Circular/Notice to Shareholders

ECO WORLD INTERNATIONAL BERHAD

Subject	CIRCULAR TO SHAREHOLDERS IN RELATION TO THE PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF THE COMPANY PURSUANT TO SECTION 117 OF THE COMPANIES ACT, 2016

Please refer attachment below.

Attachments

EWI-Circular (Final).pdf
740.1 kB

Announcement Info

Company Name	ECO WORLD INTERNATIONAL BERHAD
Stock Name	EWINT
Date Announced	26 May 2023
Category	Document Submission
Reference Number	DCS-25052023-00019

THIS CIRCULAR TO SHAREHOLDERS OF ECO WORLD INTERNATIONAL BERHAD ("COMPANY") 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 PROFESSIONAL ADVISERS IMMEDIATELY.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.



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

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF THE COMPANY PURSUANT TO SECTION 117 OF THE COMPANIES ACT, 2016

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser



CIMB Investment Bank Berhad
Registration No. 197401001266 (18417-M)

The special resolution in respect of the above proposal will be tabled at the Extraordinary General Meeting ("**EGM**") of our Company which will be held as a virtual meeting at the Broadcast Venue.

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

Date and time of the EGM	:	Monday, 19 June 2023 at 10.00 a.m. or at any adjournment thereof
Broadcast Venue of the EGM	:	Bukit Bintang City Centre Sales Gallery No. 2, Jalan Hang Tuah 55100 Kuala Lumpur Wilayah Persekutuan Malaysia
Online Meeting Platform	:	https://meeting.boardroomlimited.my
Last date and time for lodging of the Proxy Form	:	Saturday, 17 June 2023 at 10.00 a.m.

This Circular is dated 26 May 2023

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
Board	:	Board of Directors of EcoWorld International
Bursa Securities	:	Bursa Malaysia Securities Berhad
CIMB	:	CIMB Investment Bank Berhad
Circular	:	This circular to the shareholders of EcoWorld International in relation to the Proposed Capital Reduction dated 26 May 2023
Covid-19	:	Coronavirus pandemic 2019
Director(s)	:	Shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
EcoWorld Ballymore	:	A 75% indirect joint-venture of our Company; collectively, Eco World-Ballymore Holding Company Limited and its wholly-owned subsidiaries, namely Eco World-Ballymore Embassy Gardens Company Limited, Eco World-Ballymore Arrowhead Quay Company Limited, Eco World-Ballymore London City Island Company Limited, Eco World-Ballymore Asset Management Company Limited, Eco World-Ballymore Asset Management Company 2 Limited and Eco World-Ballymore Asset Management Company 3 Limited
EcoWorld International or Company	:	Eco World International Berhad
EcoWorld International Group or Group	:	EcoWorld International, its subsidiaries and joint ventures
EcoWorld International Share(s) or Share(s)	:	Ordinary share(s) in EcoWorld International
EGM	:	Extraordinary General Meeting
EPS	:	Earnings per share
FPE	:	Financial period ended / ending, as the case may be
FYE	:	Financial year ended / ending 31 October, as the case may be
GDV	:	Gross Development Value
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time and any re-enactment thereof
LPD	:	15 May 2023, being the latest practicable date prior to the date of this Circular
Medium Term Notes	:	Unrated Islamic Medium Term Notes issued by our Company of RM180 million and RM270 million in nominal value which were fully repaid on 27 April 2023 and 24 May 2023, respectively
NA	:	Net assets
Proposed Capital Reduction	:	Proposed reduction of the issued share capital of our Company of RM1,500 million pursuant to Section 117 of the Act
UK	:	The United Kingdom

Currency

AUD	:	Australian Dollar, the lawful currency of Australia
GBP or £	:	British Pound Sterling, the lawful currency of the United Kingdom
RM and sen	:	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**" and "**your**" 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.

Any discrepancies in the figures in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding.

This Circular contains translation of certain GBP or £ and AUD amounts into RM at specified rates. No representation is made that the GBP or £ and AUD amounts referred to in this Circular could have been or could actually be converted into RM amounts, at the rates indicated or at all. Unless otherwise indicated, the translations of GBP or £ and AUD were made based on the exchange rates of GBP or £1.00 : RM5.5533 and AUD1.00 : RM2.9350, being the 5.00 p.m. middle rates as set forth in the statistical release of Bank Negara Malaysia as at 28 April 2023.

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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NOTICE OF EGM **ENCLOSED**

PROXY FORM **ENCLOSED**

THIS EXECUTIVE SUMMARY HIGHLIGHTS ONLY THE SALIENT INFORMATION CONTAINED IN THE MAIN CONTENTS OF THIS CIRCULAR. PLEASE READ THE ENTIRE CIRCULAR CAREFULLY FOR FURTHER DETAILS ON THE PROPOSED CAPITAL REDUCTION BEFORE VOTING AT OUR FORTHCOMING EGM.

Salient information	Description	Reference to Circular
Details of the Proposed Capital Reduction	The Proposed Capital Reduction entails the reduction of RM1,500 million of the issued share capital of our Company pursuant to Section 117 of the Act. The corresponding credit arising from the Proposed Capital Reduction will be used to set-off against our accumulated losses while the remaining balance will be credited to the retained earnings of our Company, which may be utilised for dividend distributions, subject to compliance with all applicable laws and regulations at the material points in time. An illustration of the Proposed Capital Reduction's effects leading to the creation of RM1,373,613,000 and RM1,354,953,000 in the retained earnings of our Company and our Group, respectively as at 31 October 2022 is set out in greater detail in Section 2 of this Circular. Following the completion of the Proposed Capital Reduction, we intend to declare a first tranche of dividend amounting to at least RM300 million ("**First Tranche Dividend**"). The date for the declaration of the First Tranche Dividend will be determined and announced at a later date subject to completion of the Proposed Capital Reduction and our Company's compliance with all applicable laws and regulations relating to dividend distribution at such point in time. For the avoidance of doubt, the Proposed Capital Reduction is being contemplated solely to facilitate and provide our Company with the flexibility to declare and pay dividends in the future, subject to compliance with all legal and regulatory requirements at the material point in time. It does not for all intents and purposes constitute a declaration of dividend by our Company under Paragraph 8.26 of the Listing Requirements. The Proposed Capital Reduction (prior to the distribution of the First Tranche Dividend and/or subsequent tranches of dividend, if any) will not result in: (i) any adjustment to our share price; (ii) any change in the total number of EcoWorld International Shares in issue or the number of Shares held by our shareholders; (iii) any payment to our shareholders; and (iv) any cash outflow or change in NA of our Group, save for the estimated expenses to be incurred in relation to the Proposed Capital Reduction.	Section 2

Salient information	Description	Reference to Circular
Rationale and justification of the Proposed Capital Reduction	Given the macroeconomic uncertainties which continue to subsist with cost pressures expected to continue to outstrip real estate price increases in the near to mid-term, our Group's current strategy for our business is to focus on cash preservation and generation. We expect that this strategy will continue throughout FYE 2023. In that regard, our Group will continue to review the feasibility of our remaining property development projects and consider proceeding with launches only if cost pressures stabilise and the desired returns can be projected with greater certainty. Similarly, any potential acquisition of new land bank will also be evaluated carefully based on the required rates of return before funds are committed for any major investment and/or acquisition. In the immediate term, we intend to pursue monetisation of our completed property units in hand. Our Board has set an internal sales target of approximately RM1.4 billion for FYE 2023 ("**Internal Sales Target**") comprising sales of approximately RM1.3 billion and RM155.0 million from our property development projects in the UK and Australia, respectively with a view to selling most of our completed property units by October 2023. Subject to our Group achieving the Internal Sales Target and being able to meet the relevant legal and regulatory requirements at the material points in time, the excess cash available for distribution to our shareholders, after setting aside funds for our Group's estimated working capital and funding requirements, is estimated to be up to RM900 million in 2023 ("**Targeted Distribution Amount**"). The Proposed Capital Reduction will enable the creation of a reasonable amount of retained earnings to facilitate and enhance our ability to declare and pay dividends in the future in anticipation of the progressive receipt of future cash proceeds from our joint venture companies following sales of the completed property units. For information purposes, the Proposed Capital Reduction of RM1,500 million was arrived at after taking into account the following considerations: • the accumulated losses of our Company of RM125.8 million as at 31 October 2022; • the Targeted Distribution Amount; • to provide additional headroom for further declaration of dividends by our Company in the future in excess of the Targeted Distribution Amount arising from sales of our remaining property units in the UK subject to, amongst others, the working capital and funding requirements of our Group as well as compliance with all legal and regulatory requirements at the material points in time; and • to avoid having to seek multiple shareholders' approvals for multiple share capital reductions exercises in the future, resulting in delays in distribution of the excess cash available to shareholders, making it costly and inefficient.	Section 3

Salient information	Description	Reference to Circular
	Notwithstanding the completion of our existing property development projects in the UK, our Group will continue to have presence in the UK via our joint venture, Eco World London Holdings Limited. Given our Group's net cash position and proven track record of completion and delivery of sizeable projects in the UK, we are well-positioned to take advantage of such opportunities in the UK when the market recovers.	
Approvals required	The Proposed Capital Reduction is subject to the approval of our shareholders at our forthcoming EGM and any other relevant authorities and/or parties, if required.	Section 5
Conditionality of the Proposed Capital Reduction	The Proposed Capital Reduction is not conditional upon any other corporate exercises of our Company.	Section 6
Interests of Directors, major shareholders, President and Chief Executive Officer and/or persons connected with them	None of our Directors, major shareholders, President and Chief Executive Officer and/or persons connected with them has any interest, direct and/or indirect, in the Proposed Capital Reduction.	Section 8
Directors' statement and recommendation	Our Board, after having considered and deliberated on all aspects of the Proposed Capital Reduction, (including the rationale and effects of the Proposed Capital Reduction), is of the opinion that the Proposed Capital Reduction is in the best interest of our Company. Accordingly, our Board recommends that you **VOTE IN FAVOUR** of the special resolution pertaining to the Proposed Capital Reduction to be tabled at our forthcoming EGM.	Section 9

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

26 May 2023

Board of Directors:

Mr Cheah Tek Kuang *(Independent Non-Executive Chairman)*
Tan Sri Dato' Sri Liew Kee Sin *(Executive Vice Chairman/Executive Director)*
Dato' Teow Leong Seng *(President & Chief Executive Officer/Executive Director)*
Tan Sri Datuk Dr Rebecca Fatima Sta Maria *(Senior Independent Non-Executive Director)*
Dato' Chang Khim Wah *(Non-Independent Non-Executive Director)*
Mr Cheng Hsing Yao *(Non-Independent Non-Executive Director)*
Mr Andrew Chew Kwang Ming *(Non-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)*

To: Our Shareholders

Dear Sir/Madam,

PROPOSED CAPITAL REDUCTION

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1. INTRODUCTION

On 28 April 2023, CIMB had, on behalf of our Company, announced that EcoWorld International proposes to undertake the Proposed Capital Reduction.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED CAPITAL REDUCTION AND TO SET OUT THE VIEWS AND RECOMMENDATION OF OUR BOARD ON THE PROPOSED CAPITAL REDUCTION AS WELL AS TO SEEK YOUR APPROVAL FOR THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED CAPITAL REDUCTION WHICH WILL BE TABLED AT OUR FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX BEFORE VOTING ON THE SPECIAL RESOLUTION PERTAINING TO THE PROPOSED CAPITAL REDUCTION TO BE TABLED AT OUR FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED CAPITAL REDUCTION

The Proposed Capital Reduction entails the reduction of RM1,500 million of the issued share capital of our Company pursuant to Section 117 of the Act. The corresponding credit arising from the Proposed Capital Reduction will be used to set-off against our accumulated losses while the remaining balance will be credited to the retained earnings of our Company, which may be utilised for dividend distributions, subject to compliance with all applicable laws and regulations at the material points in time.

As at 31 October 2022, the accumulated losses of EcoWorld International and our Group stood at about RM125.8 million and RM144.4 million, respectively. These losses were mainly due to the following:

(i) the prolongation of construction programmes in Kew Bridge and Millbrook Park in the UK due to the Covid-19 lockdown which resulted in higher costs that adversely impacted our Group's profit margins; and

(ii) the impairment of our investment in EcoWorld Ballymore due to an increase in discount rates applied in determining the recoverable amount of our Company's investment in EcoWorld Ballymore and the higher yield for valuation of commercial properties.

For illustrative purposes, the pro forma effects of the Proposed Capital Reduction on the accumulated losses and the retained earnings of our Company and our Group as at 31 October 2022 based on the latest audited financial statements of EcoWorld International for FYE 2022 are as follows:

	As at 31 October 2022	
	Company	**Group**
	RM 000	**RM 000**
(Accumulated losses)	(125,787)	(144,447)
Add: Credit arising from the Proposed Capital Reduction	1,500,000	1,500,000
Less: Estimated expenses incurred for the Proposed Capital Reduction	(600)	(600)
Resultant pro forma retained earnings after the Proposed Capital Reduction	**1,373,613**	**1,354,953**

Subject to completion of the Proposed Capital Reduction and compliance with all applicable legal and regulatory requirements at the material points in time, we intend to utilise the retained earnings of our Company pursuant to the Proposed Capital Reduction to return excess cash of our Group to shareholders of our Company via dividend distributions.

To that effect, we intend to declare a First Tranche Dividend following the completion of the Proposed Capital Reduction. The date for the declaration of the First Tranche Dividend will be determined and announced at a later date subject to completion of the Proposed Capital Reduction and our Company's compliance with all applicable laws and regulations relating to dividend distribution at such point in time.

Shareholders should take note that any subsequent declarations and payments of dividends after the First Tranche Dividend will be subject to and are intended to be timed to coincide with the accumulation of sizeable cash reserves arising from sales of our completed property units over the course of FYE 2023 and FYE 2024, and after taking into account various other factors including working capital and funding requirements of our Group at the material points in time.

For illustrative purposes, the cash flow effect of the Proposed Capital Reduction and the corresponding First Tranche Dividend to a shareholder holding 100 EcoWorld International Shares are as follows:

	As at 31 October 2022	After the Proposed Capital Reduction	After the First Tranche Dividend
No. of Shares held	100 Shares	100 Shares	100 Shares
First Tranche Dividend per Share	-	-	(1)RM0.125
Total cash to be received from the First Tranche Dividend	-	-	RM12.50

Note:

(1) Computed based on an assumed First Tranche Dividend of RM300 million divided by EcoWorld International's total number of Shares in issue of 2,400,001,780 Shares as at 31 October 2022.

FOR THE AVOIDANCE OF DOUBT, THE PROPOSED CAPITAL REDUCTION IS BEING CONTEMPLATED SOLELY TO FACILITATE AND PROVIDE OUR COMPANY WITH THE FLEXIBILITY TO DECLARE AND PAY DIVIDENDS IN THE FUTURE, SUBJECT TO COMPLIANCE WITH ALL LEGAL AND REGULATORY REQUIREMENTS AT THE MATERIAL POINTS IN TIME. IT DOES NOT FOR ALL INTENTS AND PURPOSES CONSTITUTE A DECLARATION OF DIVIDEND BY OUR COMPANY UNDER PARAGRAPH 8.26 OF THE LISTING REQUIREMENTS.

The Proposed Capital Reduction (prior to the distribution of the First Tranche Dividend and/or subsequent tranches of dividend, if any) will not result in:

(i) any adjustment to our share price;

(ii) any change in the total number of EcoWorld International Shares in issue or the number of Shares held by our shareholders;

(iii) any payment to our shareholders; and

(iv) any cash outflow or change in NA of our Group, save for the estimated expenses to be incurred in relation to the Proposed Capital Reduction.

Subject to the approval of the Proposed Capital Reduction by our shareholders at the forthcoming EGM, the Proposed Capital Reduction will be effective when the Registrar of Companies has recorded the information lodged relating to the reduction of capital in the appropriate register in accordance with Section 119 of the Act.

3. RATIONALE AND JUSTIFICATION OF THE PROPOSED CAPITAL REDUCTION

Given the macroeconomic uncertainties which continue to subsist with cost pressures expected to continue to outstrip real estate price increases in the near to mid-term, our Group's current strategy for our business is to focus on cash preservation and generation. We expect that this strategy will continue throughout FYE 2023.

In that regard, our Group will continue to review the feasibility of our remaining property development projects and consider proceeding with launches only if cost pressures stabilise and the desired returns can be projected with greater certainty. Similarly, any potential acquisition of new land bank will also be evaluated carefully based on the required rates of return before funds are committed for any major investment and/or acquisition.

In the immediate term, we intend to pursue monetisation of our completed property units in hand. Our Board has set an Internal Sales Target of approximately RM1.4 billion for FYE 2023 comprising sales of approximately RM1.3 billion and RM155.0 million from our property development projects in the UK and Australia, respectively with a view to selling most of our completed property units by October 2023. A breakdown of our Internal Sales Target together with the actual sales generated over the 6-month FPE 30 April 2023 is as follows:

	FYE 2023 sales target		**6-month FPE 30 April 2023**	
	No. of units	**GDV local currency (million)**	**Units sold**	**Sales value local currency (million)**
UK				
London City Island	22	£19.7	18	£16.2
Embassy Gardens	98	£96.7	39	£43.8
Wardian London	65	£64.1	18	£18.3
Millbrook Park	32	£24.2	2	£0.9
Moberly & Jubilee	1	£0.5	-	-
Oxbow	23	£9.9	17	£7.7
Kew Bridge	46	£28.3	12	£7.6
Total	**287**	**£243.4**	**106**	**£94.5**
Australia				
West Village	15	AUD11.2	4	AUD2.9
Yarra One	37	AUD38.8	19	AUD15.1
Total	**52**	**AUD50.0**	**23**	**AUD18.0**
Total in RM	**339**	**(1)RM1,445.0**	**129**	**RM577.6**

Note:

(1) For illustrative purposes, based on assumed exchange rates of GBP1:RM5.3 and AUD1:RM3.1 used for purposes of our Internal Sales Target.

We achieved RM577.6 million worth of sales in the first six months of FYE 2023. Our project in Embassy Gardens, which generated £43.8 million (equivalent to RM243.2 million) in sales, was the biggest contributor to our sales over the said period, followed by Wardian London (£18.3 million (equivalent to RM101.6 million)), London City Island (£16.2 million (equivalent to RM90.0 million)) and Oxbow (£7.7 million (equivalent to RM42.8 million)).

Arising from the abovementioned sales, our Group's net cash position has further increased from RM172.5 million as at 31 October 2022 to RM446.3 million as at 31 January 2023. A breakdown of our cash, deposits and other investments and borrowings as at 31 October 2022 and 31 January 2023 is as follows:

	As at 31 October 2022	**As at 31 January 2023**
	RM 000	**RM 000**
Cash, deposits and other investments[(1) (2)]	655,343	910,015
Total borrowings[(3)]	482,816	463,760
Net cash	**172,527**	**446,255**

Notes:

(1) Excluding cash held in our joint venture companies.

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

(3) Inclusive of an aggregate amount of RM450 million attributable to the Medium Term Notes.

Subject to our Group achieving the Internal Sales Target and being able to meet the relevant legal and regulatory requirements at the material points in time, the Targeted Distribution Amount, after setting aside funds for our Group's estimated working capital and funding requirements, is estimated to be up to RM900 million in 2023. For the avoidance of doubt, the Targeted Distribution Amount is solely an internal target of the management of our Company and is not a financial estimate, forecast or projection and has not been reviewed by an external auditor.

As at 31 October 2022, the outstanding amounts owing by our joint venture companies to our Company is about RM1.75 billion. As the cash proceeds of our joint venture companies from the future sales of the remaining completed property units will be utilised to repay these outstanding amounts owing to our Company, such repayment would not translate into retained earnings of our Company. Accordingly, given the existing accumulated losses position of the Company, we would not be able to distribute the excess cash available to shareholders by way of dividend distributions.

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

For information purposes, the Proposed Capital Reduction of RM1,500 million was arrived at after taking into account the following considerations:

(i) the accumulated losses of our Company of RM125.8 million as at 31 October 2022;

(ii) the Targeted Distribution Amount;

(iii) to provide additional headroom for further declaration of dividends by our Company in the future in excess of the Targeted Distribution Amount arising from sales of our remaining property units in the UK subject to, amongst others, the working capital and funding requirements of our Group as well as compliance with all legal and regulatory requirements at the material points in time; and

(iv) to avoid having to seek multiple shareholders' approvals for multiple share capital reduction exercises in the future, resulting in delays in distributing the excess cash available to shareholders, making it costly and inefficient.

Based on our Group's net cash position of RM446.3 million as at 31 January 2023, our Company would be able to declare the First Tranche Dividend following the completion of the Proposed Capital Reduction.

Notwithstanding the completion of our existing property development projects in the UK, our Group will continue to have presence in the UK via our joint venture, Eco World London Holdings Limited. Given our Group's net cash position and proven track record of completion and delivery of sizeable projects in the UK, we are well-positioned to take advantage of such opportunities in the UK when the market recovers.

4. EFFECTS OF THE PROPOSED CAPITAL REDUCTION

4.1 Share capital

The pro forma effects of the Proposed Capital Reduction on the issued share capital of our Company as at the LPD are set out below:

	No. of Shares	RM 000
Issued share capital as at the LPD	2,400,001,780	2,592,454
Less: To be cancelled under the Proposed Capital Reduction	-	(1,500,000)
After the Proposed Capital Reduction	**2,400,001,780**	**1,092,454**

4.2 Substantial shareholders' shareholdings

The Proposed Capital Reduction will not have any effect on the substantial shareholders' shareholdings in our Company.

4.3 NA, NA per Share and gearing

For illustrative purposes, the pro forma effects of the Proposed Capital Reduction (including the First Tranche Dividend) on the NA, NA per Share and gearing of our Group based on the audited consolidated statement of financial position of our Group as at 31 October 2022 which has been adjusted for certain events subsequent to 31 October 2022 and on the assumption that the Proposed Capital Reduction (including the First Tranche Dividend) had been effected on that date are as follows:

	Audited as at 31 October 2022	[(1)]After adjustment for subsequent events	After the Proposed Capital Reduction	After the First Tranche of Dividend
	RM 000	RM 000	RM 000	RM 000
Issued share capital	2,592,454	2,592,454	1,092,454	1,092,454
Other reserves	(820)	(820)	(820)	(820)
(Accumulated losses) / Retained earnings	(144,447)	(144,447)	[(2)]1,354,953	[(3)]1,054,953
Shareholders' funds / NA	**2,447,187**	**2,447,187**	**2,446,587**	**2,146,587**
No. of EcoWorld International Shares in issue (000)	2,400,002	2,400,002	2,400,002	2,400,002
NA per EcoWorld International Shares[(4)] (RM)	1.02	1.02	1.02	0.89
Total interest-bearing borrowings (RM 000)	482,816	-	-	-
Gearing[(5)] (times)	0.20	-	-	-

Notes:

(1) The following transactions took place subsequent to 31 October 2022:

(i) Outstanding term loan amounting to RM33.2 million as at 31 October 2022 was fully repaid by our Group on 17 March 2023; and

(ii) On 27 April 2023 and 24 May 2023, our Company has fully repaid the outstanding Medium Term Notes amounting to RM180 million and RM270 million, respectively, in nominal value.

(2) After crediting the amount arising from the Proposed Capital Reduction of RM1,500 million and deducting the estimated expenses for the Proposed Capital Reduction of RM600,000.

(3) After deducting an assumed First Tranche Dividend of RM300 million to be declared by our Company upon completion of the Proposed Capital Reduction.

(4) Calculated based on NA divided by the number of EcoWorld International Shares in issue.

(5) Calculated based on total borrowings divided by shareholders' funds.

4.4 Earnings and EPS

Save for the estimated expenses of about RM600,000 in relation to the Proposed Capital Reduction, the Proposed Capital Reduction is not expected to have any material effect on the earnings and EPS of our Group for the FYE 2023.

4.5 Convertible securities

Our Company does not have any convertible securities as at the LPD.

5. APPROVALS REQUIRED

The Proposed Capital Reduction is subject to the approval of our shareholders at our forthcoming EGM and any other relevant authorities and/or parties, if required.

6. CONDITIONALITY OF THE PROPOSED CAPITAL REDUCTION

The Proposed Capital Reduction is not conditional upon any other corporate exercises of our Company.

7. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Capital Reduction (being the subject matter of this Circular) and the proposed acquisition of the interest in the final remaining Stage 2 site namely Tulse Hill, London, by our joint venture with Be Living Holdings Limited, which is pending fulfilment of conditions precedent, there are no other corporate exercise(s) which has been announced by our Company but pending completion as at the date of this Circular.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, PRESIDENT AND CHIEF EXECUTIVE OFFICER AND/OR PERSONS CONNECTED WITH THEM

None of our Directors, major shareholders, President and Chief Executive Officer and/or persons connected with them has any interest, direct and/or indirect, in the Proposed Capital Reduction.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

Our Board, after having considered and deliberated on all aspects of the Proposed Capital Reduction (including the rationale and effects of the Proposed Capital Reduction), is of the opinion that the Proposed Capital Reduction is in the best interest of our Company.

Accordingly, our Board recommends that you **VOTE IN FAVOUR** of the special resolution pertaining to the Proposed Capital Reduction to be tabled at our forthcoming EGM.

10. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to the approvals set out in Section 5 above being obtained, the Proposed Capital Reduction is expected to be completed by the second half of 2023.

The tentative timetable in relation to the Proposed Capital Reduction is set out below:

Key events	**Tentative timeline**
EGM	19 June 2023
Lodgement of documents with the Registrar of Companies for the Proposed Capital Reduction	June 2023
Completion of the Proposed Capital Reduction	August 2023

11. DETAILS OF THE EGM

The EGM will be conducted virtually through live streaming and online remote voting using the Remote Participation and Electronic Voting facilities ("**RPEV**") to be provided by the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd ("**Boardroom**") via https://meeting.boardroomlimited.my from the Broadcast Venue at Bukit Bintang City Centre Sales Gallery, No. 2, Jalan Hang Tuah, 55100 Kuala Lumpur, Wilayah Persekutuan, Malaysia on Monday, 19 June 2023 at 10.00 a.m. or at any adjournment thereof for the purpose of considering and, if thought fit, passing the special resolution to give effect to the Proposed Capital Reduction. The Notice of the EGM is enclosed and available online at the Company's corporate website at https://ecoworldinternational.com/investor-relations/general-meetings/.

With the RPEV, you may exercise your right as a member of the Company to participate and vote remotely at the EGM. Alternatively, you may also appoint proxy(ies) or the Chairman of the EGM as your proxy to attend and vote on your behalf at the EGM. The Proxy Form is enclosed and available online at the Company's corporate website at https://ecoworldinternational.com/investor-relations/general-meetings/.

The appointment of proxy may be made in the form of hardcopy or by electronic means as specified below and must be received by Boardroom no later than Saturday, 17 June 2023 at 10.00 a.m. or any adjournment thereof:

(i) In hardcopy form

Deposited at the office of Boardroom at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

(ii) By electronic means

Alternatively, the instrument appointing proxy may also be lodged electronically via Boardroom's Smart Investor Portal at https://investor.boardroomlimited.com or by fax to +603-7890 4670 or by email to bsr.helpdesk@boardroomlimited.com.

If you have submitted your proxy form(s) prior to the EGM and subsequently decide to appoint another person or wish to personally participate remotely in the EGM, please write in to bsr.helpdesk@boardroomlimited.com to revoke your earlier proxy appointment no later than Saturday, 17 June 2023 at 10.00 a.m. or any adjournment thereof. Please note that upon your registration to appoint another person or to personally participate remotely in the EGM, any previous proxy appointment will be deemed revoked.

12. FURTHER INFORMATION

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

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

CHEAH TEK KUANG
Independent Non-Executive Chairman

ADDITIONAL INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

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

2. CONSENT AND DECLARATION OF CONFLICT OF INTEREST

CIMB, being the Principal Adviser for the Proposed Capital Reduction, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references to it, in the form and context in which they appear in this Circular.

CIMB, its related and associated companies, as well as its holding company, CIMB Group Holdings Berhad and the subsidiaries and associated companies of its holding company ("**CIMB Group**"), form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and funds management and credit transaction services businesses. CIMB Group has engaged and may in the future, engage in transactions with and perform services for our Company and/or our affiliates, in addition to CIMB's role as the Principal Adviser for the Proposed Capital Reduction.

In addition, in the ordinary course of business, any member of the CIMB Group may at any time offer or provide its services to or engage in any transactions (on its own account or otherwise) with our Group or our shareholders or their affiliates or any other entity or person, hold long or short positions in securities issued by our Company or any of our affiliates, make investment recommendations and/or publish or express independent research views on such securities, and may trade or otherwise effect transactions for its own account or the account of its customers in debt or equity securities or senior loans of our Company and/or our affiliates. This is a result of the businesses of the CIMB Group generally acting independent of each other, and accordingly there may be situations where parts of the CIMB Group and/or its customers now have or in the future, may have interest in or take actions that may conflict with the interests of our Company and/or our affiliates.

CIMB is of the view that there is no conflict of interest in respect of its capacity as the Principal Adviser to EcoWorld International for the Proposed Capital Reduction due to the following:

(i) CIMB is a licensed investment bank and its appointment as the Principal Adviser to EcoWorld International for the Proposed Capital Reduction is in the ordinary course of its business and CIMB does not receive or derive any financial interest or benefits save for the professional fees received in relation to its appointment as the Principal Adviser to EcoWorld International for the Proposed Capital Reduction;

(ii) the Corporate Finance division of CIMB is required under its investment banking license to comply with strict policies and guidelines issued by the Securities Commission Malaysia, Bursa Securities and Bank Negara Malaysia governing its advisory operations. These guidelines require, amongst others, the establishment of Chinese Wall policies, clear segregation between dealing and advisory activities and the formation of an independent committee to review its business operations; and

(iii) the conduct of the CIMB Group in its banking business is strictly regulated by the Financial Services Act 2013, the Capital Markets and Services Act 2007, Islamic Financial Services Act 2013, and the CIMB Group's internal controls which includes, amongst others, the segregation of reporting structures, in that its activities are monitored and reviewed by independent parties and committees.

Accordingly, CIMB has confirmed that there is no conflict of interest which exists or is likely to exist in its role as the Principal Adviser for the Proposed Capital Reduction.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

3.1 Material commitments

Save as disclosed below, as at 31 January 2023, being the latest available unaudited consolidated financial results of our Company, our Group does not have any other material commitments incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial position of our Group:

		RM 000
Approved and contracted for:		
Commitment to fund our joint ventures as follows:		
(i)	EcoWorld Ballymore*	155,078
(ii)	Be Eco World Investment Company Limited	114,981
(iii)	Eco World London Development Company Limited	1,727
		271,786

Note:

* *It is not anticipated that our Group will be required to make additional contribution to EcoWorld Ballymore as all property development sites under EcoWorld Ballymore are substantially completed and the development facility obtained by EcoWorld Ballymore had been fully repaid as at the LPD.*

3.2 Contingent liabilities

As at 31 January 2023, being the latest available unaudited consolidated financial results of our Company, there are no contingent liabilities incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial position of our Group.

4. MATERIAL LITIGATION

As at the LPD, our Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which may materially and adversely affect the financial position or business of our Group and our Board is 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.

5. MATERIAL CONTRACTS

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

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of 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 our forthcoming EGM:

(i) our Constitution;

(ii) our audited consolidated financial statements for the past two FYE 2021 and 2022 and our latest unaudited consolidated financial results for the 3-month FPE 31 January 2023; and

(iii) the letter of consent referred to in Section 2 of this Appendix.

In addition, a copy of the solvency statement signed by our Directors in relation to the Proposed Capital Reduction will be accessible for inspection via https://ecoworldinternational.com/solvency-statement/ throughout the duration of our forthcoming EGM in compliance with Section 117(6)(a) of the Act.

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

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Extraordinary General Meeting ("**EGM**") of Eco World International Berhad ("**Company**") will be held as a virtual meeting at the broadcast venue at Bukit Bintang City Centre Sales Gallery, No. 2, Jalan Hang Tuah, 55100 Kuala Lumpur, Wilayah Persekutuan, Malaysia ("**Broadcast Venue**") on Monday, 19 June 2023 at 10.00 a.m. for the following purpose:

SPECIAL RESOLUTION

PROPOSED REDUCTION OF THE ISSUED SHARE CAPITAL OF THE COMPANY OF RM1,500 MILLION PURSUANT TO SECTION 117 OF THE COMPANIES ACT 2016 ("ACT") ("PROPOSED CAPITAL REDUCTION")

"**THAT,** subject to the approvals from the relevant parties and/or authorities (where applicable) pursuant to Section 117 of the Act being obtained, the Company be and is hereby given the authority and approval to reduce the share capital of the Company via the cancellation of the issued share capital by RM1,500 million and for the credit arising from such cancellation to be used to set-off against the accumulated losses of the Company while the remaining balance, if any, will be credited to the retained earnings account of the Company which shall be used in a manner to be determined by the Board of Directors of the Company ("**Board**") at a later date and in the best interest of the Company as permitted by the relevant and applicable laws and regulations as well as the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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

By Order of the Board

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

Selangor Darul Ehsan
26 May 2023

NOTES

(i) The EGM will be conducted virtually through live streaming and online remote voting using the Remote Participation and Electronic Voting facilities ("**RPEV**") to be provided by the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd ("**Boardroom**") via https://meeting.boardroomlimited.my. Please follow the procedures set out in the Administrative Guide for the EGM to register, attend, speak (in the form of real time submission of typed texts) and vote (collectively, "**participate**") remotely via the RPEV.

(ii) The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Act, which stipulates that the Chairman of the meeting shall be present at the main venue of the EGM and in accordance with Clause 78 of the Company's Constitution which allows a meeting of members to be held at more than one venue, using any technology or method that enables the members of the Company to participate and exercise their right to speak and vote at the general meeting. Members, proxies and/or corporate representatives will not be allowed to be physically present nor admitted at the Broadcast Venue on the day of the EGM.

(iii) In respect of deposited securities, only members whose names appear on the Record of Depositors on 12 June 2023 (General Meeting Record of Depositors) shall be eligible to participate in the EGM or appoint proxy(ies) to attend and/or vote on his/her behalf.

(iv) A member entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to participate and vote in his/her stead at the same meeting. A proxy may but need not be a member of the Company. There shall be no restriction to the qualification of the proxy. Where a member appoints up to two (2) proxies, the appointments shall be invalid unless the member specifies the proportions of his/her shareholdings to be represented by each proxy. A proxy appointed to participate and vote at the EGM shall have the same rights as the member to participate at the EGM.

(v) Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account **("omnibus account")** as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

(vi) Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it is entitled to appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where an Authorised Nominee appoints two (2) proxies to attend and vote at the EGM, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing of the proxies, failing which, the appointment shall be invalid.

(vii) The instrument appointing a proxy by a member who is entitled to participate at the EGM, shall be executed by the appointor or of his/her attorney duly authorised in writing or via electronic submission. If the appointor is a corporation, either under its common seal or the hand of its officer or its duly authorised attorney.

(viii) The appointment of proxy may be made in the form of hardcopy or by electronic means as specified below and must be received by Boardroom no later than Saturday, 17 June 2023 at 10.00 a.m. or any adjournment thereof:

In hardcopy form

Deposited at the office of Boardroom at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

By electronic means

Alternatively, the instrument appointing proxy may also be lodged electronically via Boardroom's Smart Investor Portal at https://investor.boardroomlimited.com or by fax to +603-7890 4670 or by email to bsr.helpdesk@boardroomlimited.com.

If you have submitted your proxy form(s) prior to the EGM and subsequently decide to appoint another person or wish to personally participate remotely in the EGM, please write in to bsr.helpdesk@boardroomlimited.com to revoke your earlier proxy appointment no later than Saturday, 17 June 2023 at 10.00 a.m. or any adjournment thereof. Please note that upon your registration to appoint another person or to personally participate remotely in the EGM, any previous proxy appointment will be deemed revoked.

PERSONAL DATA PRIVACY

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

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

I/We, _____NRIC/Passport/Company No. _____
(NAME IN FULL AND BLOCK LETTERS)
of _____
(FULL ADDRESS)
and Telephone No./Email Address _____being a member/members of **ECO WORLD INTERNATIONAL BERHAD** ("**Company**"), hereby appoint

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

and/or failing him/her

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

or failing him/her, THE CHAIRMAN OF THE MEETING as my/our proxy/proxies to vote for me/us and on my/our behalf at the Extraordinary General Meeting ("**EGM**") of the Company, to be held as a virtual meeting at the broadcast venue at Bukit Bintang City Centre Sales Gallery, No. 2, Jalan Hang Tuah, 55100 Kuala Lumpur, Wilayah Persekutuan, Malaysia ("**Broadcast Venue**") on Monday, 19 June 2023 at 10.00 a.m. or at any adjournment thereof.

I/We indicate with an "x" in the spaces below how I/we wish my/our vote to be cast:

RESOLUTION	**FOR**	**AGAINST**
Special Resolution – Proposed Capital Reduction		

Signed this _____ day of _____, 2023

Subject to the abovestated voting instruction, my/our proxy/proxies may vote or abstain from voting on the resolution as he/she/they may think fit.

If appointment of proxy is under hand …… Signed by individual member/officer or attorney of member/ authorised nominee of …… (beneficial owner)	No. of shares held: …… Securities Account No: …… (CDS Account No.) (Compulsory) Date: ……
If appointment of proxy is under seal The Common Seal of …….... was hereto affixed in accordance with its Constitution in the presence of: …….. …….. Director Director / Secretary In its capacity as member/attorney of member/authorised nominee of …… (beneficial owner)	Seal No. of shares held: …… Securities Account No: …… (CDS Account No.) (Compulsory) Date: ……

NOTES

(i) The EGM will be conducted virtually through live streaming and online remote voting using the Remote Participation and Electronic Voting facilities ("**RPEV**") to be provided by the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd ("**Boardroom**") via https://meeting.boardroomlimited.my. Please follow the procedures set out in the Administrative Guide for the EGM to register, attend, speak (in the form of real time submission of typed texts) and vote (collectively, "**participate**") remotely via the RPEV.

(ii) The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which stipulates that the Chairman of the meeting shall be present at the main venue of the EGM and in accordance with Clause 78 of the Company's Constitution which allows a meeting of members to be held at more than one venue, using any technology or method that enables the members of the Company to participate and exercise their right to speak and vote at the general meeting. Members, proxies and/or corporate representatives will not be allowed to be physically present nor admitted at the Broadcast Venue on the day of the EGM.

(iii) In respect of deposited securities, only members whose names appear on the Record of Depositors on 12 June 2023 (General Meeting Record of Depositors) shall be eligible to participate in the EGM or appoint proxy(ies) to attend and/or vote on his/her behalf.

(iv) A member entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to participate and vote in his/her stead at the same meeting. A proxy may but need not be a member of the Company. There shall be no restriction to the qualification of the proxy. Where a member appoints up to two (2) proxies, the appointments shall be invalid unless the member specifies the proportions of his/her shareholdings to be represented by each proxy. A proxy appointed to participate and vote at the EGM shall have the same rights as the member to participate at the EGM.

(v) Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**") as defined under the Securities Industry (Central Depositories) Act, 1991, there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

(vi) Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it is entitled to appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where an Authorised Nominee appoints two (2) proxies to attend and vote at the EGM, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing of the proxies, failing which, the appointment shall be invalid.

(vii) The instrument appointing a proxy by a member who is entitled to participate at the EGM, shall be executed by the appointor or of his/her attorney duly authorised in writing or via electronic submission. If the appointor is a corporation, either under its common seal or the hand of its officer or its duly authorised attorney.

(viii) The appointment of proxy may be made in the form of hardcopy or by electronic means as specified below and must be received by Boardroom no later than Saturday, 17 June 2023 at 10.00 a.m. or any adjournment thereof:

In hardcopy form

Deposited at the office Boardroom at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

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If you have submitted your proxy form(s) prior to the EGM and subsequently decide to appoint another person or wish to personally participate remotely in the EGM, please write in to bsr.helpdesk@boardroomlimited.com to revoke your earlier proxy appointment no later than Saturday, 17 June 2023 at 10.00 a.m. or any adjournment thereof. Please note that upon your registration to appoint another person or to personally participate remotely in the EGM, any previous proxy appointment will be deemed revoked.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the EGM dated 26 May 2023.