasonable enquiries and to the best of their knowledge and belief there are no other facts the omission of which would make any statement in this Circular misleading.

### 2. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business), that have been entered into by our Group within two years immediately preceding the LPD of this Circular.

### 3. MATERIAL LITIGATION

As at the LPD, neither our Company nor our subsidiaries or joint ventures are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position or business of our Group and the Directors are not aware of any proceedings pending or threatened against our Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of our Group.

### 4. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at our registered office at Suite 59, Setia Avenue, No. 2, Jalan Setia Prima S U13/S, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia during normal office hours from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the 8th AGM of our Company:

- (i) our Constitution; and
- (ii) our audited consolidated financial statements for the past two financial years ended 31 October 2020 and 31 October 2021.