

ECO WORLD DEVELOPMENT GROUP BERHAD

(Company No. 17777-V)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE FORTY-THIRD ANNUAL GENERAL MEETING OF THE COMPANY HELD AT ECOWORLD GALLERY @ ECO MAJESTIC, NO. 1, LINGKARAN ECO MAJESTIC, ECO MAJESTIC, 43500 SEMENYIH, SELANGOR DARUL EHSAN ON THURSDAY, 16 MARCH 2017 AT 11:45 A.M.

CHAIRMAN

Y. Bhg. Tan Sri Abdul Rashid bin Abdul Manaf ("**Tan Sri Rashid**"), the Chairman of the Meeting welcomed all shareholders/ proxy holders/ invitees present to the Forty-Third Annual General Meeting ("**43rd AGM**") of the Company. Tan Sri Rashid introduced the members of the Board and Company Secretary at the head table to all present.

QUORUM

The presence of quorum was confirmed by the Company Secretary pursuant to Article 61 of the Company's Articles of Association.

PROXIES

The Company Secretary reported that the Company had received 163 proxy forms from 163 shareholders representing 2,226,134,282 (75.61%) ordinary shares within the stipulated prescribed period of 48 hours before the time fixed for convening the Meeting.

NOTICE

The Notice convening the Meeting dated 21 February 2017 having been circulated within the prescribed period was, with the permission of the Meeting, taken as read.

POLL VOTING

All the resolutions as set out in the Notice of the 43rd AGM dated 21 February 2017 were conducted by way of poll via electronic means. The Share Registrar of the Company, Securities Services (Holdings) Sdn. Bhd., acted as the Poll Administrator and Boardroom Business Solution Sdn. Bhd. was appointed as the Independent Scrutineers to verify and confirm the results of the poll.

PRESENTATION BY MANAGEMENT

At the invitation of Tan Sri Rashid, Dato' Chang Khim Wah, the President & Chief Executive Officer of the Company ("**Dato' Chang**") presented an overview of the Group's key financial highlights for the financial year ended 31 October 2016, sales performance of all ongoing projects in the Company, the Group's strategies to manage its balance sheet whilst pursuing growth and Management's outlook for the next financial year.

LETTER RECEIVED FROM KWAP

Tan Sri Rashid informed the Meeting that the Company had received a letter from Kumpulan Wang Persaraan (Diperbadankan) ("**KWAP**") pertaining to matters to be brought up during the AGM and invited Dato' Chang to respond to the questions raised by the KWAP as follows: -

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(Summary of key matter discussed at the 43rd AGM held on 16 March 2017 – cont'd)

1. Whether the Company has any plan to increase the number of female representatives on the board and further elaboration on how the Company promotes gender diversity in the Company.

Reply by Dato' Chang:

Dato' Chang thanked KWAP for the questions raised, and clarified that the current Board composition mainly comprises the group of people who came together to establish "Eco World" four (4) years ago. Subsequently, a distinguished lady, Dato' Noor Farida binti Mohd Ariffin was invited to join the Board as a director. Dato' Chang emphasized that irrespective of gender, each Director appointed to the Board is a specialist in their own areas, bringing their particular skill sets, expertise and competencies that will add value to the Board as a whole.

With regard to gender diversity within the Company as a whole, the Group has a very well-balanced profile with 50:50 male and female employees. Dato' Chang further informed the Meeting that at present, 70% of the senior management of the Company, such as the Divisional General Managers and General Managers, are women. Going forward, this group is expected to continue to excel and rise up the leadership ranks. As such, the Company is confident that there will be no shortage of suitable women candidates to be appointed as directors in the future.

SUMMARY OF KEY MATTERS DISCUSSED AT THE MEETING

The following are the key questions that were raised from the floor, which were addressed by Management and the Board:-

(i) Capital Management

Q1: How was the share price for the private placement derived and what discount rate was accorded to the major shareholders of the Company namely Liew Tian Xiong and Sinarmas Harta Sdn. Bhd. ("Sinarmas Harta")?

Q2: Whether Management could confirm that since the Company has addressed the funding requirement and capital management, the Company need not raise another rights issue and private placement in the immediate future.

Q3: Whether Management could confirm that the Company will continue to be in favour of joint-ventures ("JVs") to address gearing and funding issues by having more JVs with reliable partners so that shareholders need not contribute more funds.

Reply by Datuk Heah Kok Boon ("**Datuk Heah**"):

The private placement was undertaken to strengthen the Company's capital base and reduce its gearing levels to enable it to take advantage of the many growth opportunities presented to the Group both locally and abroad.

To provide greater certainty over the amount to be raised, the Board had decided to fix the price for the shares to be subscribed by the major

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shareholders at RM1.30 per share. This represented a premium of 0.78% over the then closing price of RM1.29 per share on 27 April 2016, which was the last market day preceding the date of announcement of the private placement exercise.

The number of shares proposed to be placed to both Liew Tian Xiong and Sinarmas Harta and the price of RM1.30 per placement share were approved by the shareholders of the Company at the Extraordinary General Meeting (“**EGM**”) convened on 12 October 2016 in relation to the Private Placement.

Going forward, Management will continue to evaluate the Group’s funding needs with priority given to direct bank borrowings, debt-capital markets and JVs to fund the Company’s growth.

With regard to JVs, since the Company announced its Partnership for Growth business model (“**PfG model**”) towards the end of the previous financial year, it had successfully entered into several notable JVs. This includes two recent agreements with the Employees Provident Fund Board (“**EPF**”) to jointly develop Eco Grandeur & Eco Business Park V in Klang Valley and Eco Horizon & Eco Sun in Penang.

Apart from reducing the Group’s financial commitments to fund these projects, another notable feature of the PfG model is the growth of the Group’s recurring income base. This is through the appointment of a wholly owned subsidiary of the Group as the development manager of the JV projects and the payment of a brand-license fee by the JV entity to use the “EcoWorld” brand to market the development.

(ii) Dividend

Q4: Eco World International Berhad (“EWI”) may be able to start paying dividend by the end of financial year ending 31 October 2019. What about the Company?

Reply by Dato’ Chang:

Whilst the Group’s current focus remains on growth, Management will endeavor to work towards the same timeline as EWI to start paying dividends to the Company’s shareholders.

(iii) Current Projects

Q5: In regards to the current projects in Iskandar, Johor, how is the Company going to compete with the big Chinese developers in Johor?

Reply by Dato’ Chang:

The Chinese developers are mainly focused on high-rise developments along the coastline, whereas the Group concentrates on landed gated & guarded townships as well as business parks. Given the different product

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as well as target customer segment, the Company is not experiencing direct competition from the Chinese developers in Iskandar Malaysia.

Q6: Would the Group be acquiring more land as there are concerns on the Company's gearing?

Reply by Dato' Chang:

The Group's projects are currently well spread out across all the key growth corridors within Klang Valley, Iskandar Malaysia and Penang. As such, the Company can afford to be selective in terms of new landbank acquisitions and will only pursue those which meet its strategic objectives to ensure that its balance sheet is not over-extended.

(iv) Board composition

Q7: Does the Company has any plans to increase the number of Independent Directors in accordance to the Malaysian Code of Corporate Governance 2012 ("MCCG 2012")?

Reply by Datuk Heah:-

The composition of Independent Directors on the Board is currently in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company also noted the principles of MCCG 2012 which encourages the hiring of more Independent Directors. The Nomination Committee is constantly evaluating the Company's need for new Directors. However, no specific timeline has been set as it is important to find the right persons, who will be able to add further value to the Group, working alongside existing Board members.

There being no further key questions raised, Tan Sri Rashid declared the Directors' Report and Audited Financial Statements of the Company for the financial year ended 31 October 2016 together with the Auditors' Report thereon be received.

APPROVAL OF RESOLUTIONS

The Meeting resolved and approved the following resolutions at the meeting by way of poll votes:-

Resolution 1: Approval of the payment of Directors' Fees for the financial year ended 31 October 2016.

Resolution	Vote For		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 1	2,281,158,010	100.00	0	0.00	Carried

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Resolution 2: Re-election of Tan Sri Abdul Rashid bin Abdul Manaf as a Director of the Company pursuant to Article 80 of the Company's Articles of Association ("AA").

Resolution	Vote For		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 2	2,273,224,110	99.89	2,586,100	0.11	Carried

Resolution 3: Re-election of Dato' Chang Khim Wah as a Director of the Company pursuant to Article 80 of the Company's AA.

Resolution	Vote For		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 3	2,266,760,510	99.98	399,700	0.02	Carried

Resolution 4: Re-election of Mr. Tang Kin Kheong as a Director of the Company pursuant to Article 80 of the Company's AA.

Resolution	Vote For		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 4	2,275,629,110	99.99	181,100	0.01	Carried

Resolution 5: Re-election of Mr. Liew Tian Xiong as a Director of the Company pursuant to Article 80 of the Company's AA.

Resolution	Vote For		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 5	1,770,581,380	99.86	2,460,500	0.14	Carried

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Resolution 6: Re-appointment of Messrs. Baker Tilly Monteiro Heng as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

Resolution	Vote For		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 6	2,281,157,010	100.00	1,000	0.00	Carried

Resolution 7: Authority to issue and allot shares.

Resolution	Vote For		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 7	2,278,013,510	99.86	3,144,500	0.14	Carried

Resolution 8: Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.

Resolution	Vote For		Vote Against		Results
	No. of shares	%	No. of shares	%	
Resolution 8	344,906,576	100.00	0	0.00	Carried

TERMINATION

The 43rd AGM concluded at 1:05 p.m.