

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)

III. WARDIAN LONDON



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14 September 2016

Dear Sirs

Valuation Certificate of Wardian, Isle of Dogs, London, E14, United Kingdom ("Subject Property")

Jones Lang LaSalle Limited ("JLL") has been instructed by Eco World International Berhad ("EWI") to provide a Valuation of the Subject Property and details of the valuation are contained within our full Valuation Report dated 14 September 2016 ("Report"). This Valuation Certificate is prepared for the specific purpose of inclusion in the prospectus in connection with the Initial Public Offering ("IPO") and listing of EWI on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

The valuation has been prepared in accordance with the Asset Valuation Guidelines issued by Securities Commission Malaysia and the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers, and Estate Agents, Malaysia ("Malaysian Valuation Standards"). Given the location of the Subject Property is within the United Kingdom ("UK"), our valuation is also prepared in accordance with the Royal Institution of Chartered Surveyors ("RICS") Valuation – Professional Standards UK ("Red Book") January 2014 (Revised April 2015) published by the RICS.

The Subject Property has been valued on the basis of "Market Value" as defined in the Malaysian Valuation Standards and RICS Red Book, being *'the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'*.

Save as for the purpose of inclusion in the prospectus detailed above, neither the whole nor any part of this Valuation Certificate nor any reference thereto may be included in any document, circular, or statement without our written approval and a description of the form or context in which it appears.

This Valuation Certificate is a summary of the Report that we have prepared and it does not contain all the information and assumptions that are included in the Report. For further details, reference may be made to the Report, copies of which have been provided to EWI.

The valuation contained in the Report is based on information obtained from reliable and reputable agencies and sources, EWI and other related parties. Whilst JLL has endeavoured to ensure the accuracy of the factual information, we have not independently verified all the information provided by EWI or other reliable and reputable parties.

In preparing the Report, we have relied to a considerable extent on information provided by EWI, particularly in respect of such matters, but not limited to floor areas, and build cost and existing sales at the subject scheme.

Following the Referendum held on 23 June 2016 concerning the UK's membership of the EU, a decision was taken to exit. Since that date we have monitored market transactions and market sentiment in arriving at our opinion of Market Value.

There is still a shortage of comparable evidence of arm's length transactions since the Referendum. We have had, therefore, to exercise a greater degree of judgement than would be applied under more liquid market conditions. We would,

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES *(Cont'd)*

therefore, recommend that the valuation is kept under regular review and that specific market advice is obtained should you wish to effect a disposal.

We are of the opinion that the Market Value of the freehold interest in the Subject Property as it exists and vacant possession, as at the date of valuation, is **£89,100,000** (equivalent to **RM 485,015,850** based on an exchange rate of RM5.4435:£1.00, being the middle rate as published/made available by Bank Negara Malaysia at 5.00 p.m. as at 14 September 2016, i.e. the Valuation Date).

Yours faithfully



Elinor Evans MRICS
Registration Number: 5620744
Senior Surveyor
For and on behalf of
Jones Lang LaSalle Limited

Yours faithfully



Jonathan Smith MRICS
Registration Number: 1225916
Director
For and on behalf of
Jones Lang LaSalle Limited

Yours faithfully



Matthew Green MRICS
Registration Number: 1102775
Director
Registered Valuer
For and on behalf of
Jones Lang LaSalle Limited

Date: 14 September 2016

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



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Valuation Certificate

Identification of Subject Property

Property Address	Wardian, Isle of Dogs, London, E14, United Kingdom.
Title Numbers:	NGL501731 and EGL531989.
Interest Valued and Tenure:	The Subject Property is held freehold and is registered with Title Absolute under two Titles: NGL501731 (the main body of the entire property and extending to circa 1.35 acres / 0.532 hectares) and EGL531989 (a strip of land running along the site's southern boundary fronting onto Marsh Wall of less than 0.1 acre).
Registered Owner:	The Subject Property is held by Eco World - Ballymore Arrowhead Quay Company Limited ("Developer").
Location:	<p>The Subject Property is situated on the corner of West India Dock South and South Dock on the Isle of Dogs. The area falls under the jurisdiction of the London Borough of Tower Hamlets. The Subject Property is situated adjacent to the main Canary Wharf Estate.</p> <p>The site is located approximately one mile west of the Greenwich Peninsula (O2 Arena), 2.6 miles south west of Canning Town and 1.6 miles south east of Limehouse Dock.</p>

General Description of Subject Property

Property Description:	<p>The Subject Property comprises a broadly square shaped site of circa 1.35 acres (0.53 hectares). Planning consent was granted in 2007 allowing the construction of a part 16 / part 26 storey office development, with the height of this proposed scheme rising to 119 m. Preparatory works for this development were undertaken; including the excavation and decontamination of the site, as well as the construction of a 'basement box' being substantially completed prior to the development being put on hold. Construction on site has now recommenced, with the previously constructed 'basement box' being removed with foundations and dock wall works commencing at the time of the inspection.</p> <p>The proposed development involves the delivery of a residential-led mixed use scheme comprising two residential towers of 50 (West Tower) and 55 storeys (East Tower), which will accommodate 764 residential apartments (inclusive of 138 affordable apartments), ancillary retail accommodation and 102 basement car park bays. The Developer is proposing the delivery of a high specification scheme; and private residents will benefit from the use of a private Gym and Swimming Pool, a Residents Lounge and a Sky Garden on top of the East Tower.</p> <p>The Subject Property was acquired by the Developer April 2015 for £84,400,000 albeit the price was agreed in Q4 2014.</p>
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9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)

Proposed Built Area: Planning Permission currently exists allowing the construction of two buildings to provide 756 residential units (Use Class C3 - residential dwelling houses) which include 132 affordable residential units and ancillary uses, plus 701 sq m of ground floor retail uses (Use Classes A1 – A4 retail accommodation), provision of ancillary amenity space, landscaping, a public dockside walkway and pedestrian route, basement parking, servicing (building services such as plant equipment) and a new vehicular access.

We have had sight of a S73 Planning Application (PA/16/00139) which was validated on 28 January 2016 and is currently pending consideration. A S73 Planning Submission Report dated 15th January 2016 prepared by Glenn Howells Architect (GHA) is also contained within the application. The application proposes amendments to the configuration of some apartments and the residential facilities. There is an overall increase in the number of apartments to 764 apartments (from, 756). There will be 626 private apartments, with an additional one and two bedroom apartment each on level 24 of the West Tower. There will also be an increase in the number of Shared Ownership units from 42 units to 48 units. The increase in unit number is due to the subdivision of the three bedroom units into one and two bedroom units on the advice of a Registered Social Landlord. There will be a reconfiguration of residential facilities where the private cinema and residents lounge will now be located in the West Tower. The space in the East Tower previously proposed as a residents lounge is now proposed to be a retail unit. We have spoken to our planning departments who consider the proposed amendments are not contentious.

The Developer has informed us that there have been further design and development changes since the Non-Material Amendment application was submitted in January 2016. These amendments include making minor changes to the internal residential floor areas within the West Tower. This has not yet been submitted to the Local Authority.

We have valued the development on the basis of 764 units (i.e. the latest proposal) on the basis that the proposed amendments offer negligible planning risk and that the bidder for the site would also make the same assumptions when appraising the value of the Subject Property. It should be noted that consent from the planning authority will be required to implement the scheme incorporating these changes.

We summarise below the Net Saleable Area ('NSA', excluding common areas) of the private residential accommodation and the GIA of the 138 affordable housing units alongside the assumed unit mix as provided by Glenn Howells Architect as follows:-

Unit Type	East Tower	West Tower - Private	West Tower - Affordable
Suite	123	47	0
1 Bed	124	48	53
2 Bed	176	96	40
2 Bed Penthouse	3	4	0
3 Bed Penthouse	1	4	0
3 Bed	0	0	33
4 Bed	0	0	12
Total	427	199	138
NSA (sq ft)	283,719	147,090	-
NSA / UNIT	664	739	-
GIA (sq ft)	-	-	119,040
GIA / UNIT	-	-	863

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



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We summarise below the proposed commercial accommodation:-

Building	Proposed Use	NIA (sq m)	NIA (sq ft)
West	Retail Unit	78.0	840
West	Retail Unit	70.0	753
East	Retail Unit	167.0	1,798
East	Restaurant / Café	284.0	3,057
TOTAL		599.0	6,448

We have relied upon the areas provided as being true and accurate.

Existing Use:

Part built and undeveloped residential / mixed use development land.

Planning:

Our enquiries confirm that Full Planning Permission for the site was granted on 19th February 2015. This planning permission allows for the construction of two buildings of 55 and 50 storeys to provide a total of 756 residential units (Use Class C3) and ancillary uses, plus 701 sq m of ground floor retail uses (Use Classes A1 – A4). The planning permission also allows for the provision of ancillary amenity space, landscaping, a public dockside walkway and pedestrian route, basement parking, servicing and a new vehicular access.

We are aware that a S73 Non Material Amendment Application has been submitted in January 2016, this is currently pending decision from the Local Planning Authority. This application proposes changes to among others, the development to increase the number of affordable units and private units to 764 units.

Information Specific to the Subject Property:

We understand that the scheme was launched in late September 2015. We have been provided with a schedule of reservations and exchanged by the Developer as at 14 September 2016. This schedule confirms that there have been 353 units exchanged (56% of the private units) with an average unit selling price of £703,049 (£1,195 per sq ft). We are also aware that a further 10 units have been reserved at a re-launch in September 2016, thus totalling 363 units (58%) of the scheme. We would note that the majority of these reservations have been for the studio and one bedroom apartments. The Developer anticipates that practical completion of the development will occur in November 2019.

Market Value

Market Value GBP: £89,100,000.

Market Value MYR: RM 485,015,850

Exchange Rate at Date of Valuation: RM5.4435:£1.00, being the middle rate as published/made available by Bank Negara Malaysia at 5.00 p.m. as at 14 September 2016.

Date of Valuation: 14 September 2016.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES *(Cont'd)*

Valuation Methods:

For the purpose of this valuation we have adopted the Income Capitalisation Approach (the Residual Method), cross checking the results of this analysis with the Comparison Approach/Method. With regard to the Comparison Method, it should be considered as a cross-check only and not a reliable basis of valuation given (but not limited to) the uniqueness of the site, its location, planning permission, density, height, provision of affordable housing and the limited availability of directly comparable or relevant land transactions at or around the date of valuation.

It is our opinion a prospective purchaser would rely heavily upon the Residual Cash Flow Analysis as this method reflects the expectations of a purchaser in relation to costs, selling prices, profit margins etc. In this instance the comparable method of valuation should only be seen as a cross check to the residual valuation on account of planning policy, planning status, unit density, height, affordable housing, Section 106/Community Infrastructure Levy liabilities and site status varying substantially from site to site. The lack of commonality in these factors (particularly with regard to high density residential led mixed use development sites in central London) makes the comparison of land values difficult and at times misleading.

The development parameters of each site will often be materially different, rendering the comparable method of valuation inappropriate in establishing our opinion of the site's Market Value. In summary we have utilised one valuation approach to ascertain our opinion of the Subject Property's Market Value.

Any other matters that affect the value / marketability:

We are not aware of any other site specific matters which may affect the value or marketability of the Subject Property.

Following the Referendum held on 23 June 2016 concerning the UK's membership of the EU, a decision was taken to exit. Since that date we have monitored market transactions and market sentiment in arriving at our opinion of Market Value.

There is still a shortage of comparable evidence of arm's length transactions since the Referendum. We have had, therefore, to exercise a greater degree of judgement than would be applied under more liquid market conditions.

We would, therefore, recommend that the valuation is kept under regular review and that specific market advice is obtained should you wish to effect a disposal.

Valuation – Residual Method

Residual Method:

The Residual Method determines the price that could be paid for the site given the expected "as if complete" value of the proposed development (the Gross Development Value) and the total cost of the proposed development, allowing for market level profit margins and having due regard to the known characteristics of the Subject Property and the inherent risk involved in its development. It is our opinion that a prospective purchaser of this Subject Property would rely heavily upon the Residual Method as this method reflects the expectations of a purchaser in relation to costs, selling prices, profit margins, etc.

A summary of the parameters adopted is provided below.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



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Gross Development Value (GDV):

Please note that identifying the 'as if complete' value of the proposed development is an integral part of the Residual Method of valuation. **ACCORDINGLY, IN ARRIVING AT OUR OPINION OF GDV WE HAVE MADE THE SPECIAL ASSUMPTION THAT THE PROPOSED SCHEME HAS ALREADY BEEN CONSTRUCTED.**

Private Residential and Car Parking

We have valued the proposed individual private units within the proposed scheme using the Direct Comparison method, which we have utilised the following selected comparable evidence (i.e. which are closer to the Subject Property and have recently launched) for the purpose of this valuation certificate:-

Description of development	Location	Area	Price per sq ft
<p>Subject Scheme - The East Tower was launched in the end of September 2015 and the West Tower in April 2016. To date 353 units have been exchanged.</p>	East / West Tower	<ul style="list-style-type: none"> ◦ Studios - 388 – 413 sq ft. ◦ 1 Beds - 530 – 608 sq ft. ◦ 2 Beds - 837 - 1,020 sq ft. ◦ 2 Bed Penthouse - 1,270 sq ft. ◦ 3 Bed Penthouse -1,489 - 1,600 sq ft. 	The current sales have ranged between £389,940 - £2,200,000, reflecting an average net sales rate of £1,195 per sq ft. It should be noted that the sales were predominantly suite and one bedroom units.
<p>South Quay Plaza, South Quay, Isle of Dogs, E14 - A Berkeley Group development in a similar location to the Subject Property and will comprise 700 private units. The scheme was launched in Q3 2015, with circa 257 units having been exchanged as at the valuation date.</p>	0.2 miles east of the Subject Property.	<ul style="list-style-type: none"> ◦ Studios - 486 - 554 sq ft. ◦ 1 Beds - 613 - 685 sq ft. ◦ 2 Beds - 885 – 1,017 sq ft. ◦ 3 Beds - 1,182 sq ft – 1,254 sq ft. ◦ 3 Bed Penthouses - 1,497 sq ft. 	The current sales have ranged between £500,000 - £1,833,130 achieving an overall average value of £1,198 per sq ft.
<p>10 Park Drive, Canary Wharf, E14 - A Canary Wharf Group development situated within the Canary Wharf Estate, launched in Q3 2015. The first release consists of 355 units which we understand is 80% sold.</p>	0.4 miles east of the Subject Property.	<ul style="list-style-type: none"> ◦ Studios - 398 - 672 sq ft. ◦ 1 Beds - 440 - 746 sq ft. ◦ 2 Beds - 871 – 1,176 sq ft. ◦ 3 Beds -1,246 – 1,442 sq ft. 	Current asking range from £655,000- £1,190,000. The marketing suite confirmed that the scheme is achieving £1, 100 per sq ft.
<p>Dollar Bay, Lawn House, Close, Isle of Dogs, E14 - A Mount Anvil Development comprising 111 dwellings, marketing commenced in mid-2014.</p>	0.7 miles east of the Subject Property.	<ul style="list-style-type: none"> ◦ Studios - 444 - 458 sq ft ◦ 1 Beds - 630 - 704 sq ft. ◦ 2 Beds - 886 – 1,085 sq ft. ◦ 3 Beds - 1,309 – 2,076 sq ft. 	The current sales have ranged between £480,000 -£1,500,000 achieving an average value per sq ft of £944 (including winter gardens) and £1,152 per sq ft (excluding winter gardens).
<p>Maine Tower, Harbour Central, 2 Millharbour, Isle of Dogs, E14 - A Galliard Holdings and Frogmore development comprising 297 units launched in mid-2015.</p>	0.3 miles south east of the Subject Property.	<ul style="list-style-type: none"> ◦ Studios - 337 and 370 sq ft. ◦ 1 Beds - 592 and 727 sq ft. ◦ 2 Beds - 717 – 836 sq ft. ◦ 3 Beds - 1,066 sq ft. 	The current sales have ranged between £350,000 - £1,330,000 achieving an overall average value of £1,078 per sq ft.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)

We have valued the 626 private units on an individual basis using the detailed unit accommodation schedules provided, having regard to comparable evidence, floor level, aspect, size and outside space. Our value conclusions, which we summarise below, are in-keeping with the tone of the current market and surrounding comparable developments.

We have valued the completed development on the assumption that the residential units will be completed to the specification stated in the report and will benefit from National Housebuilders Council (NHBC) warranties (warranties on the works completed by the Developer, usually lasting 10 years and transferred to the purchaser on completion of the development) or similar. Sales prices will be affected without such warranties as purchasers will struggle to secure mortgages to complete on such properties.

In conclusion, we are of the opinion that the private apartments have an aggregate Market Value with vacant possession on completion of construction of **£519,748,722** reflecting a blended sales rate of **£1,206 per sq ft**. Please note this includes the 353 pre-sold exchanged units referred to earlier in this certificate.

Car Parking

As at the date of valuation, 25 car park bays have been sold for £40,000 per space (£1,000,000) We have valued the remaining 77 parking bays for open market sale at a price of **£40,000 per space (£3,080,000)** in line with comparable evidence. We consider that this is more reflective of a consistently achievable and market facing rate within this location.

Freehold Ground Rent Investment

We have assumed that the 626 individual private units of the amended scheme will be sold on long leases (999 years) subject to ground rent of £400 per annum for studios / suites, £500 per annum for one bedroom units, £750 per annum for two bedroom units, £1,000 per annum for two bedroom penthouse units and £1,000 per annum for three bedroom penthouse units. These are the actual amounts that will be levied by the landlord (The Developer) on the tenant (the purchaser) and which will be set out within the individual long leases drawn up for each purchase, however we have also benchmarked the proposed annual ground rent for each unit type against other schemes within the vicinity to ensure that they are of an appropriate level.

Having regard to the ground rent assumptions detailed above the unit mix generates a Ground Rent Income of **£370,000 per annum**.

We understand that the 102 car parking spaces will be subject to a ground rent of £50 per space, per annum, equating to an additional annual Ground Rent of **£5,100**.

We have capitalised the aggregate annual ground rent of £375,100 (residential and car parking as shown in the table above) into perpetuity by 2.75% in line with the current market to arrive at a gross capital value of approximately £13,640,000 or circa **£12,723,392** after the deduction of purchaser's costs (Stamp Duty 4.92%, Agents 1% and 0.8% Legal Costs). The adopted yield is market driven and reflects other transactions within the market place. Many of these transactions are confidential

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



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however we have access to key market intelligence through our Residential Investment team.

Affordable Housing

The Developer has informed us that the Affordable Housing has been sold to Genesis Housing Association Limited. The value of the affordable housing is driven by a number of factors that are specific to the property, the Local Planning Authority and the relevant Section 106 Agreement for that property. An example of the factors impacting on the value of the affordable housing includes specific terms set out in a Section 106 Agreement, the tenure mix (the proportion of social, affordable rent, and intermediate etc.), and the affordability criteria as dictated by the Section 106 Agreement itself, local planning policy or in the Greater London Authority London Plan.

The development proposals include 138 affordable housing units which are situated within the West Tower at the Subject Property. The 90 rented units are accommodated on the 3rd – 17th floor (inclusive); and the 48 intermediate (shared ownership) units are located on the 18th – 24th floor in the consented scheme or to the 23rd floor in the revised scheme.

We are aware that the offer has been made on two bases, taking into consideration the existing consent together with the application for the revised scheme.

The amendments for the revised scheme have been incorporated into the recent planning application submitted by the Developer which is still pending consideration. The alterations to the scheme include reducing the number of three bedroom shared ownership units and increasing the number of one and two bedroom units, which would total 138 affordable units. This is supported by the Genesis Housing Association Ltd, the Registered Provider primarily due to concerns with affordability for units of this size. Our planners are of the opinion that securing these amendments will be of a low risk.

Given the above, we have adopted the offer for the revised scheme within our valuation totalling **£26,792,576**.

Commercial Accommodation

In arriving at our opinion of value of the completed commercial accommodation we have utilised the investment method of valuation.

We summarise below our opinion of the individual unit's rental value:-

Use	Unit	Block	GIA (sq m)	GIA (sq ft)	Rent per sq ft	Rent per annum
Retail	3	West / East	315.0	3,391	£30	£101,730
Cafe	1	East	284.0	3,057	£30	£91,710
					6,448	£193,440

We have discussed the commercial units (retail and cafe) with our commercial valuation team. They are of the opinion that the retail units at the ground floor of the West Tower could let for £30 per sq ft across standard Full Repair and Insurance (FRI) lease terms (where the tenant is responsible for repairing the commercial accommodation as well as

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)

insuring its use) over 10 year terms, subject to 3 months' rent free period. The Quay facing cafe could be expected to achieve a rent £30 per sq ft on the same basis as the above. We have assumed that the commercial units take six months to let post practical completion of the development, before being sold immediately after they are let.

We believe investors would bid to levels equating to 6.5% yield in line with the market and factor such lease structures within their calculations. We have reflected these assumptions within our valuation and arrive at a gross capital value of £2,929,514, or circa **£2,740,000** after the deduction of purchaser's costs at 6.44% (4.64% Stamp Duty, 1.0% Agent Fees and 0.5% Legal Fees and 0.3% VAT).

GDV Summary

Component	GDV (£)
Private Residential – East Tower	£340,170,205
Private Residential – West Tower	£179,578,517
Affordable Residential – West Tower	£26,792,576
Car Parking	£4,080,000
Commercial/Accommodation	£2,929,514
Freehold (Ground Rents)	£13,640,000
GDV	£567,190,817
Purchaser's Costs	£1,105,269
GDV, Say	£566,100,000

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



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Development Costs: Build Costs

The assessment of build cost in respect of a scheme of this scale and complexity is beyond the scope of a valuation and as such, as agreed with the Developer we have wholly relied on the cost plan dated 1 August 2016 prepared by Bruce Shaw LLP in preparing this valuation. The costs in this cost plan have been based upon a cost budget first established in Q2 2015. We have had regard to build cost inflation between the last cost report and the date of this valuation as advised by Bruce Shaw LLP from Q2 2015 to Q3 2016, totalling £11,630,000 and we have adjusted the build cost accordingly.

We have therefore been informed that the inflated base build cost of **£266,373,396 (£488 per sq ft on the NIA)**. In the event that the costs adopted prove to be an underestimate there would be a corresponding decrease in our opinion of the site's current value.

The build costs we have adopted should be considered as being entirely indicative and for valuation purposes only.

We understand that the Developer (as at 14 September 2016) has spent £1,088,168 which we have deducted from our inflated construction cost leaving £265,285,228 remaining.

In addition to the above construction costs and within our valuation, we have made the following allowances:

Other Residual Valuation Cost Assumptions

Appraisal Input	Comment
Contingency	We have adopted a contingency allowance of 5% of construction costs or £13,624,261.
Professional Fees	The Warden Construction Costs are inclusive of some professional fees, however we have adopted additional design fees of 8% of above construction costs (£21,309,872). The Developer has informed us that £8,042,441 has been spent to date in fees (as at 14 September 2016). Accordingly we have deducted this amount off the design fees provision.
Project Management Fee	We have incorporated a Project Management Fee of £7,616,000 within our valuation (after deducting the costs of £6,384,000 spent to date as confirmed by the Developer), from total fees of £14,000,000.
Dock Wall Remediation Works	£430,064 as informed by the Developer. Note Bruce Shaw LLP and JLL have not validated this figure.
NHBC Costs	NHBC related costs equating to an aggregate sum of £1,526,684. We have incorporated £278,208 within our valuation (after deducting the costs of £1,248,476 spent to date as confirmed by the Developer). JLL have relied on the developer's estimate of NHBC Warranty Costs.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)

Community Infrastructure Levy (CIL)	We have incorporated a CIL Liability of £2,782,324 within our valuation. The Developer has provided the figure which we have indexed..
Section 106 Contribution	We have made an allowance for the outstanding Section 106 costs of £2,557,377 pursuant to the Section 106 Agreement within our appraisal. This takes into consideration £1,293,811 paid to date as confirmed by the developer. A Section 106 Agreement places a number of planning obligations, including financial liabilities on the Developer and any subsequent owner(s) of the site, typically during the development programme.
Residential Marketing, Agents & Legal fees	We have assumed sales agent and sales legal fees of 2% and 0.35% of the Private Residential GDV only (in line with market rates). These costs have been applied to our opinion of the private residential GDV. The Developer has confirmed that £6,957,634 marketing fees have been spent to date, and we have deducted these from the Developers' private residential marketing costs of £12,903,985. The remainder of the marketing budget adopted within our appraisal (£5,946,351) equates to approximately 2.2% of the unsold private residential units.
Commercial letting, agent, legal fees and purchaser's costs	We have adopted Letting and Legal fees of 10% and 5% (applied to our opinion of Market Rent) respectively in relation to the commercial accommodation. In addition to the above we have adopted Commercial Sales Agent and Legal fees of 1.5% (levied on our opinion of GDV). We have deducted purchaser costs from our opinion of commercial sales and ground rent portfolio Market Value (GDV).
Finance Costs	We have adopted an overall cost of finance based on 5.0% applied to 100% of the development costs (including Land Cost) to reflect the opportunity cost to the Developer as well as appropriate transaction fees.
Site Stamp Duty, Agents and Legal Fees	We have incorporated an allowance of stamp duty in line with the latest commercial and residential SDLT bandings, 1% for agent's fee and 0.5% for legal fees (fees are inclusive of VAT).

Profit Assumptions / Hurdle Rate

Taking into account the scale and cost of the project, the speed with which it could be delivered, its current planning status and current market conditions, we have adopted profit on cost of 22.5% reflecting a gross margin of circa 26.6%. We consider this to be an appropriate return in the current market for a site such as this in this location given our experience of working with developers in this sector of the market.

Development Timescales

We have assumed a 57 month development programme including one-month's allowance for site purchase, a three-month pre-construction to allow for a site preparation, surveys, and the appointment of contractors.

There will be a period of 46 months between purchase of the Subject Property and the first sales occurring as we expect the West Tower to complete two months prior to the East Tower. This will consist of:

- 1 month to purchase in September 2016.
- 3 months pre-construction up to December 2016.
- 44 months Construction period finishing in August 2020.
- 11 months sales period starting in July 2020 and ending in May 2021.

The adopted construction periods are consistent with the Developer's proposals and other schemes of which we are aware. In addition to the above, we have consulted our

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



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in house Building Consultancy and Project Management Team who have confirmed that the assumed development programme is achievable.

Save as to the performance of the subject scheme to date, whereby 56% pre-sales have been secured (exchanged) as at the date of valuation, we have also had regard to the sales / absorption rates at other nearby competing developments including; South Quay Plaza, 10 Park Drive and Maine Tower.

Residual Valuation Summary:

£4	£
GDV	£567,190,812
Purchaser's Costs	£1,105,269
Aggregate GDV	£566,085,543
Gross Development Costs	£375,329,155
Profit on Cost – 22.5%	£101,688,614
Total Development Costs	£477,017,769
Balance for Land, Say	£89,100,000

Sensitivity Analysis:

We are of the opinion that the site has a residual value of approximately **£89,100,000 (£66,000,000 per acre)**.

You should however be advised that the residual method of valuation takes into account a large number of subjective variables, the variation of which can have a significant impact on the development project being considered. Variations in sales prices, constructions costs and periods, and the cost of finance can also have a marked affect.

We have carried out a residual calculation that is sensitive to fluctuations in input values, we provide below a sensitivity analysis to demonstrate how the changes in input data affect values.

In the analysis it is shown that by stepped increases and decreases by 5% in the remaining unsold private residential sales and car parking prices and 5% in build cost, the residual land value can fluctuate from approximately **£48,700,000** to as high as **£129,500,000**.

Constr. Cost	Private Residential and Car Parking Sales				
	-10.0%	-5.0%	0.0%	+5.0%	+10.0%
-10.0%	£95,562,983	£104,039,770	£112,516,542	£120,993,494	£129,470,311
-5.0%	£83,838,576	£92,315,381	£100,792,178	£109,268,965	£117,745,738
0.0%	£72,114,147	£80,590,962	£89,100,000	£97,544,577	£106,021,374
+5.0%	£60,389,627	£68,866,529	£77,343,346	£85,820,160	£94,296,970
+10.0%	£48,665,251	£57,142,041	£65,618,800	£74,095,727	£82,572,544

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)

Cross Check to Market Value – Land Comparables

Cross Check Method:

In the course of considering the Market Value, we have also considered the following land sales:

Site	Date	Price	Planning Status	Size (acres)	Value per £ Acre	Plots*	Value per plot*
The Hertsmere, E14	Mar-14	£87m	Unconditional	0.9	£96.7m	700	£124,286
South Quay Plaza, E14	Apr-13	£40m	Unconditional	0.6	£66.7m	700	£57,142
2 Millharbour E14	Dec-14	£68m	Unconditional	2.62	£26.0m	901	£75,472
Subject Property	Current	£89.1m	Planning	1.35	£66m	626	£142,232

*Based on Private Plots.

The above demonstrates land sales of £26m - £96.7m per acre, with the Subject Property demonstrating a land value of £66 million per acre, which sits within the above range. We would note that a number of the transactions occurred in 2013 / 2014 and whilst there is an argument that sentiment in the residential market has improved over the last 18 months, the land market has arguably remained broadly stable on account of the supply pipeline (or residential development) over the next five years.

The Subject Property was acquired by the developer on 30 April 2015 for £84,400,000 in accordance with the terms of the Sale Contract albeit that the price was agreed in Q4 2014. Our Valuation in September 2016 is £89,100,000.

Our valuation should therefore be considered within the context of the fact that between the date that the price was agreed and the date of valuation:-

- The developer has spent £25,026,945 on the property.
- The developer has achieved 353 sales / 56% of the total private units within the scheme as at the date of valuation thus improving the risk profile of the asset.
- The Affordable Housing element has been agreed with Genesis Housing Association Ltd.
- Planning permission was granted.

Therefore, we are of the opinion that the Market Value of the Freehold Interest in the Subject Property as it exists, as described herein, and on the basis of full vacant possession as at the date of valuation is **£89,100,000** (equivalent to **RM 485,015,850** based on an exchange rate of RM5.4435:£1.00, being the middle rate as published/made available by Bank Negara Malaysia at 5.00 p.m. as at 14 September 2016, i.e. the Valuation Date).

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



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9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)

IV. WEST VILLAGE, PARRAMATTA

JM2:JM2
168429/37388



15 December 2016

Board of Directors
Eco World International Berhad
Suite 3A.01, Level 3A, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia

Dear Sirs,

VALUATION CERTIFICATE OF 76-100 CHURCH STREET, PARRAMATTA, NEW SOUTH WALES AUSTRALIA ("SUBJECT PROPERTY").

This Valuation Certificate has been prepared for Eco World International Berhad ("EWI") for internal purposes and for inclusion in prospectus of EWI in connection with its initial public offering and listing of EWI on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities")("Listing").

In accordance with the instructions from EWI to value the subject property, we have undertaken an inspection on 15 December 2016 and the date of valuation is 15 December 2016.

The basis of valuation is to assess the Market Value of the subject property as a parcel of freehold land without any permit or development plans. Market Value is defined as being

"...the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion".

This Valuation Certificate and associated Valuation Report have been prepared in accordance with the relevant provisions of the Asset Valuation Guidelines issued by the Securities Commission Malaysia together with the relevant provisions of the Australian and New Zealand Valuation and Property Standards.

This Valuation Certificate has been solely prepared for inclusion in the prospectus of EWI (in relation to the Listing) only, and for no other party or purpose.

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Liability limited by a scheme approved under Professional Standards Legislation

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



Summary of Assumptions

Critical Assumptions

- In providing this valuation we note that development site values are highly sensitive to any change in market conditions. As such care should be taken where long term passive lending is being undertaken against development sites which do not benefit from a development consent and/or presales to be developed in the immediate future. We recommend that regular valuation updates are undertaken.
- The encumbrances that are detailed within this valuation certificate have been considered in our assessment of Market Value. If there are any encumbrances, encroachments, restrictions, leases or covenants which are not noted in this valuation certificate, they may affect our assessment. If any such matters are known or discovered, we should be advised and asked as to whether they affect our assessment.
- The valuation is based on the critical condition that the government holds no requirements of the land.
- In undertaking this valuation assessment, we have not commissioned a search of the Register of Native Title Claims which is administered by the National Native Title Tribunal. This valuation assumes that there are no current or pending claims which will affect the subject property.
- Our inquiries with City of Parramatta Council were unable to confirm if flooding is an issue with the subject property without formal written application. From our inspection it would not appear that the site is affected by flooding and for the purposes of this valuation, we have assumed that the subject property is not flood liable.
- We have physically identified the boundaries of the property on inspection and there do not appear to be any encroachments. We are not qualified surveyors and no warranty can be given without the benefit of an identification survey. If there is any doubt in respect of these issues, we recommend that a check survey be undertaken by a qualified surveyor and that the survey be sent to us for advice as to whether our assessment of value is affected.
- The planning information set out in the valuation report has been obtained via the internet site of the City of Parramatta Council. We have relied upon this information in assessing the value of the property. No responsibility is accepted for the accuracy of that information and if it is wrong in any significant respect, our assessment of value may be different. Should you have concerns regarding the validity of this information we would recommend that a formal enquiry be made with the appropriate authority.
- We have been provided with a stage 1 site contamination assessment prepared by Coffey Environments Australia Pty Ltd referenced GEOTLCOV24919AA dated 16 August 2013. In summary, Coffey Environments Australia Pty Ltd considers that the site is suitable for the proposed mixed use development. Our valuation is made on the assumption that there are no environmental problems in any way affecting the property, including surface or below ground conditions, toxic or hazardous wastes or building material hazards. Any such matters may adversely affect the property or its use and our assessment of value. Should any such matters be known or discovered no reliance should be placed on our assessment of value unless we have been advised of these matters and we have confirmed that our assessment is not affected.
- In undertaking our valuation we have relied upon various financial and other information submitted by Eco World Sydney Development Pty Ltd. Where possible, within the scope of our retainer to complete a valuation report and limited to our expertise as valuers, we have reviewed this information including by analysis against industry standards. However, our enquiries are necessarily limited by the nature of our role and we do not warrant that we have identified or verified all of the matters which a full audit, extensive examination or "due diligence" investigation might disclose. For the purpose of our valuation assessment, we have assumed that this information is correct. Such limitations within our scope of work are not deemed to be extraordinary in the context of a valuer in Australia.
- We have been provided with a cost plan report prepared by Washington Brown referenced 4616 dated 9 December 2016 which provides a construction cost estimate for the proposed development. In undertaking our valuation we have adopted the costs as specified within the estimate. The construction costs have been adopted whilst also having regard to published construction cost guides such as Rawlinson's 2016 together with our knowledge of construction costs generally for projects similar to the subject. We reserve the right to review our valuation should a further report indicate construction costs which materially differ to those adopted herein.
- We have relied on a schedule of areas and building plans prepared by Woods Bagot referenced A-DA1205 – A-DA9903 Revision A-D dated 22 August 2016, 6-22 September 2016 and 14 December 2016 for our valuation calculations under the approved scheme (DA/540/2016). We reserve the right to review and possibly amend our valuation should a formal survey of the completed development reflect areas different to those adopted within our valuation.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



Critical Assumptions (continued)

- In undertaking the valuation of the site we have utilised the Margin Scheme. GST on end sales has been calculated using the Margin Scheme valuation method, that is, 1/11th of the margin between the adopted GST inclusive gross realisation and the assessed market value of the site. We believe that the Margin Scheme is the most appropriate means of handling GST, and we have assumed that the developer of this site will put this scheme into practice.
- We have assumed that if the site is sold all intellectual material associated with the current Deferred Commencement Consent (DA/540/2016) is transferable.
- Good and marketable strata title, free from any encumbrances being available for the commercial/retail accommodation and residential apartments on completion of the development.
- Subject to an occupation certificate being granted upon completion of the proposed development.
- We have assumed that the development will be completed applying good building practice, finished in a workmanlike manner and in accordance with all Local Council, State and Federal regulations.

1. PROPERTY

Category

- Vacant Land.
- Fee simple subject to vacant possession.

Title Details / Description / Site Area / Zoning

- The subject property is registered under two (2) Certificates of Title, being Lot 100 in Deposited Plan 792374 and Lot 504 in Deposited Plan 701136. Eco World Sydney Development Pty Ltd is registered on both titles as the Sole Proprietor.
- The property is irregular in shape occupying a corner position with frontages to Church Street, Parkes Street and Anderson Street.
- Total site area 4,778 square metres (approximately 1.18 acres).
- Pursuant to the provisions of the Parramatta Local Environmental Plan 2011, the property is subject to the B4 Mixed Use Zoning.

Locality

The subject property occupies a corner position with frontages to Church Street, Parkes Street and Anderson Street, within the suburb of Parramatta. The suburb of Parramatta is located approximately twenty four (24) kilometres west of the Sydney Central Business District ("CBD"). The surrounding development in the immediate area predominantly includes medium to high rise, older style and modern mixed use and residential apartment developments together with older style retail/commercial buildings.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



Improvements

The existing improvements to the site are currently being demolished. We note that construction works are yet to have taken place on the proposed development as at the date of valuation. We note that the estimated construction completion date is in the first half of 2020.

Planning Approval

The development application process for the subject property is summarised in the following table.

DA Number	DA/540/2016
Description	Demolition of existing structures and construction of a thirty nine (39) storey mixed use development containing ground floor commercial/retail tenancies and 398 residential apartments over four (4) levels of basement car parking.
Determination	Deferred Commencement
Determination Date	18 November 2016

The approval is subject to a number of conditions, most of which are considered to be standard for this type of development.

The proposed residential apartment mix may be summarised as follows:

Apartment Type	No. Apartments	% of Total
1 Bed	4	1.0%
1 Bed + Park	4	1.0%
1 Bed + Study	93	23.4%
1 Bed + Study + Park	22	5.5%
2 Bed + Park	126	31.7%
2 Bed + 2 Park	1	0.3%
2 Bed + Study + Park	127	31.9%
3 Bed + 2 Park	19	4.8%
3 Bed + Study + 2 Park	2	0.5%
Total	398	100

There are eleven (11) commercial/retail tenancies located on the ground floor which extend to a combined internal area of approximately 1,109 square metres.

We note that a total of 344 contracts relating to residential apartments were exchanged as at the date of valuation.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES *(Cont'd)*



For the purpose of our analysis throughout our valuation report we have adopted a total of 413 equivalent units including 398 residential apartments and fifteen (15) equivalent units for the commercial/retail accommodation by dividing the combined internal area of approximately 1,109 square metres by an adopted average equivalent unit size of seventy five (75) square metres.

2. VALUATION DETAILS

Valuation Approaches

There are two (2) main valuation approaches that may be employed in determining the value of the subject property. They are the residual land value and direct sales comparison approaches. The particular method used is dependent upon the relevance of the approach to the property and the development, the quantity and quality of the available market data and the motivations of buyers and sellers in the market place.

The valuation approaches adopted are outlined as follows:

- **Residual Land Value Approach**

The Residual Land Value model is based upon explicit assumptions regarding the prospective cash flows which will arise from the development or ownership of the subject property. It involves the establishment of the net position which will be derived through the development or ownership of the subject property, it will take account of the projected gross realisation; but will not account for escalations in revenue or cost.

A Profit and Risk (P&R) factor is applied to the net position derived after the deduction of selling/marketing costs and GST. This factor is a reflection of the required return and risk profile of the property and is derived through analysis of market evidence and the risk profile considerations of the proposed development. It is a static factor providing a required return for the life of the project and does not represent an annual return. Relevant development, holding, interest and acquisition costs are then deducted from the net realisation resulting in an estimate of the current feasible market value of the subject property.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



- **Direct Comparison Approach**

The direct comparison method for development land has regard to sales of broadly similar properties transacted in the open market and compares these sales to the subject property having regard to factors including but not limited to:

- Prevailing market conditions with specific consideration to potential apartment pricing, sale rates and development costs.
- Land area and potential densities/unit yield.
- Zoning status under the Local Authority Town Planning Scheme.
- Development Approvals.
- Likely scheme cost contributions where applicable.
- Access and proximity to local transport corridors including motorways and public transport facilities.
- Immediate competition and profile of developers active within the general localities.
- Servicing constraints.
- Environmental constraints.
- Metropolitan or regional location.

Typically, sales are analysed on a rate per equivalent unit site or rate per square metre of Gross Floor Area basis, and an appropriate rate is attributed to the subject property having regard to the considerations outlined above.

The direct comparison approach is adopted for assessing our "As Is" value and "As If Complete" value.


9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)

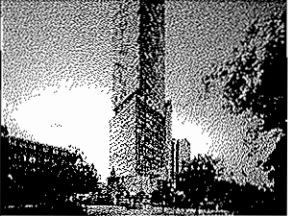


3. RESIDUAL LAND VALUE APPROACH

3.1 "AS IF COMPLETE" VALUE

Apartment Sales


"West Village" 76-100 Church Street PARRAMATTA NSW (Subject Property)			
	Development Consent	Status	Average Rate (\$/m ²)
	Yes	Marketed "off the plan"	\$10,843
<p>The property benefits from Deferred Commencement Consent (DA/540/2016) which provides for the demolition of existing structures and construction of a thirty nine (39) storey mixed use development containing ground floor commercial/retail tenancies and 398 residential apartments over four (4) levels of basement car parking.</p>			
<p>Analysis</p> <p>Forms the sales achieved within the subject property.</p>			

8 Phillip Street PARRAMATTA NSW			
	Development Consent	Status	Average Rate (\$/m ²)
	Yes	Marketed "off the plan"	\$10,170 - \$18,750
<p>We note that Development Application (DA/1066/2016) is currently under assessment for the demolition of existing commercial building, part demolition and adaptive reuse of existing heritage church and associated hall buildings and construction of fifty five (55) storey mixed use tower comprising 305 residential apartments, 252 hotel rooms with associated function/conference facilities, and retail unit, including excavation for nine (9) levels of basement parking.</p>			
<p>Analysis</p> <p>Smaller residential development located approximately 950 metres from the subject property in a slightly inferior location. We note that all of the two (2) bedroom and three (3) bedroom apartments include parking with only a limited number of the one (1) bedroom apartments including parking. We have been advised that marketing commenced circa November 2016 with approximately 200 apartments (66% of proposed development) having sold to date. Slightly smaller apartments together with providing a higher level of finishes compared to the subject apartments. We consider the prices achieved as being above those applicable for the subject property.</p>			

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



11 Hassall Street PARRAMATTA NSW




Development Consent	Status	Average Rate (\$/m ²)
Yes	Marketed "off the plan"	\$11,071 - \$12,600

We note that Development Application (DA/67/2015) for the demolition of existing church building and construction of a forty one (41) storey mixed use building comprising 216 residential apartments together with ground, mezzanine and Level 1 podium non-residential together with basement car parking over five (5) levels for 198 vehicles is currently under assessment.

Analysis

Smaller residential development located approximately 800 metres from the subject property in a slightly inferior location. We have been advised that marketing commenced in April 2015. We note that marketing is being conducted off-market via investor agents with purchasers comprising both local investors and owner occupiers. We note that all of the two (2) bedroom, two (2) bedroom + study and three (3) bedroom apartments include parking with only a limited number of the one (1) bedroom apartments including parking. We have been advised that marketing commenced circa April 2015 with approximately ninety (90) apartments (42% of proposed development) having sold to date. We consider the prices achieved as being generally below those applicable for the subject property given the inferior location of the development together with the fact that market conditions have continued to improve since the sales occurred.

"The Macarthur" 38-40 Macarthur Street PARRAMATTA NSW




Development Consent	Status	Average Rate (\$/m ²)
Yes	Marketed "off the plan"	\$8,682 - \$9,719

The property benefits from Development Consent (DA/779/2014) for the demolition, removal of trees and construction of a four (4) storey residential flat building containing twenty one (21) dwellings over basement car parking and strata subdivision.

Analysis

Smaller residential development located approximately 1.6 kilometres from the subject property in an inferior location on the northern side of the Parramatta River being removed from the Parramatta CBD. Similar sized apartments as compared to the subject apartments. We have been advised that marketing commenced circa August 2015 with approximately twelve (12) apartments (57% of proposed development) having sold to date. We note that all of the apartments include parking. We consider the prices achieved as being below those applicable for the subject property given the inferior location of the development.

"Matrix" 21 Hassall Street PARRAMATTA NSW



Development Consent	Status	Average Rate (\$/m ²)
Yes	Marketed "off the plan"	\$8,875 - \$11,825

We note that the property benefits from Development Consent (DA/87/2013) for the demolition of existing structure and construction of a nine (9) storey mixed use development containing thirty two (32) residential apartments. Basement car parking over a single level for twenty one (21) vehicles.


Analysis

Smaller residential development located approximately 700 metres from the subject property in a slightly inferior location. We have been advised that marketing commenced circa December 2014 with approximately eighteen (18) apartments (56% of proposed development) having sold to date. Similar internal areas as compared to those to be provided to the subject apartments. The upper level apartments as part of the subject development will benefit from superior view profiles. We consider the prices achieved as being below those applicable to the subject property given the inferior location of the development.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



Stage 3 "Promenade No. 2" 2 Morton Street and 1 Broughton Street PARRAMATTA NSW




Development Consent	Status	Average Rate (\$/m ²)
Yes	Marketed "off the plan"	\$10,000

We note that the property benefits from Development Consent (DA/164/2015) for the demolition of existing industrial buildings and construction of a mixed use development containing 505 residential apartments together with commercial/retail accommodation. Basement car parking for 649 vehicles. We note the property is a staged development with Stage 1 comprising of 162 residential apartments, Stage 2 comprising of 198 residential apartments and Stage 3 comprising of 145 residential apartments.

Analysis

Larger residential development located approximately 1.8 kilometres from the subject in an inferior location on the northern side of the Parramatta River being removed from the Parramatta CBD. Similar sized apartments as compared to the subject apartments. We have been advised that marketing for Stage 3 commenced circa September 2016 with approximately 110 apartments (76% of Stage 3) has been sold to date, however we were unable to obtain sales details. We consider the prices achieved as being below those applicable for the subject property given the inferior location of the development.

"The River Vistas" 1A Morton Street PARRAMATTA NSW




Development Consent	Status	Average Rate (\$/m ²)
Yes	Completed	\$7,166 - \$10,089

Forms a circa October 2016 completed residential development, located on the western alignment of Morton Street, within Parramatta.

Analysis

Similar residential development located approximately 1.8 kilometres from the subject in an inferior location on the northern side of the Parramatta River being removed from the Parramatta CBD. Slightly larger apartments as compared to the subject apartments. We consider the prices achieved as being below those applicable for the subject property given the inferior location of the development.

"B1 Tower" 118 Church Street PARRAMATTA NSW



Development Consent	Status	Average Rate (\$/m ²)
Yes	Completed	\$8,902 - \$9,938

Forms a circa May 2013 completed mixed use development, located on the eastern alignment of Church Street, within Parramatta.


Analysis

Smaller mixed use development 100 metres from the subject property. The sales outlined above form second hand resales and as such we consider the prices achieved as being below those applicable for the subject property given the subject property provides for a new product offering.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



"Focus by Merhis" 6-10 Charles Street PARRAMATTA NSW




Development Consent	Status	Average Rate (\$/m ²)
Yes	Completed	\$7,571 - \$10,293

Forms a circa July 2013 completed mixed use development comprising 110 residential apartments located on the eastern alignment of Charles Street, within Parramatta.

Analysis

Smaller mixed use development located approximately 750 metres from the subject property. The sales outlined above form second hand resales and as such we consider the prices achieved as being below those applicable for the subject property given the subject property provides for a new product offering.

"Escen" 140 Church Street PARRAMATTA NSW



Development Consent	Status	Average Rate (\$/m ²)
Yes	Completed	\$8,101 - \$10,664

Forms a circa April 2007 completed mixed use development, located on the eastern alignment of Church Street, within Parramatta.

Analysis

Smaller mixed use development located approximately 180 metres from the subject property. The sales outlined above form second hand resales and as such we consider the prices achieved as being below those applicable for the subject property given the subject property provides for a new product offering.

Commercial/retail Strata Sales

In assessing a gross realisation "As If Complete" value for the ground floor commercial/retail accommodation as part of the proposed subject development, we have had regard to the following strata commercial/retail sales.

Address	Sale Date	Sale Price	Internal Area (m ²)	Initial Yield	Rate (\$/m ²)
Lots 1 and 8, 3 Victoria Road, PARRAMATTA NSW	Jan-16	\$1,500,000	257	7.18%	\$5,837

Analysis

Form an early-2016 sale of retail and commercial strata office suite as part of a two (2) storey commercial development. The building is located opposite Coles on Victoria Road close to the intersection with Church Street, approximately 1.3 kilometres from the subject property. We consider the reflective (\$/m²) to be below that applicable to the subject as it is not a new development and located in an inferior position.

Address	Sale Date	Sale Price	Internal Area (m ²)	Initial Yield	Rate (\$/m ²)
Lot 44 1 Macquarie Street PARRAMATTA NSW	Sep-15	\$800,000	201	-	\$3,980

Analysis

Form a recent sale of ground floor retail/commercial strata suite as part of a mixed use development. The building occupies a corner position with frontages to Macquarie Street and Pitt Street being located approximately one (1) kilometre from the subject property. The accommodation includes two (2) parking spaces and is currently operating as a chiropractor with fit out including four (4) treatment rooms, X-Ray room, five (5) work stations, two (2) offices, two (2) kitchenettes, storage rooms and reception area. We consider the reflective (\$/m²) to be below that applicable to the subject as it is not a new development.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



Address	Sale Date	Sale Price	Internal Area (m ²)	Initial Yield	Rate (\$/m ²)
Lot 9 459 Church Street PARRAMATTA NSW	Jun-15	\$670,000	106	-	\$6,321
Analysis					
<p><i>Form a recent sale of commercial/retail suite as part of a mixed use development. The building occupies a corner position with frontages to Church Street and Albert Street being located approximately 1.9 kilometres from the subject property. We consider the reflective (\$/m²) to be below that applicable to the subject considering its inferior location together with the fact that the development is not new.</i></p>					

Address	Sale Date	Sale Price	Internal Area (m ²)	Initial Yield	Rate (\$/m ²)
Lots 1 and 2, 18-20 Ross Street PARRAMATTA NSW	Jun-15	\$1,700,000	423	4.73%	\$4,019
Analysis					
<p><i>Form a mid-2015 sale of two (2) adjoining strata commercial suites as part of a three (3) storey mixed use development. The building is located on the northern alignment of Ross Street, approximately 1.4 kilometres from the subject property. We consider the reflective (\$/m²) to be below that applicable to the subject as it is not a new development and located in an inferior position.</i></p>					

3.2 GROSS REALISATION ASSESSMENT

In assessing a value for the proposed subject apartments "As If Complete", we have had regard to the sales evidence and our comments previously detailed.

In addition we have considered the following:

- The development is of a large scale comprising 398 residential apartments.
- The subject apartments will be new.
- Prime location within Parramatta Town Centre.
- Most of the apartments include external areas and basement level parking.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



Our assessed gross realisation for the proposed subject apartments is summarised below as follows.

Apartment Type	No. Apartments	Average Internal Area (m ²)	Minimum Value	Maximum Value	Total Value	Average Value	Average Rate (\$/m ²)
1 Bed	4	51	\$527,000	\$569,000	\$2,208,000	\$552,000	\$10,877
1 Bed + Park	4	51	\$569,000	\$580,000	\$2,299,000	\$574,750	\$11,270
1 Bed + Study	93	52	\$524,000	\$704,800	\$53,876,840	\$579,321	\$11,129
1 Bed + Study + Park	22	55	\$580,020	\$704,800	\$14,676,840	\$667,129	\$12,170
2 Bed + Park	126	77	\$735,260	\$920,000	\$105,963,000	\$840,976	\$10,857
2 Bed + 2 Park	1	75	\$891,000	\$891,000	\$891,000	\$891,000	\$11,880
2 Bed + Study + Park	127	75	\$735,260	\$920,000	\$100,056,900	\$787,850	\$10,505
3 Bed + 2 Park	19	110	\$1,000,000	\$1,455,000	\$24,475,000	\$1,288,158	\$11,666
3 Bed + Study + 2 Park	2	107	\$1,425,000	\$1,450,000	\$2,875,000	\$1,437,500	\$13,435
Total	398	71	\$624,000	\$1,455,000	\$307,321,580	\$772,165	\$10,927

Overall, our assessed value for the residential apartment component of the proposed scheme "As If Complete" equates to \$307,321,580 inclusive of GST.

In addition to the residential apartments there are eleven (11) ground floor retail/commercial tenancies fronting Church Street, Parkes Street and Anderson Street together with an internal arcade within the development which provides a pedestrian link from Church Street to Anderson Street. We have analysed commercial/retail strata sales evidence in the range of \$3,980 square metre to \$6,321 per square metre. Given the location and size of the proposed commercial/retail accommodation we have adopted a rate of \$6,750 per square metre.

Based on the sales evidence we have assessed the value for the proposed commercial/retail accommodation as follows:

Component	Level	Internal Area (m ²)	Adopted Value	Rate (\$/m ²)	Equivalent Rate (\$/m ²)
Commercial/Retail	G	1,109	\$7,480,000	\$6,750	\$6,745
Total	-	1,109	\$7,480,000	\$6,750	\$6,745

Overall, our assessed value for the commercial/retail component of the proposed development "As If Complete" equates to \$7,480,000 exclusive of GST. We have assumed any intending purchaser will be registered for GST and therefore have the ability to claim any input tax credit.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES *(Cont'd)*



In total our assessed gross realisation "As If Complete" including the residential and commercial/retail component equates to \$307,321,580 inclusive of GST (residential) and \$7,480,000 exclusive of GST (commercial/retail).

3.3 RESIDUAL CASH FLOW ANALYSIS

Feasibility Assumptions

Our residual cash flow analysis for the proposed development at the subject property has been prepared based on information provided. Our cash flow projections are forecasts based on available information and are exposed to fluctuating economic conditions.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



The cash flow analysis has been prepared on the following data:

Feasibility Assumptions		
Sale Assumptions		
Site Area (m ²)		4,778.0 m ²
Proposed Development		
Residential Apartments		398 units
Commercial/Retail Accommodation		<u>11 units</u> ¹
Total		409 units
Gross Realisation		
Residential Apartments (inclusive of GST)		\$307,321,580
Commercial/Retail Accommodation (exclusive of GST)		<u>\$7,480,000</u>
Total Gross Realisation ²		\$314,801,580
Average Residential Apartment Value (inclusive of GST)		\$772,165
Rate of Sale Per Month Residential Apartments (Post Construction/Month)		4
Rate of Sale Per Month Commercial/Retail Accommodation (Post Construction/Month)		1.2
% of Existing Presales and Additional Construction Sales – Residential Apartments	94%	376 units
Selling Costs (inclusive of GST)		2.13%
GST on Gross Realisation (Residential)		\$25,453,353
Cost Assumptions		
Acquisition Costs (inclusive of GST) As a % of Total Net Revenue		1.04%
GST on Construction		10.00%
Construction Costs Excluding Contingency (inclusive of GST)		\$169,394,486
Construction Costs Including Contingency (inclusive of GST)		\$174,476,320
Construction Cost Per Equivalent Unit (inclusive of GST)		\$422,461
Finance Costs		6.00%
Statutory Fees		\$6,056,214
Rates and Taxes		
Per Annum		\$450,000
\$/Equivalent Unit		\$1,100
Timing Assumptions		
Lead in Time Before Construction Post Settlement		3 months
Settlement on Land Purchase		3 months
Construction Period		30 months
Selling Period		43 months
Settlement on Sales		1 month
Total Project Period		46 months
Terms on Sale		
Deposit		10%
Balance	3 months	90%
Targets		
Development Margin		19.00%
Internal Rate of Return (Including Interest)		10.50%

¹ Actual number of commercial/retail tenancies to be provided within the subject property.

² This assessment includes various components which are either inclusive of GST (residential apartments) or exclusive of GST (commercial/retail accommodation)

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



The main components to the residual land value feasibility are as follows:

Component	Comment
Land Transaction Costs	Includes Stamp Duty (\$2,830,790 exclusive of GST based on 6.9% New South Wales Government Office of State Revenue) on acquisition and costs associated with the assumed purchaser due diligence (\$113,548 inclusive of GST).
Professional Fees	We have adopted total Professional Fees of \$2,180,954 on a GST inclusive basis equalling to 1.38% of the construction cost. Costs predominantly associated with the initial planning and pre-construction works, together with a development management fee.
Construction Costs	We have been provided with a cost plan report prepared by Washington Brown referenced 4616 dated 9 December 2016 which provides a construction cost estimate for the proposed development. In undertaking our valuation we have adopted the costs as specified within the estimate whilst also having regard to published construction cost guides such as Rawlinson's 2016 together with our knowledge of construction costs generally for projects similar to the subject. On a GST inclusive basis, the adopted costs equate to \$174,476,320 (\$422,461/equivalent unit).
Statutory Fees and Contributions	Fees payable to Council and other statutory authorities such as Section 94 contributions and general charges. Having regard to the contributions specified within Deferred Commencement Consent (DA/540/2016), we note adopted contributions totalling \$6,056,214, comprising Section 94 Contributions (\$5,515,119), Long Service Levy (\$538,982), Environmental Enforcement Service Charge (\$1,056) and Infrastructure and Restoration Administration Fee (\$1,056).
Land Holding Costs	Land tax, water rates and Council rates. These costs are incorporated into the cash flow on a proportional diminishing basis in line with the assumed sale of the development. The adopted costs equate to \$450,000 per annum and a total amount of \$1,376,524.
Selling Costs	Costs associated with the sale of the completed residential apartments and commercial/retail accommodation, including sales agent's commission, project marketing fees, title registration costs and conveyancing expenses. We have adopted agent's commission of 2.20% on the gross sale prices of the residential apartments and commercial/retail accommodation (\$6,925,635) with 50% captured as being payable on exchange for presales/construction sales, marketing costs of \$1,731,409 and legal costs of \$539,880 having regard to standard industry rates. Total selling costs amount to \$9,196,924 on a GST inclusive basis.
Interest Charges	Based on 100% debt funding, the interest rate of 6% is adopted on a nominal basis assuming a senior debt facility only as per standard industry practice. This equates to \$22,712,775 of interest cost.
Finance Charges	Associated finance costs including loan establishment fees and stamp duty payable on mortgage. The adopted costs equates to \$700,000.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



Component	Comment
Hurdle Rates	<p><i>Profit and Risk Factor</i> is utilised in the static approach and represents the target development margin representing a percentage of total development costs (net of selling costs).</p> <p><i>Internal Rate of Return</i> is utilised in the discounted cash flow approach and represents the target developers margin (or discount rate) on cash flow that includes financing costs but excludes interest.</p> <p>We have adopted a developer's margin of 19.00% and a target internal rate of return including interest of 10.50%.</p>
Gross Realisation	<p>Represents the GST inclusive sales revenue for the complete residential apartments and GST exclusive sales revenue for the commercial/retail accommodation. We note that there are a large number of key variables involved in achieving sale prices into the future and draw your attention to this fact. As such, we stress that our estimate of Gross Realisation "As If Complete" represents current values as at the date of valuation.</p>
Escalation Rates	<p>No escalation is incorporated into the cash flow for neither development costs nor sales revenues. The adopted costs and revenues are reflective of market levels as at the date of valuation.</p>
Project Timing	<p>Our valuation assumes the hypothetical sale of the subject property in the open market. The timing for the construction period is from July 2017 to December 2019, and subsequent sales program for the development is from April 2017 to July 2020.</p> <p>In undertaking our valuation, we have assumed a presale level of 60% of the remaining apartments in the development (32 apartments) throughout the construction period in addition to those 344 presales already achieved. We have allowed a period of six (6) months after completion of construction to sell down the remaining twenty two (22) apartments, approximately four (4) per month.</p>
Goods and Services Tax (GST)	<p>Construction costs, professional fees, due diligence costs and selling costs have been incorporated into the cash flow on a GST inclusive basis, with an input tax credit reclaimed the month following where the cost was incurred.</p> <p>Stamp duty on acquisition, statutory fees and contributions, land holding costs, interest charges and finance charges do not attract the GST impost and have been incorporated on a GST exclusive basis.</p> <p>In undertaking the valuation of the site we have utilised the Margin Scheme. GST on end sales has been calculated using the Margin Scheme valuation method, that is, 1/11th of the margin between the adopted GST inclusive gross realisation and the assessed market value of the site. We have assumed that the developer of this site will put this scheme into practice.</p>

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



Residual Cash Flow Summary

The following is a summary of our analysis, assuming 100% debt funding.

Residual Cash Flow Summary			
Gross Realisation			\$314,801,580
Less			
Selling Costs @	2.13%	\$6,026,554	
GST Based on Margin Scheme (Residential Apartments)		\$25,453,353	<u>\$31,479,908</u>
Net Realisation			\$283,321,672
Less Profit & Risk Factor @	19.00%		\$45,320,337
Funds Available for Development			\$238,001,336
Less			
Professional Fees		\$2,180,954	
Construction Cost (Including Contingency)		\$174,476,320	
Statutory Fees		\$6,056,214	
Land Holding Costs		\$1,376,524	
Pre-Sale Commissions		\$3,170,369	
Finance Charges		\$700,000	
Interest @	6.00%	\$22,712,775	
Land Transaction Costs		\$2,944,338	
Add GST Input Credits		\$16,906,159	\$196,711,336
Indicated Value (inclusive of GST)			\$41,290,000
Rounded to (Inclusive of GST)			\$41,290,000

Indicated Value incl. of GST	\$41,290,000
Profit After Interest	\$45,320,337
Development Margin	19.00%
IRR Including Interest	10.63%
IRR Excluding Interest	15.99%
\$/m ² of GFA	\$1,284/m ²
\$/Equivalent Unit	\$99,976/unit
\$/m ² of Site Area	\$8,642/m ²

Our assessed value of \$41,290,000 inclusive of GST is specific to the project and is based on our assumptions and information provided with our instructions. Should this information or the assumptions alter, it will impact on the assessment.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



4 DIRECT COMPARISON APPROACH

4.1 DEVELOPMENT SALES EVIDENCE

57, 63 and 83 Church Street and 44 Early Street, PARRAMATTA NSW



57, 63 and 83 Church Street and 44 Early Street, Parramatta form a late-2015 mixed use development site sale to have occurred within Parramatta all of which are located opposite the subject property in a comparable position and forms three (3) slightly irregular shaped allotments with multiple street frontages. The site is zoned part B4 Mixed Use, B5 Business Development and RE1 Public Recreation in accordance with the Parramatta City Centre Local Environmental Plan 2007. The properties are sold subject to the approval of Development Application (DA/706/2014). Concept approval is sought for among others, the construction of seven (7) buildings containing 779 apartments and approximately 39,099 square metres of retail/commercial floor space. The buildings on the site will range in height from 35.2 metres to 141.7 metres. For the purpose of our analysis on the basis of Development Application (DA/706/2014) in addition to the 779 residential apartments, we have treated the retail/commercial floor space as providing 521 equivalent units being one (1) equivalent unit per seventy five (75) square metres of floor space. We note that the property sold on-market.

In comparison with the subject property, this development site is located within a comparable location however it is of a significantly larger scale and includes a large proportion of retail/commercial floor space, however we note that market conditions have softened since the sale occurred. This results in an adjusted GFA of **\$1,227/m²**.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)


87 Church Street and 6 Great Western Highway PARRAMATTA NSW


87 Church Street and 6 Great Western Highway, Parramatta form a recent mixed use development site sale to have occurred within Parramatta all of which are located opposite the subject property in a comparable position and forms a slightly irregular shaped allotment with multiple street frontages. The property is currently zoned B4 Mixed Use, under the Parramatta City Centre Local Environmental Plan 2011, with a permissible FSR of 3.5:1 and with a height limit of twenty eight (28) metres. The site sold without Development Consent however planning proposal (PP_2016_PARRA_017_00) was approved to increase the maximum height of buildings to 180 metres and increase the maximum FSR to 10:1 together with a minimum gross floor area for non-residential uses. After allowing for a building efficiency of 90% and an average unit size of seventy five (75) square metres a total site yield of 397 equivalent units' (incorporating a mix of non-residential and residential space) results. Existing improvements include a single storey industrial building together with a vehicle showroom and car parking presenting in good condition.

In comparison with the subject property, this development site is located within a comparable location and is of a similar larger scale and includes a smaller proportion of retail/commercial floor space, however was purchased by an owner with a large land holding across the subject to the south. This results in an adjusted GFA of **\$1,270/m²**.

48-54 Beecroft Road and 52-54 Rawson Street, EPPING NSW

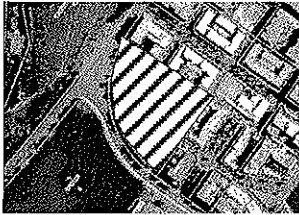

48-54 Beecroft Road and 52-54 Rawson Street, Epping forms a late-2015 sale of a smaller mixed use development site all of which are located within proximity of the subject property within the Parramatta LGA in a superior position opposite Epping Railway Station and is being regular in shape with frontages to both Beecroft Road and Rawson Street. The site is zoned B2 Local Centre in accordance with the Parramatta Local Environmental Plan 2011. The site is sold without a Development Consent. Existing improvements to the site at the time of sale include six (6) older style retail/commercial buildings. There is a total of eighteen (18) separate existing tenancies all of which being on a monthly holdover basis or alternatively the leases include demolition clauses. The net passing income at the time of sale is approximately \$293,638 per annum. The earliest date vacant possession can be achieved over the entire site is 30 June 2015 or earlier if tenants elect to vacate. The property was sold on market to a private developer.

In comparison with the subject property, this development site is located within a superior location and is of a smaller scale. This results in an adjusted GFA of **\$1,294/m²**.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



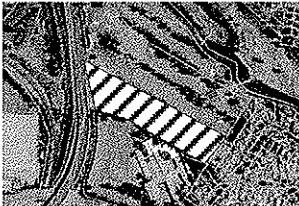
23 Bennelong Parkway, WENTWORTH POINT NSW



23 Bennelong Parkway, Wentworth Point forms a mid-2015 site sale to have occurred within the suburb of Wentworth Point. The site is located to the east of the subject property in a superior location and is irregular in shape, occupying a corner position with frontages to both Bennelong Parkway and Hill Road. The properties are sold with the benefit of a Development Consent for a residential development comprising three (3) residential buildings over a single podium, basement parking, building height range from four (4) to eight (8) storeys and including a GFA of 50,045 square metres with 678 residential apartments, which is a scheme larger than that proposed for the subject. Under the current planning controls an excess of available floor space exists in the Wentworth Point Precinct. We understand that at the time the vendor is seeking the relevant approval to increase the permissible building heights. On the basis that this proposal is to be achieved in the future the building heights would range up to twenty five (25) storeys and provide for a total site yield of 901 residential apartments.

In comparison with the subject property, this development site is located within a superior location. This results in an adjusted GFA of **\$1,299/m²**.

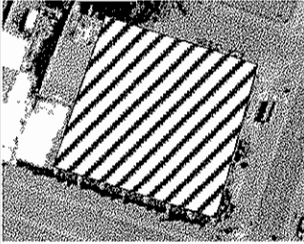
84 Centenary Drive, STRATHFIELD NSW



84 Centenary Drive, Strathfield forms a significant land holding having transacted in early-2015 within proximity of the subject property in the superior suburb of Strathfield, located on the eastern alignment of Centenary Drive. The site is zoned B4 Mixed Use and R3 Medium Density Residential in accordance with the Strathfield Local Environmental Plan 2012. The site is of a slightly smaller scale to the subject property and sold without the benefit of a Development Consent. Existing improvements to the property include the course clubhouse. We note that the site sold on-market via an expressions of interest (EOI) campaign.

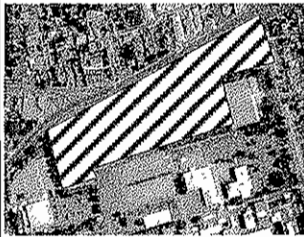
In comparison with the subject property, this development site is located within a superior location. This results in an adjusted GFA of **\$1,297/m²**.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)

**44-56 Phillip Street, PARRAMATTA NSW**

44-56 Phillip Street, Parramatta forms an early-2015 sale of a smaller mixed use development site located within proximity of the subject property in a comparable location. It comprises a regular shaped mixed use development site and is located on the northern alignment of Phillip Street with a secondary frontage to Wilde Avenue. The site is zoned B4 Mixed Use in accordance with the Parramatta City Centre Local Environmental Plan 2007. The properties are sold without the benefit of a Development Consent. At the time of sale existing improvements to the site comprises a set of two (2) storey brick strip retail terraces producing a gross income of approximately \$155,187 per annum with demolition clauses in place for full vacant possession in December 2015.

We note that the property sold on-market via an expressions of interest (EOI) campaign with Parramatta City Council being the purchaser and also an adjoining owner. This results in an adjusted GFA of **\$1,224/m²**.

659-661 Victoria Road and 4-6 Wharf Road, MELROSE PARK NSW

659-661 Victoria Road and 4-6 Wharf Road, Melrose Park form an early-2016 sale of a larger scale mixed use development site. It comprises an irregular shaped mixed use development site, occupying a corner position with frontages to both Victoria Road and Wharf Road, within Melrose Park. The site is located within proximity of the subject property in an inferior location within the Parramatta LGA. The primary frontage of the site to Victoria Road receives high levels of exposure to passing vehicular traffic. The site is zoned B4 Mixed Use in accordance with the Parramatta Local Environmental Plan 2011 and it is sold without development consent. We note that the site was purchased off-market by Payce Consolidated Limited who is an adjoining land owner and as such have paid a premium above market in order to secure this strategic land holding.

In comparison with the subject property, this development site is located within an inferior location and is of a significantly larger scale, however was purchased by an adjoining owner. This results in an adjusted GFA of **\$1,229/m²**.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



The previous sales reflect an analysed range of \$115,385 to \$293,478 per equivalent unit site and \$1,534 to \$3,497 per square metre of GFA, for sites providing between forty six (46) and 1,300 equivalent units and between 3,860 and 97,763 square metres of GFA respectively.

The sales evidence discussed above indicates an adjusted analysed rate range of \$1,574 to \$1,622 per square metre of GFA.

In this instance we believe the best parameter to compare would be on a rate per equivalent unit site and rate per square metre of gross floor area (GFA), based on the sales evidence analysed due to the site characteristics and primarily its location within Parramatta.

The above sales together with our valuation metrics for the subject property are summarised in the following table.

Address	Sale Price (\$)	Sale Date	Property Type	Development Consent	Tenure	Land Area (m ²)	No. Equivalent Units	GFA (m ²)	Land Area (\$/m ²)	Equivalent Unit Site (\$/equivalent unit)	GFA (\$/m ²)	Adjusted GFA (\$/m ²)
57, 63 and 83 Church Street and 44 Early Street, Parramatta	\$150,000,000	Sep-15	Mixed Use Development Site	Yes (sold subject to approval)	Freehold	14,287	1,300	97,763	\$10,499	\$115,385	\$1,534	\$1,227
87 Church Street and 6 Great Western Highway, Parramatta	\$70,000,000	Sep-16	Mixed Use Development Site	No (sold with planning proposal approval)	Freehold	3,307	397	33,070	\$21,167	\$176,322	\$2,117	\$1,270
48-54 Beecroft Road and 52-54 Rawson Street, Epping	\$35,600,000	Sep-15	Mixed Use Development Site	No	Freehold	2,063	7149	12,382.2	\$17,251	\$238,926	\$2,875	\$1,294
23 Bennelong Parkway, Wentworth Point	\$100,000,000	Jun-15	Residential Development Site	Yes	Freehold	25,959	678	50,045	\$3,852	\$147,493	\$1,998	\$1,299
84 Centenary Drive, Strathfield	\$52,500,000	Apr-15	Mixed Use Development Site	No	Freehold	20,239	260	24,287	\$2,594	\$201,923	\$2,162	\$1,297
44-56 Phillip Street, Parramatta	\$13,500,000	Apr-15	Mixed Use Development Site	No	Freehold	965	46	3,860	\$13,990	\$293,478	\$3,497	\$1,224
659-661 Victoria Road and 4-6 Wharf Road, Meirose Park	\$160,000,000	Feb-16	Mixed Use Development Site	No	Freehold	45,550	1,093	91,100	\$3,513	\$146,386	\$1,756	\$1,229
Address	Valuation	Val. Date	Property Type	Development Consent	Tenure	Land Area (m ²)	No. Equivalent Units	GFA (m ²)	Land Area (\$/m ²)	Equivalent Unit Site (\$/equivalent unit)	GFA (\$/m ²)	
Subject Property "As Is"	\$40,080,000	Dec-16	Mixed Use Development Site	Yes (deferred commencement)	Vacant Possession (Freehold)	4,778	413	32,159	\$8,388	\$97,046		\$1,246

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



4.2 ASSESSMENT OF VALUE - DIRECT COMPARISON APPROACH

We provide our summary of the direct comparison approach as follows:

No. Equivalent Units	Rate (\$/Equivalent Unit Site)	Value (\$)
413	\$110,000	\$45,430,000
413	\$115,000	\$47,495,000
413	\$120,000	\$49,560,000
Adopt, say	-	\$47,500,000

Gross Floor Area (m ²)	Rate (\$/m ²)	Value (\$)
32,159	\$1,400	\$45,022,600
32,159	\$1,450	\$46,630,550
32,159	\$1,500	\$48,238,500
Adopt, say	-	\$46,630,000

5 RECONCILIATION OF VALUES

The residual land value approach concludes to an indicated land value of \$41,290,000. The direct comparison methods of assessment conclude an indicated land value of \$47,500,000 (\$115,012 per equivalent unit site) and \$46,630,000 (\$1,450 per square metre of GFA). In completing our assessment, after rounding we have adopted \$41,290,000 inclusive of GST as current market value "As Is" having regard to our primary residual land value approach as per standard industry practice.

6 GST EXCLUSIVE "AS IS" MARKET VALUE ASSESSMENT

Our GST Exclusive site value calculations under the Margin Scheme are provided as follows:

"As Is" Market Value (GST Inclusive)	\$41,290,000
Less Acquisition Price (GST Exclusive)	\$28,000,000
Margin	\$13,290,000
Less GST @ 1/11 th	\$1,208,182
	\$40,081,818
Adopted "As Is" Market Value (GST Exclusive)	\$40,080,000

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



7 VALUATION AND VALUATION COMPLIANCE STATEMENT

Valuation

Subject to the qualifications and assumptions contained within the body of the valuation report, we assess the market value of 76-100 Church Street, Parramatta, New South Wales, as at 15 December 2016, to be:

"As Is" Value Subject to Deferred Commencement Consent (DA/540/2016)

\$40,080,000 exclusive of GST

(FORTY MILLION AND EIGHTY THOUSAND DOLLARS)

Or the equivalent sum (based on a conversion rate of \$1.00: RM3.3110 being the middle rate published by Bank Negara Malaysia at 5.00pm on 15 December 2016, being the date of valuation):

RM132,704,880

(ONE HUNDRED AND THIRTY TWO MILLION SEVEN HUNDRED AND FOUR THOUSAND EIGHT HUNDRED AND EIGHTY MALAYSIAN RINGGIT)

This valuation is for the private and confidential use only of EWI and for the specific purpose for which it has been requested. No third party is entitled to use or rely upon this valuation certificate in any way and neither the valuer nor m3property Pty Ltd shall have any liability to any third party who does.

Only a signed original of this valuation should be relied upon and no responsibility will be accepted for photocopies of the report.

No part of this valuation or any reference to it may be included in any other document or reproduced or published in any way without written approval of the form and context in which it is to appear.

This valuation is current as at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of general market movements and factors specific to the particular property). We do not accept responsibility or liability for losses arising from such subsequent changes in value. Without limiting the generality of the above comment, we do not assume responsibility or accept liability where the valuation is relied upon after the expiration of three (3) months from the date of valuation or such earlier date if you become aware of any factors that have an effect on the valuation.

We advise that no party may rely upon financial projections or future values contained in this valuation certificate and our valuation report. Any financial projection or future value calculations in this valuation certificate and our valuation reports are valuation tools only, and should not be construed in any way as providing an indication of likely future profit and/or cash flow.

The opinion of value expressed in this valuation certificate and our valuation report is that of the valuers whom are the prime signatory's to this valuation certificate and our valuation report. The counter-signatory verifies that this valuation certificate and our valuation report are genuine and authorised by m3property Pty Ltd.

9. VALUATION CERTIFICATES FOR OUR GROUP'S PROPERTIES (Cont'd)



Valuation Compliance Statement

m3property confirms that:

- The statements of fact presented in the report are correct to the best of Valuer's knowledge.
- The analyses and conclusions are limited only by the reported assumptions and conditions.
- The Valuer has no interest in the subject property.
- The Valuer's fee is not contingent upon any aspect of the report.
- The valuation was performed in accordance with an ethical code and performance standards.
- The Valuer has satisfied professional education requirements.
- The Valuer has experience in the location and category of the subject property being valued.
- The Valuer has made a personal inspection of the subject property.
- No one, except those specified in the valuation report, has provided professional assistance in preparing the valuation report.

We confirm that neither m3property nor any of its Directors or employees has any pecuniary interest that could conflict with the proper valuation of this subject property.

Valuation Certificate Prepared By:

m3property

Jarrod Morgan B.Bus (Prop) AAPI
 Director Residential Development
 Certified Practising Valuer
 API No. 69875
 Date of Signing: 15 December 2016

Jin Chuan Low B.PropEc AAPI
 Valuer Residential Development
 Certified Practising Valuer
 API No. 84717
 Date of Signing: 15 December 2016

Andrew Duguid B.Bus (Prop) AAPI F Fin
 Director
 API No. 69737
 Date of Signing: 15 December 2016

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS

10.1 BOARD OF DIRECTORS

Our Board acknowledges and takes cognisance of the Malaysian Code on Corporate Governance 2012 (“MCCG 2012”), which contains recommendations to improve upon or to enhance corporate governance as an integral part of the business activities and culture of such companies. The MCCG 2012 is specifically targeted for listed companies on Bursa Securities, and listed companies with FYE 31 December 2012 onwards are required to report the extent of the adoption of the principles and recommendations of MCCG 2012 in their annual reports.

Our Board is committed to achieving and sustaining high standards of corporate governance. In regards to the above, our Board will provide a statement on the extent of our compliance with the MCCG 2012 in our first annual report as a listed entity for the FYE 31 October 2017.

Our Board believes that our current Board composition provides the appropriate balance in terms of skills, knowledge and experience to promote the interests of all shareholders and to govern our Group effectively. Although our Board presently does not have a policy on the gender composition of our members, we take cognisance of the recommendation by the MCCG 2012 to have a mix of genders on our Board. A nomination committee will be tasked to ensure diversity among the board members regardless of age, ethnicity or religion and gender, at the same time ensuring they possess the requisite skills, knowledge, experience, independence, foresight and sound judgement for the effective management of our Group. We strive to identify and appoint female director(s) in order to bring a mix of genders to our Board and at the same time with the requisite skills, knowledge and experience to best serve our Group and our business and operations as a whole.

Within the limits set by our Constitution, our Board is responsible for the governance and management of our Company and we are guided by the MCCG 2012, which sets out the following responsibilities:

- (i) reviewing and approving the overall strategic plan and direction for our Group;
- (ii) overseeing and evaluating the conduct and performance of our Group's businesses to evaluate whether our businesses are being properly managed;
- (iii) identifying our Group's principal risks and establishing, reviewing, monitoring and ensuring the implementation of appropriate systems, policies, processes and infrastructure to manage these risks;
- (iv) establishing procedures to identify, assess, evaluate and approve any related party transactions or conflict of interest situations that may arise within our Group;
- (v) establishing internal control systems and corporate governance practices to be in compliance with the MCCG 2012;
- (vi) establishing a succession plan and considering emerging issues which may be material to the business and affairs of our Group;
- (vii) reviewing and approving the financial reports as required by Bursa Securities and Audit Committee report at the end of each financial year;
- (viii) developing and implementing an investor relations programme or shareholders' communications policy for our Group to ensure appropriate disclosure and effective communication are delivered on a timely manner; and
- (ix) reviewing the adequacy and the integrity of our Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives, and guidelines.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

In accordance with Article 107 of our Constitution, at each AGM, one-third of our Directors (with the exception of the alternate Directors) for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office and such Directors are eligible for re-election provided that all Directors shall retire from office at least once in every three years. Our Directors to retire in every year shall be those who have been longest in office.

In accordance with Article 114 of our Constitution, our Directors shall have the power at any time and from time to time to appoint any person to be Director either to fill a casual vacancy or as an additional Director, provided that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with our Constitution. Any Director appointed shall hold office only until the next AGM and shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

The number of Directors shall not be less than two but not more than 15. At least two of our Directors or one-third of our Board, whichever is higher, must also at all times be Independent Directors.

As at the date of this Prospectus, our Board consists of six Directors, including the Independent Directors. The details of the members of our Board, all of whom are Malaysian, and the details of the date of expiration of the current term of office for each of our Directors and the period that each of our Directors has served in that office as at the LPD are as follows:

Name	Age	Date of appointment	Designation	Date of expiration of the current term of office	No. of years in office
Tan Sri Azlan bin Mohd Zainol	67	12 September 2014	Chairman / Senior Independent Non-Executive Director	Subject to retirement at the AGM in 2019	About two and a half years
Tan Sri Liew	59	12 September 2014	Executive Vice Chairman	Subject to retirement at the AGM in 2017	About two and a half years
Dato' Teow	59	12 September 2014	Executive Director / President and CEO	Subject to retirement at the AGM in 2018	About two and a half years
Dato' Seri Ahmad Johan bin Mohammad Raslan	58	12 September 2014	Independent Non-Executive Director	Subject to retirement at the AGM in 2019	About two and a half years
Dato' Siow Kim Lun @ Siow Kim Lin	67	12 September 2014	Independent Non-Executive Director	Subject to retirement at the AGM in 2018	About two and a half years
Cheah Tek Kuang	70	12 September 2014	Independent Non-Executive Director	Subject to retirement at the AGM in 2017	About two and a half years

EW Berhad and GuocoLand have agreed that these six Directors will continue to remain as directors of our Board on our Listing.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

10.1.1 Profiles of our Directors

- (i) **Tan Sri Azlan bin Mohd Zainol**, a Malaysian aged 67, is our Chairman/Senior Independent Non-Executive Director. He has been a Fellow of the Institute of Chartered Accountants in England and Wales since 1974, a Member of the Malaysian Institute of Accountants since 1975, a Member of the Malaysian Institute of Certified Public Accountants since 1975 and a Fellow Chartered Banker of Asian Institute of Chartered Bankers since 2015. He is also the Chairman of Financial Reporting Foundation since 2015.

Tan Sri Azlan bin Mohd Zainol began his career with Razak & Co, an audit and tax consulting firm in 1975 before leaving the firm in 1977. Thereafter, he joined Maybank Finance Berhad from 1977 to 1979 as the Operation Manager and subsequently Kwong Yik Finance Berhad as the General Manager, where he oversaw commercial banking and finance related matters for several companies.

He left Kwong Yik Finance Berhad in 1980 to set up Tan Azlan & Company, an audit and tax consulting firm, which was associated with Binder Hamlyn. He then took up the role of Managing Director of Arab-Malaysian Finance Berhad in 1982 and was subsequently appointed as the Managing Director of Arab-Malaysian Bank Berhad in 1994. As the Managing Director, he was responsible for the operational and strategic direction of both the finance company as well as the bank.

In 2001, he was appointed as the CEO of EPF where he was primarily responsible for the management of the social security organisation. He retired from the EPF in April 2013.

He also sat on the Advisory Committee of the Battersea Power Station project from 2013 until he resigned on 31 March 2016.

Tan Sri Azlan bin Mohd Zainol was appointed as the Non-Independent Non-Executive Chairman of RHB Bank Berhad in 2005. He was also appointed to the boards of RHB Capital Berhad (in members' voluntary liquidation), Rashid Hussain Berhad (in members' voluntary liquidation) and RHB Investment Bank Berhad respectively in 2005. On 14 June 2016, he was re-designated as the Non-Independent Non-Executive Chairman of RHB Capital Berhad (in members' voluntary liquidation). He resigned from the board of RHB Investment Bank Berhad on 9 July 2014 and was re-appointed as Non-Independent Non-Executive Chairman on 27 June 2016. He has also served as a director on the boards for Jardine Cycle & Carriage Limited since 2004, for Malaysian Resources Corporation Berhad since 2005, for RHB Hong Kong Limited since 2013 and for Kuala Lumpur Kepong Berhad since 2013. He has also been serving as a trustee of Yayasan Astro Kasih since 2014 and OSK Foundation since 2015.

- (ii) **Tan Sri Dato' Sri Liew Kee Sin**, a Malaysian aged 59, is our Executive Vice Chairman. He graduated with a Bachelor of Economics degree (Business Administration) from University of Malaya, Malaysia in 1981.

He has more than 28 years of experience in the field of property development and has worked for the S P Setia group for more than 18 years.

Tan Sri Liew began his career as a banker in Asiavest Merchant Bankers (M) Berhad in 1981. After five years in the banking industry, he joined a small property development company in 1986 where his last held position was General Manager of Finance. He then set up his own company, Syarikat Kemajuan Jerai Sdn Bhd ("SKJ") in 1990, which was his maiden entrepreneurial venture into property development.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

In 1996, Tan Sri Liew injected SKJ and its group of companies into a then Second Board-listed construction entity in Malaysia, namely S P Setia (then known as Syarikat Pembinaan Setia Berhad) via a reverse take-over exercise. He was appointed as an Executive Director of S P Setia and was subsequently appointed as the Group Managing Director/CEO in 1996. In 2009, he was re-designated as the President and CEO of S P Setia, a position he held until his resignation in 2014.

Under his stewardship, S P Setia became one of the largest property developers in Malaysia. When he left S P Setia in April 2014, the market capitalisation of S P Setia was about RM7.4 billion, which was more than ten times its level when he took over in 1996. He was instrumental in setting the strategic direction and providing the leadership which transformed S P Setia from a company with only two projects in the Klang Valley into an established international property player with more than 40 projects and a presence in six countries, namely Malaysia, U.K., Australia, Singapore, Vietnam and People's Republic of China, by 2012.

Tan Sri Liew led S P Setia to expand its presence in the Johor Bahru market in the immediate aftermath of the Asian Financial Crisis. From only one project in 1997, namely the 1,500-acre township known as Bukit Indah Johor, the group went on to launch another seven projects covering a wide spectrum of products from townships to high-rise residential and business parks.

In 2002, he initiated the acquisition of a 4,000-acre freehold former plantation, North Hummock Estate in Shah Alam which became the S P Setia group's twin-flagship projects, namely the 2,525-acre Setia Alam and 791-acre Setia Eco Park in Klang Valley. To enhance the value of both projects, he invited Lend Lease Australia, a global property group with asset and property management capabilities, to jointly develop S P Setia's maiden retail mall named Setia City Mall at the heart of Setia Alam's commercial precinct.

Tan Sri Liew also helmed the bid to relocate the Ministry of Health's research departments to Setia Alam under a land swap arrangement with the Federal Government, which secured a valuable 52-acre tract of prime development land in Bangsar for S P Setia's proposed Setia Federal Hill project. Other notable projects in the Klang Valley launched during his tenure include the Setia Eco Glades township in Cyberjaya as well as the Setia Walk and KL Eco City integrated high-rise mixed developments.

After having established a proven track record locally, Tan Sri Liew steered the S P Setia group's expansion overseas with a joint venture with Vietnam's state-owned real estate conglomerate, Becamex IDC Corp to develop a 558-acre mixed residential and commercial township known as EcoLakes.

Following the global financial crisis, he recognised the opportunities for acquisition of prime development lands in matured overseas markets. He led S P Setia to successfully acquire prime CBD land for the company's first project in Melbourne known as Fulton Lane, which commenced in 2011 with an estimated GDV of about AUD450 million. Thereafter, he initiated the acquisition of a piece of land in St. Kilda Road, Melbourne, now known as the Parque Melbourne project, which was launched in 2013 with an estimated GDV of about AUD250 million.

S P Setia also entered the Singapore property market in 2011 with the development of a high rise condominium project known as 18 Woodville and secured the land for its second project for the launch of its second project there shortly thereafter.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

Tan Sri Liew was the driving force behind the S P Setia group's involvement in its most notable venture beyond Malaysian shores, which is the Battersea Power Station project in Central London in 2012. Tan Sri Liew led the Malaysian consortium comprising S P Setia, Sime Darby Berhad and EPF to win the international tender for the site. As the Chairman of the joint-venture entity, BPHCL, he was responsible for assembling a strong development team of experienced personnel to be based in London to undertake the massive project which had an initial estimated total GDV of about GBP8 billion. The London team were supported by S P Setia's own marketing team and who understood the needs of the core Malaysian and ASEAN customer base. He also oversaw the global marketing strategy, which resulted in successful launches of the first three phases, comprising 1,649 apartments with a combined estimated GDV of GBP3.6 billion, within less than two years from the project's maiden launch in 2013.

After his resignation as the President and CEO of S P Setia in 2014, at the request of the board of S P Setia and its consortium partners, he continued to helm the project as the Chairman of BPHCL up to 30 September 2015.

Tan Sri Liew was also primarily responsible for securing S P Setia's involvement in jointly developing the China-Malaysia Qinzhou Industrial Park ("**QIP**") in Qinzhou, People's Republic of China in 2012 through an invitation by the Government of Malaysia.

Under Tan Sri Liew's leadership, S P Setia won numerous awards within the property development industry. During his tenure, S P Setia was ranked No.1 in The Edge Malaysia Top Property Developers Awards eight times, the only developer to have achieved this feat since the inception of the awards. S P Setia is also the only Malaysian developer to have received 6 FIABCI Prix d'Excellence Awards by the International Real Estate Federation ("**FIABCI**"). S P Setia's other notable achievements include being ranked Malaysia's Best Employer twice in the Aon Hewitt Best Employer Study in 2011 and 2013.

In his personal capacity, Tan Sri Liew also received many accolades that serve as evidence of his visionary leadership and professionalism. These include the following awards:

Year	Awards/achievements/milestones
2007	Property Man of the year at the FIABCI Malaysia Property Awards in recognition of his contributions to the country's real estate industry and community at large.
2012	He represented Malaysia as the Country Winner in the Ernst & Young World Entrepreneur of the Year 2012 ceremony in Monaco. He was honoured by The Edge Malaysia with an Outstanding Property Personality Award, and was conferred a Lifetime Achievement Award for Property and Philanthropic Leadership by the World Chinese Economic Forum.
2013	He was named as the Malaysia's Outstanding CEO by The Edge Billion Ringgit Club in recognition of his leadership in building businesses and creating value in the S P Setia group.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

Year	Awards/achievements/milestones
2014 and 2015	He was invited to be a judge on the 2014 and 2015 judging panel of the Ernst & Young World Entrepreneur of the Year awards programme held in Monte Carlo, alongside other exceptional entrepreneurs from around the world.

He was invited to be the chief judge for the Alliance Bank SME Innovation challenge for three consecutive years from 2013 to 2015 and he also sponsored the "Tan Sri Liew Kee Sin Entrepreneurship Award" in 2014-2015 in which he personally contributed the RM250,000 prize money. This awards programme was conceived by Alliance Bank in 2013 to encourage the development of young entrepreneurs in Malaysia.

- (iii) **Dato' Teow Leong Seng**, a Malaysian aged 59, is our Executive Director/President and CEO. He obtained a Diploma in Commerce from University College Tunku Abdul Rahman in 1981 and subsequently, a Masters of Business Administration (MBA) from University of Strathclyde Graduate School of Business, Glasgow in 2001. He is a Fellow of the Chartered Institute of Management Accountants (U.K.) since 1996 and a Chartered Accountant of the Malaysian Institute of Accountants since 1986.

He has more than 30 years of experience in the property development industry, corporate finance, accounting, financial management and real-estate finance.

Dato' Teow began his career in 1981 in the accounts department for several companies within the Hong Leong group of companies. He later joined Metroplex Bhd in 1985 and subsequently PGK Sdn Bhd in 1988 where he was the finance manager until 1990.

He joined Citibank N.A. ("**Citibank**") as an Assistant Vice President in 1990 and was subsequently promoted to become a Director/Vice President to head its Real Estate Finance business in Malaysia. After Citibank, he was appointed as the Group Financial Controller of Wembley Industries Holding Berhad in 1993.

In 1996, Dato' Teow started his career with the S P Setia group as the Executive Director and Chief Operating Officer of Suharta Development Sdn Bhd, a subsidiary of S P Setia, and served the group in this position for four years until 2000.

Dato' Teow then served the next four years as the Divisional General Manager of Investment and Business Development until 2004. In this position, he was in charge of all business development activities within the S P Setia group. His key responsibilities involved identifying business opportunities, overseeing the evaluation of project feasibilities, leading the negotiations with counter-parties or a joint venture partner, structuring deals and arranging for the requisite financing to ensure successful closure of the project acquisitions.

He played a key role in the land deal negotiations for the S P Setia group's first two luxury projects known as Duta Nusantara and Duta Tropika in Kuala Lumpur. He also led the business development team to acquire the 4,000-acre North Hummock Estate in 2002, which has since been transformed into the Setia Alam and Setia Eco Park townships.

Dato' Teow was later appointed as the CEO of Setia Putrajaya Sdn Bhd in 2004, a position he held until 2007.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

Thereafter he served as the Executive Director and CFO of the S P Setia group from 2007, where he was in charge of the group's Corporate and Finance Division while continuing to oversee the group's business development division and overseas expansion plans. With regards to overseas expansion, he led a team to ensure compliance with all corporate, legal and other regulatory requirements for outbound investments from Malaysia and inbound investments into the host country.

Under his business development portfolio, Dato' Teow was instrumental in securing strategic parcels of lands and joint venture opportunities for S P Setia. He led the negotiations, which enabled the group to form its first international joint venture to develop a 558-acre township project known as EcoLakes in Vietnam with a GDV of about USD800 million. He was also responsible for the acquisition of a 27-acre piece of land located close to Ho Chi Minh city for the development of EcoXuan, mixed residential and commercial township with a GDV of about USD140 million.

In 2008, he led the negotiations which brought in Lend Lease Australia as a joint venture partner to develop S P Setia's maiden retail mall named Setia City Mall to anchor the Setia City commercial precinct in Setia Alam.

In 2010, he led the bid which enabled the S P Setia group to secure a prime CBD location for the group's first project in Melbourne known as Fulton Lane, next to the renowned Queen Victoria Market in Melbourne. The project which commenced in 2011 comprises 786 units of high rise apartments with an estimated GDV of about AUD450 million. He was primarily involved in the acquisition of the group's second Australian site in 2011, now known as Parque Melbourne comprising 323 units of high rise apartments with an estimated GDV of about AUD250 million.

He led the negotiations which culminated in the entry into a Privatisation Agreement in 2012 with the Government of Malaysia to acquire a 52-acre prime development site in Bangsar in exchange for the construction of a new integrated health and research complex ("IHRC") for the Ministry of Health on a 41-acre piece of land in Setia Alam. The construction of the IHRC began in 2013, and upon its completion, will further add to the commercial vibrancy of Setia Alam.

In 2012, S P Setia scored its most significant international success when it won the bid for Battersea Power Station project in the U.K. together with its consortium partners, Sime Darby Berhad and EPF. Dato' Teow led the team which conducted the extensive due diligence exercise that gave the consortium the confidence to submit an unconditional bid for the site. Following that, he was appointed by the consortium members to serve as the Chairman of the U.K.-based Battersea Power Station Development Company Limited ("BPSDC") to oversee the development management of the project.

Dato' Teow was responsible for directing and implementing the management strategy, setting company budgets as well as overseeing the management team in the U.K. Phase 1 and Phase 2 of the project, which consist of a total of 1,110 apartments, 11 penthouses and office and retail units, were launched in 2013 and 2014, respectively. Meanwhile, Phase 3A, which consists of 539 apartments, was launched in 2014. The combined estimated GDV for Phase 1, Phase 2 and Phase 3A is about GBP3.6 billion.

Apart from the Battersea Power Station project, Dato' Teow was closely involved in both the fund raising and corporate structuring aspects of the QIP project in Qin Zhou, People's Republic of China in 2012, in which he worked with the S P Setia group's Chinese and Malaysian partners to conclude negotiations for the project.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

- (iv) **Dato' Seri Ahmad Johan bin Mohammad Raslan**, a Malaysian aged 58, is one of our Independent Non-Executive Directors. He holds a Bachelor of Economics (Honours) in Economics and Accountancy from the University of Hull, U.K. in 1981. He qualified as a member of the Institute of Chartered Accountants in England and Wales in 1984. He became a Fellow of that Institute in 2009. He has been a member of the Malaysian Institute of Accountants since 2001 and was its Council Member from 2007 to 2012. He has been a member of the Malaysian Institute of Certified Public Accountants since 2002 and was its President from 2011 to 2012.

During his career, Dato' Seri Ahmad Johan bin Mohammad Raslan was involved mainly in the provision of audit and advisory services to his clients. He began his career with Robson Rhodes, a firm of chartered accountants in London, U.K. in 1981 before leaving that firm in 1990. Robson Rhodes subsequently became part of Grant Thornton U.K. LLP in 2007. He joined Price Waterhouse London, U.K. in 1990 as a Manager and thereafter returned to Malaysia and joined Price Waterhouse in Kuala Lumpur in 1992 as an Executive Director. He was admitted as a Partner of the firm in 1993, and was appointed as Financial Services Leader. Price Waterhouse merged with the firm of Coopers & Lybrand in 1998, and known as PricewaterhouseCoopers ("PwC"). He was elected as the Executive Chairman of PwC Malaysia in 2004. In 2008, he became the Joint Executive Chairman for the PwC Southeast Asia Peninsular Region (the combination of PwC firms in Malaysia, Thailand, Vietnam, Cambodia and Laos).

As Executive Chairman, his work involved extensive engagement with business leaders and boards of directors, as well as with the regulatory community. He was a member of the Global Public Policy Committee of the 'Big 6' accounting firms from 2010 to 2012. The Committee coordinates the Big 6 accounting firms' engagement with worldwide regulators and governments. He was also a Council Member of PwC's Global Diversity & Inclusion Council from 2011 to 2012. He served two four-year terms as Executive Chairman until his retirement from PwC in 2012.

Outside PwC, he was appointed to a number of positions by the Government of Malaysia. He was appointed by the Minister of Finance to serve as Chairman of the Financial Reporting Foundation (the organisation which oversees the work of the Malaysian Accounting Standards Board) from 2003 to 2009. He was appointed by the Minister of Finance to serve as a Board member of KWAP from 2010 to 2012. He also served as a Board member and Audit Committee Chairman of Putrajaya Corporation, an appointment by the Federal Territories Minister, from 2005 to 2012.

In addition, Dato' Seri Ahmad Johan bin Mohammad Raslan has worked closely with the main regulators in relation to the development of the corporate sector and the financial markets in Malaysia. For example, under the SC, he was involved in the committee which established the Audit Oversight Board, a sub-committee of the Corporate Law Reform Committee and the Corporate Governance Consultative Committee. Under BNM, he served as a Member of the Financial Stability Executive Committee from 2009 to 2012, and as a Member of the International Advisory Panel of the Labuan Financial Services Authority from 2004 to 2012. He is currently a member of the Faculty of the Financial Institutions Directors Education Programme, which provides development for directors of Financial Institutions in Malaysia.

He is currently an Independent Non-Executive director of Prima Ekuiti (UK) Limited, a subsidiary of KWAP, a Non-Independent Director of AMMB Holdings Berhad, a public listed company and a Non-Executive Director of QPR Holdings Ltd.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

- (v) **Dato' Siow Kim Lun @ Siow Kim Lin**, a Malaysian aged 67, is one of our Independent Non-Executive Directors. He graduated with a Bachelor of Economics (Honours) from Universiti Kebangsaan Malaysia in 1978, followed by a Master Degree in Business Administration from the Catholic University of Leuven, Belgium in 1981. He also attended the Advanced Management Program in Harvard Business School, USA in 1997.

He started his career with Malaysian International Merchant Bankers Berhad (*now known as HLIB*) ("**MIMB**") in 1981 as an Executive of its Corporate Finance Division. He was involved in advising on various corporate transactions including initial public offerings, mergers and acquisitions and capital raising proposals. He left MIMB in 1984 as a Manager of its Corporate Finance Division to join its associated company, Malaysian International Finance Berhad as the Manager of its Petaling Jaya Branch where he served until 1985. He joined Permata Chartered Merchant Bank Berhad (*now known as Affin Hwang Investment Bank Berhad*) ("**Affin Investment**") in 1985 as a Manager of its Corporate Finance Division. He was promoted to the Divisional Head of the Corporate Finance Division in 1990, to assume the responsibility of overseeing and running the Corporate Finance Division of Affin Investment.

In 1993, he left Affin Investment to join the SC, where he served for over 13 years until his retirement in 2006. During his tenure with the SC, he held several positions including Director of the Issues & Investment Division, Director of the Market Supervision Division as well as Executive Director, Office of the Chairman. His responsibilities included overseeing the Issues & Investment Division and Market Supervision Division, reviewing corporate proposals, take-over transactions and collective investment schemes as well as oversight of market intermediaries and institutions in the Malaysian capital markets.

He also served as a member of the Listing Committee of Bursa Securities from 2007 to 2009. He was a board member of Xingquan International Sports Holdings Limited from 2009 to 2011, a Non-Executive Director of UMW Oil & Gas Corporation Berhad from 2011 to 2013 and a Non-Executive Director of WZ Satu Berhad from 2007 to 2015. Currently, he is an Independent Non-Executive Chairman of Eita Resources Berhad, a Director of Citibank Berhad, a Director of KWAP, a Senior Independent Non-Executive Director of UMW Holdings Berhad, an Independent Non-Executive Director of Sunway Construction Group Berhad, an Independent Non-Executive Director of Hong Leong Assurance Berhad and a Director of MainStreet Advisers Sdn Bhd as well as a member of the Land Public Transport Commission.

- (vi) **Cheah Tek Kuang**, a Malaysian aged 70, is one of our Independent Non-Executive Directors. He graduated with a Bachelor of Economics (Honours) from University of Malaya in June 1970. He became a Fellow of the Asian Institute of Chartered Bankers in 2015.

He began his career with the Malaysian Industrial Development Authority (*now known as Malaysian Investment Development Authority*) in 1970 as a Deputy Director in the Planning and Research Unit. His responsibility covered measures promoting the growth and development for the manufacturing sector and also regional and inter-regional cooperation. Subsequently, he joined the Corporate Finance Department of AmlInvestment Bank Berhad ("**AmlInvestment**") in 1978 and was involved in the origination and execution of equity capital market-related exercises including mergers and acquisition transactions and corporate funding. He was subsequently promoted to Senior General Manager to oversee the corporate banking and fund management businesses of the group in January 1988. He was appointed as CEO and Group Managing Director of AmlInvestment in 1994 and 2002, respectively.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

In 2005, he was appointed as Group Managing Director and CEO of AMMB Holdings Berhad, following the restructuring of the banking group after the Asian Financial Crisis. Even though he retired in March 2012, he remained as Deputy Chairman and Non-Executive Director of AmBank (M) Berhad ("**AmBank**") and AmInvestment, and Non-Executive Director of AmIslamic Bank Berhad until October 2015. He has served as a Council Member of the Association of Banks in Malaysia and Alternate Chairman of the Malaysian Investment Banking Association.

He is the Chairman and Independent Non-Executive Director of Berjaya Sports Toto Berhad and Independent and Non-Executive Director of IOI Corporation Berhad and UMW Oil & Gas Corporation Berhad, respectively.

He served on the Board of Danajamin Nasional Berhad and Cagamas Holdings Berhad from May 2013 to May 2016 and August 2011 to May 2016, respectively. He was also an Independent Non-Executive Director of Bursa Malaysia Berhad for a period of nine years, commencing from 2004 to 2013. He now sits on the Appeals Committee of Bursa Securities, which looks into appeals by listed companies and market participants on violations of the Listing Requirements.

He sat on the board of EPF from June 1996 to May 2007 and its Investment Panel from June 2007 to May 2009. He served on the Investment Panel of KWAP from 2007 to February 2016, which is entrusted with the investment of funds for government employees.

He is currently on the board of non-profit organisations namely, Yayasan Bursa Malaysia, Malaysian Institute of Art and MIA Enterprise Sdn Bhd.

Other companies for which he currently is a Non-Executive Director include ARA Managers (Harmony III) Sdn Bhd and Sports Toto Malaysia Management Pte Ltd.

Our Directors also hold directorships in other companies, as disclosed in Section 10.1.3 of this Prospectus.

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10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

10.1.2 Shareholdings of our Directors

The following table sets out the direct and indirect shareholding of each of our Directors before and after the IPO based on our Register of Directors' shareholdings as at the date of this Prospectus (assuming full subscription of the IPO Shares and full exercise of the Warrants allocated to them in their capacity as the Eligible EWI Persons):

Director	As at the date of this Prospectus				After the IPO ⁽¹⁾				Assuming full exercise of Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽³⁾	No. of Shares	% ⁽³⁾
Tan Sri Azlan bin Mohd Zainol	-	-	-	-	8,000,000	0.3	-	-	11,200,000	0.3	-	-
Tan Sri Liew	246,540,798	99.9	-	-	246,540,798	10.3	2,500,000 ⁽⁴⁾	0.1 ⁽⁴⁾	345,157,117	10.3	3,500,000 ⁽⁴⁾	0.1 ⁽⁴⁾
Dato' Teow	-	-	-	-	15,000,000	0.6	-	-	21,000,000	0.6	-	-
Dato' Seri Ahmad Johan bin Mohammad Raslan	-	-	-	-	5,000,000	0.2	-	-	7,000,000	0.2	-	-
Dato' Siow Kim Lun @ Siow Kim Lin	-	-	-	-	5,000,000	0.2	-	-	7,000,000	0.2	-	-
Cheah Tek Kuang	-	-	-	-	5,000,000	0.2	-	-	7,000,000	0.2	-	-

Notes:

- (1) Excludes IPO Shares they may subscribe for under the Retail Offering to the Malaysian Public and the Restricted Offering, if applicable, as well as any excess IPO Shares that they may subscribe for under the allocation to the Eligible EWI Persons.
- (2) Based on our enlarged issued and paid-up share capital of 2,400,000,000 Shares.
- (3) Based on our enlarged issued and paid-up share capital of 3,360,000,000 Shares assuming full exercise of the Warrants.
- (4) Deemed interested under Section 59 of the Act by virtue of and on the assumption of full subscription of the IPO Shares and full exercise of the Warrants allocated to his son, Liew Tian Xiong in his capacity as an Eligible EWI Person but excluding any IPO Shares that his spouse, Puan Sri Datin Sri How Teng Teng and Liew Tian Xiong may subscribe for under the Retail Offering to the Malaysian Public and the Restricted Offering.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

10.1.3 Principal directorships and principal business activities performed by our Directors outside of our Group

The following table sets out the principal directorships in companies outside our Group held by our Directors within the past five years up to the LPD, and the principal business activities outside our Group performed by our Directors as at the LPD:

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Tan Sri Azlan bin Mohd Zainol	Angsana Fantasi Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder
	Edenview Projects Sdn Bhd	Investment in shares of AMMB Holdings Berhad	Present director and both direct and indirect shareholder
	Financial Reporting Foundation	Statutory body	Present chairman
	Jardine Cycle & Carriage Limited	Investment holding with its subsidiaries principally involved in automotive, financial services, heavy equipment and mining, agribusiness, infrastructure and logistics and information technology as well as mechanical and electrical engineering, real estate and strategic investment in power and water utility infrastructure, and manufacture of cement, concrete and other building materials	Present director
	Kuala Lumpur Kepong Berhad	Producing and processing palm products and natural rubber and property development	Present director and member of the Audit Committee
	Malaysian Resources Corporation Berhad	Investment holding company with its subsidiaries principally involved in property development and investment, building services, environmental engineering, infrastructures and engineering, as well as construction-related activities	Present chairman and both direct and indirect shareholder
	OSK Foundation	Charity foundation	Trustee

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Tan Sri Azlan bin Mohd Zainol (Cont'd)	RHB Bank Berhad	Commercial banking and finance related business and the provision of related services	Present chairman
	Rashid Hussain Berhad (in members' voluntary liquidation)	Former investment holding company for RHB group of companies	Present director
	RHB Capital Berhad (in members' voluntary liquidation)	Investment holding company for RHB group of companies principally involved in commercial banking, Islamic banking, investment banking, stockbroking, leasing, offshore banking, offshore trust services, general insurance, unit trust management, asset management as well as nominee and custodian services	Present non-executive chairman
	RHB Hong Kong Limited (formerly known as RHB Holdings Hong Kong Limited)	Investment holding with its subsidiaries principally involved in dealing in securities and futures contracts, advising on corporate finance, asset management, unit trust management and insurance business	Present director
	RHB Investment Bank Berhad	Investment banking and provision of related services	Present non-executive chairman
	RHB Securities Singapore Pte Ltd (formerly known as DMG & Partners Securities Pte Ltd)	Stockbroking and provision of related services	Present director
	Sogo (KL) Department Store Sdn Bhd	Operations of a department store and related trading activities	Present director
	Yayasan Astro Kasih	Charity foundation	Present chairman and trustee
	Ambang Cita (M) Sdn Bhd (struck off)	Dormant	N/A

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

Director	Companies	Principal activities	Involvement in business activities outside of our Group
Tan Sri Azlan bin Mohd Zainol (Cont'd)	Asian Institute of Chartered Bankers	Professional body	Previous council member <i>(resigned as council member with effect from 21 March 2016)</i>
	Bounty Equity Sdn Bhd	Dormant	Previous director <i>(resigned as director with effect from 17 October 2014)</i>
	EPF	Management of retirement funds under the Retirement Fund Act 2007	Previous CEO <i>(resigned as CEO with effect from 15 April 2013)</i>
	MRCB Foundation	Charity foundation	Previous chairman and trustee <i>(resigned as chairman with effect from 29 April 2013)</i>
	RHB Investment Bank Berhad	Investment banking and provision of related services	Previous director <i>(resigned as director with effect from 9 July 2014)</i>
	Sri Estetika Sdn Bhd	Investment holding	Previous director <i>(resigned as director with effect from 21 January 2014)</i>
Tan Sri Liew	Arca Unggul Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder
	Bima Murni Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder
	Citra Budaya Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder
	Comwell Sdn Bhd	Gaming, betting and numbers forecasting	Present director and direct shareholder
	EW Holdings	Investment holding with its subsidiaries principally involved property investment	Present director

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Tan Sri Liew (Cont'd)	EW Berhad	Property investment and development	Chairman
	EWIPM	Dormant	Present director and direct shareholder
	Gelora Harta Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder
	Gito Gaya Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder
	Gold Concorde Capital Limited	Property investment holding	Present director and both direct and indirect shareholder
	Jernih Padu Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder
	Jupiter Solutions Sdn Bhd	Dormant	Present director and both direct and indirect shareholder
	LKS Properties Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder
	Maya Sepadu Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder
	Meridian Blossom Sdn Bhd	Dormant	Present director and both direct and indirect shareholder
	Premier Etoile Group Ltd	Property investment holding	Present director and both direct and indirect shareholder
	Sakura Gold Sdn Bhd	Dormant	Present director and both direct and indirect shareholder
	Tanjung Inai Sdn Bhd	Property investment holding	Present director and both direct and indirect shareholder

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Tan Sri Liew (Cont'd)	WRYX Assets Sdn Bhd	Land and property investment	Present director and both direct and indirect shareholder
	Aeropod Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 30 April 2014)
	Bandar Setia Alam Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 30 April 2014)
	Bukit Indah (Johor) Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 30 April 2014)
	Golden Klang Valley Sdn Bhd (under members' voluntary liquidation)	Property development	Previous director (resigned as director with effect from 30 April 2014)
	Mudawarni Sdn Bhd (wound-up)	Property development	N/A
	SJ Classic Land Sdn Bhd	Dormant	Previous director (resigned as director with effect from 30 April 2014)
	S P Setia	Building contractors and investment holding	Previous President/CEO (resigned as director with effect from 30 April 2014)
	S P Setia Management Services Sdn Bhd	Investment holding	Previous director (resigned as director with effect from 30 April 2014)
	Setia EcoHill Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 30 April 2014)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Tan Sri Liew (Cont'd)	Setia Indah Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 30 April 2014)
	Setia Promenade Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 30 April 2014)
	BPHCL	Investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Phase 1 Holding Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Phase 2 Holding Company Limited	Investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Phase 3 Holding Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Phase 4 Holding Company Limited	Investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Phase 5 Holding Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Phase 6 Holding Company Limited	Investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Phase 7 Holding Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Tan Sri Liew (Cont'd)	Battersea Power Station Energy Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Land Company Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Development Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Tan Sri Liew (Cont'd)	Battersea Project Phase 2 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Refurbishment Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Residential Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 Development Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Tan Sri Liew (Cont'd)	Battersea Project Phase 3 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 Residential Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 Development Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 Residential Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 5 Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

Director	Companies	Principal activities	Involvement in business activities outside of our Group
Tan Sri Liew (Cont'd)	Battersea Project Phase 5 Development Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 5 Residential Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 Development Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 Residential Company Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Tan Sri Liew (Cont'd)	Battersea Project Phase 7 Development Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 Nominee Company Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 Residential Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Residual Land Company Limited	To manage any pockets of land on the Battersea Power Station redevelopment site that are not explicitly covered in any of the phases	Previous director (resigned as director with effect from 11 September 2015)
	Qinzhou Development (Malaysia) Consortium Sdn Bhd	Investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Bumi Impian Sdn Bhd (struck off)	Dormant	N/A

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Teow	EWIPM	Dormant	Present director and direct shareholder
	Nuvest (M) Sdn Bhd <i>(in the process of striking off)</i>	Dormant	Present director
	BPHCL	Investment holding	Previous director <i>(resigned as director with effect from 11 September 2015)</i>
	BPSDC	Project development management	Previous director <i>(resigned as director with effect from 11 September 2015)</i>
	Battersea Phase 1 Holding Company Limited	Property investment holding	Previous director <i>(resigned as director with effect from 11 September 2015)</i>
	Battersea Phase 2 Holding Company Limited	Investment holding	Previous director <i>(resigned as director with effect from 11 September 2015)</i>
	Battersea Phase 3 Holding Company Limited	Property investment holding	Previous director <i>(resigned as director with effect from 11 September 2015)</i>
	Battersea Phase 4 Holding Company Limited	Investment holding	Previous director <i>(resigned as director with effect from 11 September 2015)</i>
	Battersea Phase 5 Holding Company Limited	Property investment holding	Previous director <i>(resigned as director with effect from 11 September 2015)</i>
	Battersea Phase 6 Holding Company Limited	Investment holding	Previous director <i>(resigned as director with effect from 11 September 2015)</i>

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Teow (Cont'd)	Battersea Phase 7 Holding Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Power Station Energy Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Power Station Estates Limited	Property management services	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Power Station Malaysia Sdn Bhd	Promotion, marketing and other activities related to property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Land Company Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 1 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

Director	Companies	Principal activities	Involvement in business activities outside of our Group
Dato' Teow (Cont'd)	Battersea Project Phase 2 Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Development Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Refurbishment Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 2 Residential Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 Development Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Teow (Cont'd)	Battersea Project Phase 3 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 3 Residential Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 Development Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Teow (Cont'd)	Battersea Project Phase 4 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 4 Residential Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 5 Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 5 Development Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 5 Residential Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 Company Limited	Property development	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 Development Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Teow (Cont'd)	Battersea Project Phase 6 Nominee Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 6 Residential Company Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 Company Limited	Property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 Development Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 GP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 LP Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 Management Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 Nominee Company Limited	Property development and property investment holding	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Phase 7 Residential Company Limited	Dormant	Previous director (resigned as director with effect from 11 September 2015)
	Battersea Project Residual Land Company Limited	To manage any pockets of land on the Battersea Power Station redevelopment site that are not explicitly covered in any of the phases	Previous director (resigned as director with effect from 11 September 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Teow (Cont'd)	Bukit Indah (Perak) Sdn Bhd	Property development	Previous director (resigned as director with effect from 15 June 2014)
	Futurecrest (M) Sdn Bhd	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Greenhill Resources Sdn Bhd	Property investment	Previous director (resigned as director with effect from 2 July 2012)
	Intra Hillside Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 22 August 2012)
	Ivory Streams Sdn Bhd	Property management services	Previous director (resigned as director with effect from 15 June 2014)
	Kesas Kenangan Sdn Bhd	Property development and property investment	Previous director (resigned as director with effect from 2 June 2012)
	Setia EcoHill Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 31 October 2012)
	S P Setia	Building contractors and investment holding	Previous CFO and director (resigned as CFO and director with effect from 15 June 2014)
	S P Setia PMC Sdn Bhd	General management and administration services provider	Previous director (resigned as director with effect from 15 June 2014)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Teow (Cont'd)	S P Setia International (S) Pte Ltd	Promotion, marketing and other activities related to property development	Previous director (resigned as director with effect from 15 June 2014)
	S P Setia Marketing Sdn Bhd	Sale of wood products and building materials	Previous director (resigned as director with effect from 13 June 2014)
	S P Setia DMC Sdn Bhd	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	S P Setia Project Management Sdn Bhd	Project development and project management	Previous director (resigned as director with effect from 15 June 2014)
	Setia (Melbourne) Development Company Pty Ltd	Property development	Previous director (resigned as director with effect from 15 June 2014)
	Setia Australia Limited	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Setia Bac Ninh Limited	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Setia Capital (Vietnam) Limited	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Setia Eco Green Sdn Bhd	Dormant	Previous director (resigned as director with effect from 13 June 2014)
	Setia Eco Glades Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 13 June 2014)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Teow (Cont'd)	Setia Eco Land Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Setia Federal Hill Sdn Bhd	Property development and property investment holding	Previous director (resigned as director with effect from 14 December 2012)
	Setia International Limited	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Setia Jersey Investment Holding Company Limited	Investment holding	Previous director (resigned as director with effect from 5 November 2014)
	Setia Lai Thieu Limited	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Setia Lai Thieu One Member Company Limited	Property development	Previous director (resigned as director with effect from 15 June 2014)
	Setia Land (China) Limited	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Setia Land (Vietnam) Limited	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Setia Myphuoc Limited	Investment holding	Previous director (resigned as director with effect from 15 June 2014)
	Setia Putrajaya Construction Sdn Bhd	Building construction	Previous director (resigned as director with effect from 22 June 2012)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Teow (Cont'd)	Setia Putrajaya Development Sdn Bhd	Property development	Previous director (resigned as director with effect from 22 June 2012)
	Setia Putrajaya Sdn Bhd	Property development, building construction and investment holding	Previous director (resigned as director with effect from 22 June 2012)
	Setia St Kilda (Melbourne) Pty Ltd	Property development	Previous director (resigned as director with effect from 15 June 2014)
	Setia-Wood Industries Sdn Bhd	Prefabrication, installation, sale of wood products and provision of kiln dry services	Previous director (resigned as director with effect from 13 June 2014)
	Setia Saigon East Limited (struck off)	Investment holding	N/A
	Setia D Nine Limited (struck off)	Investment holding	N/A
	Rantau Teguh Sdn Bhd (struck off)	Dormant	N/A
	Tenaga Raya Sdn Bhd	Dormant	Previous director (resigned as director with effect from 15 June 2014)
	KL East Sdn Bhd	Dormant	Previous director (resigned as director with effect from 13 June 2014)
Dato' Seri Ahmad Johan bin Mohammad Raslan	AMMB Holdings Berhad	Banking and financial institution	Present director
	Prima Ekuiti (UK) Limited	Provision of investment management services	Present director
	QPR Holdings Ltd	UK football club	Present director

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Seri Ahmad Johan bin Mohammad Raslan (Cont'd)	KWAP	Management of retirement funds under the Retirement Fund Act 2007	Previous director (resigned as director with effect from 30 June 2012)
	PricewaterhouseCoopers Advisory Services Sdn Bhd	Accounting tax and advisory services	Previous director (resigned as director with effect from 1 July 2012)
	PricewaterhouseCoopers Associates Sdn Bhd	Accounting tax and advisory services	Previous director (resigned as director with effect from 1 July 2012)
	PricewaterhouseCoopers Capital Sdn Bhd	Accounting tax and advisory services	Previous director (resigned as director with effect from 1 July 2012)
	PricewaterhouseCoopers Consulting Sdn Bhd	Accounting tax and advisory services	Previous director (resigned as director with effect from 1 July 2012)
	PricewaterhouseCoopers Malaysia Holdings Sdn Bhd	Accounting tax and advisory services	Previous director (resigned as director with effect from 1 July 2012)
	PricewaterhouseCoopers Taxation Services Sdn Bhd	Accounting tax and advisory services	Previous director (resigned as director with effect from 1 July 2012)
	PricewaterhouseCoopers WMS (Malaysia) Sdn Bhd	Accounting tax and advisory services	Previous director (resigned as director with effect from 29 June 2012)
	Putrajaya Corporation	Managing and administering Federal Territory of Putrajaya	Previous director (resigned as director with effect from 30 June 2012)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Siow Kim Lun @ Siow Kim Lin	Citibank Berhad	Banking and financial related services	Present director and member of the Audit Committee
	Eita Resources Berhad	Design and installation of elevator systems, manufacturing of bus ducts and marketing and distribution of electrical and electronic components	Present chairman, member of the Audit Committee and direct shareholder
	HLA Holdings Sdn Bhd	Investment holding and subsidiaries are engaged in insurance business	Present director
	Hong Leong Assurance Berhad	Provision of life insurance	Present director and Chairman of the Audit and Risk Management Committee
	KWAP	Management of retirement funds under the Retirement Fund Act 2007	Present director and member of the Audit Committee
	MainStreet Advisers Sdn Bhd	Provision of corporate finance advisory services	Present director and direct shareholder
	Sunway Construction Group Berhad	Provision of construction services and the manufacture and sale of precast concrete products	Present director and Chairman of the Audit Committee
	UMW Holdings Berhad	Investment holdings with core businesses in automotive, equipment, manufacturing and engineering and oil and gas	Present director and Chairman of the Audit Committee
	UMW M&E Sdn Bhd	Investment holdings and subsidiaries are engaged in the manufacturing of auto components	Present director
	UMW Petropipe (L) Ltd	Investment holding and subsidiaries are engaged in pipes manufacturing	Present director

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Dato' Siow Kim Lun @ Siow Kim Lin (Cont'd)	UMW Technologies Sdn Bhd	Investing in technology companies and provision of information technology services	Present director
	UMW Malaysian Ventures Sdn Bhd	Investment holding	Previous director (resigned as director with effect from 21 January 2013)
	UMW Oil & Gas Corporation Berhad	Drilling and oilfield services for the upstream sector of the oil and gas industry	Previous director (resigned as director with effect from 2 May 2013)
	WZ Satu Berhad	Manufacturing of cold drawn steel rods and trading of steel products and construction	Previous director (resigned as director with effect from 13 February 2015)
Cheah Tek Kuang	ARA Managers (Harmony III) Sdn Bhd	Investment and fund management services	Present director
	Berjaya Sports Toto Berhad	Investment holding company for toto and numbers forecasting	Present chairman and indirect shareholder
	IOI Corporation Berhad	Investment holding and the cultivation of oil palm and processing of palm oil	Present director and indirect shareholder
	Malaysian Institute of Art	Art education provider	Present director
	Malaysia Nuclear Power Corporation	Study on nuclear power programme	Present director
	MIA Enterprise Sdn Bhd	Art education provider	Present director
	MOL Global, Inc.	Investment holding involves Internet media, e-commerce, utilising Internet-connected physical outlets as e-distribution and e-payment centres and the provision of e-solution services	Present director
Sports Toto Malaysia Management Pte Ltd	Asset management	Present director	

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Cheah Tek Kuang (Cont'd)	UMW Oil & Gas Corporation Berhad	Drilling and oilfield services for the upstream sector of the oil and gas industry	Present director and both direct and indirect shareholder
	Yayasan Bursa Malaysia	Provide funds or support to Malaysian individuals and organisations by way of scholarships, grants, donations and other forms of financial assistance for educational, research and charitable purpose	Governor
	Am ARA REIT Holdings Sdn Bhd	Investment holding in management company of Real Estate Investment Trusts	Previous director (resigned as director with effect from 1 April 2013)
	Am ARA REIT Managers Sdn Bhd	Management of Real Estate Investment Trust and properties	Previous director (resigned as director with effect from 1 April 2013)
	AMAB Holdings Sdn Bhd	Investment holding in insurance companies	Previous director (resigned as director with effect from 12 July 2012)
	AmBank (M) Berhad	Financial institution	Previous director (resigned as director with effect from 13 October 2015)
	AmBank AmIslamic Bank Berhad	Financial institution	Previous director (resigned as director with effect from 13 October 2015)
	AmCapital (B) Sdn Bhd	Fund management	Previous director (resigned as director with effect from 1 August 2012)
	AmFraser International Pte Ltd	Investment holding in stock and stockbroking companies in Singapore	Previous director (resigned as director with effect from 6 August 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Cheah Tek Kuang (Cont'd)	AmFraser Securities Pte Ltd	Stockbroking	Previous director (resigned as director with effect from 30 January 2015)
	AmGeneral Holdings Berhad	Investment holding in general insurance company	Previous director (resigned as director with effect from 1 April 2013)
	AmGeneral Insurance Berhad	Underwriting of general insurance business	Previous director (resigned as director with effect from 1 April 2013)
	AmInvestment Bank Berhad	Financial institution	Previous director (resigned as director with effect from 20 October 2015)
	AmInvestment Group Berhad	Investment holding in fund management, private equity, venture company, holding company of Manager of Real Estate Investment Trusts	Previous director (resigned as director with effect from 12 July 2012)
	AmInvestment Management Sdn Bhd	Asset management	Previous director (resigned as director with effect from 1 April 2013)
	AMMB Holdings Berhad	Investment holding in banking, holding company of insurance companies and other financial related services	Previous Group Managing Director (resigned as director with effect from 2 April 2012)
	AmMetLife Insurance Bhd	Underwriting of life insurance business	Previous director (resigned as director with effect from 1 April 2013)
	AmMetLife Takaful Berhad	Takaful business	Previous director (resigned as director with effect from 1 April 2013)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

<u>Director</u>	<u>Companies</u>	<u>Principal activities</u>	<u>Involvement in business activities outside of our Group</u>
Cheah Tek Kuang (Cont'd)	AmWater Investments Management Pte Ltd	(i) Business of raising and managing institutional funds	Previous director (resigned as director with effect from 28 June 2013)
		(ii) Business management and consultancy services	
	Bursa Malaysia Berhad	Exchange holding company	Previous director (resigned as director with effect from 28 March 2013)
	Cagamas Holdings Berhad	Provides various financial services in Malaysia. It is engaged in the purchase of loans, and hire purchase and leasing debts, and issuance of bonds and notes to finance the purchases	Previous director (resigned as director with effect from 31 May 2016)
	Danajamin Nasional Berhad	Provides financial guarantees to enable financially viable companies access to the private debt securities markets to obtain financing	Previous director (resigned as director with effect from 19 May 2016)
	Financial Park (Labuan) Sdn Bhd	Property holding and property development	Previous director (resigned as director with effect from 30 October 2015)
	PT AmCapital Indonesia	Stockbroking and investment banking	Previous board of commissioner (resigned as board of commissioner with effect from 22 April 2015)

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

10.1.4 Involvement of our Directors in other businesses or corporations which carry on a similar trade as that of our Group or which are our customers and/or suppliers

Save as disclosed below, as at the LPD, none of our Directors have any interest, direct or indirect, in other businesses or corporations which are (i) carrying on a similar trade as that of our Group, or (ii) our customers and/or suppliers.

Director	Businesses/ Corporations	Principal activities	Nature of interest	% shareholding	
				Direct	Indirect
Tan Sri Azlan bin Mohd Zainol	<i>Similar trade as that of our Group</i>				
	EW Berhad	Property investment and development	Direct shareholding interest	0.05	-
	Malaysian Resources Corporation Berhad	Investment holding company with its subsidiaries principally involved in property development and investment, building services, environmental engineering, infrastructure and engineering, as well as construction-related activities	Non-Executive Chairman and both direct and indirect shareholding interest	(1)	(1)
	Kuala Lumpur Kepong Berhad	Producing and processing palm products and natural rubber and property development	Non-Executive Director	-	-
	Saujana Prima Development Sdn Bhd	Property development	Direct shareholding interest	20.00	-
Tan Sri Liew	<i>Similar trade as that of our Group</i>				
	EW Berhad	Property investment and development	Non-Executive Chairman	-	-
Dato' Teow	<i>Similar trade as that of our Group</i>				
	EW Berhad	Property investment and development	Direct shareholding interest	0.24	-

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

Director	Businesses/ Corporations	Principal activities	Nature of interest	% shareholding	
				Direct	Indirect
Dato' Siow Kim Lun @ Siow Kim Lin	<i>Similar trade as that of our Group</i> Sunway Construction Group Berhad	Provision of construction services and the manufacture and sale of precast concrete products	Non-Executive Director and Chairman of the Audit Committee	-	-

Note:

(1) *Less than 0.01%.*

Our Directors are of the view that the interests held by Tan Sri Azlan bin Mohd Zainol, Tan Sri Liew, Dato' Teow and Dato' Siow Kim Lun @ Siow Kim Lin in other businesses or corporations which carry on similar trade as that of our Group do not give rise to any conflict of interest situation with the business currently held and pursued by our Group as the abovementioned companies are predominantly involved in property development in Malaysia and our Directors are not involved in the day-to-day operations of the abovementioned companies. On matters or transactions requiring the approval of our Board, our Directors who are deemed interested or conflicted in such matters shall be required to abstain from deliberations and voting on the resolutions relating to these matters or transactions.

We intend to implement the following mechanism and control to address any future potential conflict of interest situation relating to the interest of our Directors in other businesses or corporations which carry on similar trade as that of our Group, i.e. property development outside Malaysia:

- (i) our Directors will be required to immediately disclose their direct and indirect interests in any businesses or corporations which carry on similar trade as that of our Group;
- (ii) our Directors will be required to immediately inform our Board in respect of any matters or transactions to be entered into by our Group, including future land acquisitions or property developments or joint venture for property developments outside Malaysia, which will give rise to a conflict of interest situation arising from the interest of such Directors and/or persons connected to them in other businesses or corporations which carry on similar trade as that of our Group. Upon such disclosure, our interested Directors shall be required to abstain from deliberation and voting on the resolutions relating to those matters or transactions; and
- (iii) our Audit Committee, comprising entirely of Independent Directors, will also evaluate, supervise and monitor any conflict of interest or potential conflict of interest situation that may arise.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

10.1.5 Audit Committee

Our Audit Committee was established by our Board on 12 September 2014. Our Audit Committee currently comprises the following members, all of whom are Independent Non-Executive Directors:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Dato' Seri Ahmad Johan bin Mohammad Raslan	Chairman	Independent Non-Executive Director
Tan Sri Azlan bin Mohd Zainol	Member	Chairman/Senior Independent Non-Executive Director
Dato' Siow Kim Lun @ Siow Kim Lin	Member	Independent Non-Executive Director

The duties and functions of our Audit Committee comprise, among other things, the following:

- (i) review our Company's quarterly results and year-end financial statements before submission to our Board, focusing particularly on:
 - (a) changes in or implementation of major accounting policy changes;
 - (b) significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions and how these matters are addressed;
 - (c) the going concern assumption; and
 - (d) compliance with accounting standards and other legal requirements;
- (ii) review with the external auditors the following and report the same to our Board:
 - (a) audit plan;
 - (b) audit report; and
 - (c) evaluation of internal controls system;
- (iii) review the following and report the same to our Board:
 - (a) the assistance given by the employees to the external auditors;
 - (b) the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its work; and
 - (c) the internal audit programme, processes, the results of the internal audit programme, processes of investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
- (iv) review and report to our Board any related party transaction and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity;

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

- (v) recommend to our Board the appointment or re-appointment of the external auditors and any issues regarding resignation and dismissal of the external auditors and if applicable, to review and report to our Board any letter of resignation from the external auditors; and
- (vi) carry out any other function that may be mutually agreed upon by our Audit Committee and our Board.

10.1.6 Nomination Committee

Our Nomination Committee was established by our Board on 12 September 2014. Our Nomination Committee currently comprises the following members, all of whom are Independent Non-Executive Directors:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Tan Sri Azlan bin Mohd Zainol	Chairman	Chairman/Senior Independent Non-Executive Director
Cheah Tek Kuang	Member	Independent Non-Executive Director
Dato' Siow Kim Lun @ Siow Kim Lin	Member	Independent Non-Executive Director

Our Nomination Committee undertakes, among other things, the following functions:

- (i) identify and nominate, for the approval of our Board, candidates to fill Board vacancies as and when they arise. In making the recommendations, our Nomination Committee will also consider candidates proposed by the CEO, and within the bounds of practicability, by any other senior management, Director or shareholder.

In making its recommendations, our Nomination Committee shall assess and consider the following attributes of the candidates or factors:

- (a) skills, knowledge, expertise and experience;
 - (b) professionalism;
 - (c) commitment (including time commitment) to effectively discharge his/her role as a Director;
 - (d) contribution and performance;
 - (e) background, character, integrity, and competence;
 - (f) in the case of candidates for the position of Independent Non-Executive Directors, our Nomination Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors; and
 - (g) boardroom diversity including gender, age and ethnicity diversity;
- (ii) make recommendations to our Board for the appointment of the Chairman, CEO and Senior Independent Director, including an assessment of the time commitment expected and recognising the need for availability in the event of crisis;

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

- (iii) review and define orientation and induction plans for new Directors;
- (iv) develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors;
- (v) recommend to our Board, Directors to fill the seats on board committees;
- (vi) assess the training needs of each Director and review the fulfilment of such training;
- (vii) review our Board's succession plans and make recommendations to our Board on succession planning policy for management;
- (viii) review the Directors' continuing education programmes;
- (ix) review annually:
 - (a) the required mix of skills, experience and other qualities of our Board, including core competencies which Non-Executive Directors should bring to our Board;
 - (b) the effectiveness of our Board as a whole, the board committees and the contribution of each individual Director including his time commitment, character, experience and integrity. All assessments and evaluations carried out by our Nomination Committee in the discharge of all its functions shall be properly documented;
 - (c) the term of office and performance of the Audit Committee and each of its members to determine whether they have carried out their duties in accordance with their terms of reference;
 - (d) the character, experience, integrity and competence of Directors, CEO and CFO and to ensure they have time to discharge their respective roles; and
 - (e) the independence of its Independent Directors;
- (x) establish a set of quantitative and qualitative performance criteria to evaluate the performance of each member of our Board;
- (xi) recommend the re-appointment of any Non-Executive Director at the conclusion of his or her specified term of office, re-election of any director under the retirement by rotation provisions in our Constitution;
- (xii) consider the size and balance of our Board with a view to determine the impact of the number upon our Board's effectiveness and recommend it to our Board; and
- (xiii) review, at least once a year, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to our Board for approval.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

10.1.7 Remuneration Committee

Our Remuneration Committee was established by our Board on 12 September 2014. Our Remuneration Committee currently comprises the following members, of whom a majority of them are Independent Non-Executive Directors:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Dato' Siow Kim Lun @ Siow Kim Lin	Chairman	Independent Non-Executive Director
Tan Sri Liew	Member	Executive Vice Chairman
Cheah Tek Kuang	Member	Independent Non-Executive Director

Our Remuneration Committee undertakes, among other things, the following functions:

- (i) determine and recommend to our Board the general remuneration policy for Executive Directors and Non-Executive Directors, including Chairman, and senior management including CEO and CFO;
- (ii) review, at least once a year, its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to our Board for approval;
- (iii) review the remuneration package for the Non-Executive Directors and the committees to be aligned with their responsibilities and contributions;
- (iv) the determination of remuneration packages of Executive Directors and Non-Executive Directors, including Chairman, should be a matter for our Board as a whole where the individuals concerned shall abstain from discussion of their own remuneration;
- (v) align remuneration arrangements that focus on senior management achieving long-term business objectives and growth in shareholders' wealth through formulation of incentive arrangements, including key performance indicators and performance hurdles;
- (vi) communicating with shareholders on executive remuneration, where necessary; and
- (vii) recommend the engagement of external professional advisors to assist and/or advise our Remuneration Committee, on remuneration matters, where necessary.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

10.1.8 Risk Management Committee

Our Risk Management Committee was established by our Board on 12 September 2014. Our Risk Management Committee currently comprises the following members, of whom a majority of them are Independent Non-Executive Directors:

<u>Name</u>	<u>Designation</u>	<u>Directorship</u>
Cheah Tek Kuang	Chairman	Independent Non-Executive Director
Tan Sri Azlan bin Mohd Zainol	Member	Chairman/Senior Independent Non-Executive Director
Dato' Teow	Member	Executive Director/President and CEO

Our Risk Management Committee undertakes, among other things, the following functions:

- (i) review the adequacy and integrity, including effectiveness, of risk management and internal control systems, management information system, and the internal auditors' and/or external auditors' evaluation of the said systems and assess the resources and knowledge of the management and employee involved in the risk management process;
- (ii) review the risk profile of our Group (including risk registers) and the risk management team's plans to mitigate business risks as identified from time to time;
- (iii) review the effectiveness of internal control systems deployed by the management to address those risks;
- (iv) review and recommend the corrective measures undertaken to remedy failings and/or weakness;
- (v) review and recommend risk management strategies and policies;
- (vi) review and assess adequacy of risk management policies and framework in identifying, measuring, monitoring and controlling risk and the extent to which these are operating effectively;
- (vii) ensure adequate infrastructure, resources and systems are in place for risk management;
- (viii) review periodic reports from the management on risk exposure, risk portfolio composition and risk management activities;
- (ix) review and recommend new policies or changes to policies, and to consider their risk implications;
- (x) review the impact of risk on capital adequacy and profitability under normal and stress scenarios;
- (xi) review and evaluate the various processes and systems engaged by our Group and to ensure that they are conducted within the standards and policies as set by our Board;

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

- (xii) assess the adequacy of the business recovery/disaster recovery procedures;
- (xiii) monitor our Group's health, safety and environment performance; and
- (xiv) oversee our Group's internal control structure to ensure operational effectiveness and efficiency, reduce risk of inaccurate financial reporting, protect our Group's assets from misappropriation and encourage legal and regulatory compliance.

10.1.9 Remuneration of our Directors

The aggregate remuneration and benefits paid and proposed to be paid to our Directors for services rendered in all capacities to our Group for the FYE 31 October 2016 and estimated for the FYE 31 October 2017 respectively, are as follows:

Director	Remuneration band	
	For the FYE 31 October 2016	For the FYE 31 October 2017
	(Actual)	(Estimate)
Tan Sri Azlan bin Mohd Zainol	RM200,001 – RM250,000	RM200,001 – RM250,000
Tan Sri Liew	-	RM4,650,001 – RM4,700,000*
Dato' Teow	RM3,150,001 - RM3,200,000 [#]	RM6,050,001 – RM6,100,000
Dato' Seri Ahmad Johan bin Mohammad Raslan	RM200,001 – RM250,000	RM200,001 – RM250,000
Dato' Siow Kim Lun @ Siow Kim Lin	RM200,001 – RM250,000	RM200,001 – RM250,000
Cheah Tek Kuang	RM200,001 – RM250,000	RM200,001 – RM250,000

Notes:

* *Tan Sri Liew's estimated remuneration includes salaries, bonus and such other allowances as well as other benefits to be paid from April 2017 (i.e. upon completion of our Listing) onwards.*

Dato' Teow's remuneration paid from January 2016 to October 2016.

The remuneration of our Directors which includes salaries, Directors' fees, bonus and such other allowances, must be considered and recommended by our Remuneration Committee and subsequently approved by our Board. Under the Act, our Directors' fees and benefits payable must be further approved/endorsed by our shareholders at a general meeting.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

10.2 KEY MANAGEMENT

Our key management is responsible for our day-to-day management and operations. Our key management consists of experienced personnel in charge of matters related to, among other things, corporate and business development and finance.

The members of our key management as at the date of this Prospectus are set out below:

Key management	Nationality	Age	Designation
Tan Sri Liew	Malaysian	59	Executive Vice Chairman
Dato' Teow	Malaysian	59	Executive Director/President and CEO
Melissa Tan Swee Peng	Malaysian	44	CFO
Tan Cheng Yong	Malaysian	61	Chief of Design and Planning
Norhayati binti Subali	Malaysian	53	Chief of Sales and Marketing
Cheong Heng Leong	Malaysian	37	CEO, International Business (United Kingdom)
Yap Foo Leong	Australian	59	CEO, International Business (Australia)

The management and operations of our Group is led by Dato' Teow, our Executive Director/President and CEO.

10.2.1 Profiles of our key management

For the profile on Tan Sri Liew and Dato' Teow, please refer to Sections 10.1.1(ii) and (iii) of this Prospectus.

- (i) **Melissa Tan Swee Peng**, a Malaysian aged 44, is our CFO. She graduated from the University of Luton, UK in 1997 with a degree in accounting. She has more than 18 years of experience in corporate financial management with nine years in the real estate sector, six years in investment banking and three years in internal audit.

Melissa Tan Swee Peng started her career in 1997 with the internal audit department of Sunway Holdings Berhad (*now known as Sunway Berhad*) ("**Sunway**"). Her role involved identification of risks and evaluation of processes and controls within the Sunway group's real estate and hospitality divisions for reporting to its board of directors. In 2001, she joined the corporate finance department of Aseambankers Malaysia Berhad (*now known as Maybank IB*). During her six-year tenure in Maybank IB, she was involved in various corporate transactions specialising in mergers and acquisitions, take-overs and equity fund raising activities.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

Melissa Tan Swee Peng subsequently joined S P Setia in 2007 as a Senior Manager within the corporate finance department. She was the primary person assisting the Head of Corporate Finance and thereafter the CFO of S P Setia in the implementation of S P Setia's financial strategies which included elements of corporate planning, capital market transactions, risk management and regulatory compliance. At S P Setia, Melissa Tan Swee Peng played a direct role in securing regulatory approvals and advising on corporate finance related matters, including when S P Setia ventured into Australia and the UK in 2010 and 2012, respectively. She was also an active contributor in various analyst and investor relations programmes relating to corporate transactions undertaken by S P Setia. In 2013, she was promoted to Head of Corporate Finance overseeing corporate financial planning for the S P Setia group where she anchored the equity and debt capital market functions along with the regulatory compliance on corporate finance matters.

In April 2014, Melissa Tan Swee Peng joined EW Berhad as the Head of Corporate Finance primarily responsible for the EW Berhad Group's corporate financial planning. Her in-depth experience in executing large corporate exercises and her strong relationship with financial institutions enabled her to lead all of EW Berhad's corporate debt funding and project financing transactions. Within a span of about two years, Melissa Tan Swee Peng spearheaded the implementation of six major corporate transactions involving acquisitions and joint venture arrangements, which enabled the EW Berhad Group to increase its landbank from 1,017 acres in 2013 to 7,443 acres by 31 October 2015, and facilitated a RM2.8 billion equity fund raising for its growth and expansion plans.

Currently, Melissa Tan Swee Peng oversees the corporate and finance related matters as the CFO of our Company.

- (ii) **Tan Cheng Yong**, a Malaysian aged 61, is our Chief of Design and Planning. He graduated with a Bachelor of Arts in Architecture and Diploma in Architecture from Leeds Polytechnic (now known as Leeds Metropolitan University), U.K. in 1980 and 1984 respectively. These credentials are equivalent to the Royal Institute of British Architects ("RIBA") Part I and Part II qualifications. He then took his final qualifying examination for the RIBA Part III qualification at the Polytechnic Central London and has been a chartered member of the RIBA since 1985.

He has more than 30 years of experience in the property industry with more than eight years and more than 22 years in architecture and property development, respectively.

Tan Cheng Yong began his professional working life in 1984, where he spent eight years as an architect in the U.K. He worked with the Greater London Council for two years, Michael Haskoll Associates for a year and Chapman Taylor Partners for five years, specialising in general architecture designing and detailing, contract administration as well as preparation of design and working drawings for various types of buildings such as schools, sports halls and shopping centres.

In 1992, he returned to Malaysia to join the Lion Group as General Manager for its Commercial and Integrated Developments Division. He was responsible for overseeing the division's operational performance, including among others, overseeing project design concepts and implementation, sourcing new land banks and new business opportunities as well as planning the sales and marketing of the projects. As the General Manager for that division, he was instrumental in ensuring the success of the entire operational

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

process within the property development value chain for the following developments:

- (a) shopping malls totalling 7.39 million sq. ft. such as Mahkota Parade mall, Ipoh Parade mall, Klang Parade mall and Gateway Parade mall;
- (b) hotels, namely Century Hotel Kuala Lumpur, which comprises a total of about 400 rooms, Mahkota Hotel Malacca with 600 apartments and Komtar 3, Penang which comprises 300 rooms;
- (c) serviced apartments, namely the 2.2-acre The Twins @ Damansara Heights, the seven-acre St Mary's Residences, Kuala Lumpur, 3.5-acre of Saujana Residency, Kuala Lumpur and 2.1-acre One Residency, Kuala Lumpur;
- (d) office tower such as the 750,000 sq ft of Lion Group headquarters (now known as Menara Citibank); and
- (e) mixed development, namely the Bandar Bukit Mahkota development located in Bangi, Selangor which comprises about 1,000 acres of residential township and about 300 acres of commercial township.

Thereafter, he joined S P Setia as a Project Director in 2011 and was later promoted to the position of Senior Project Director in 2012. He oversaw the execution of the KL Eco City project, S P Setia's first integrated mixed commercial and residential development in Malaysia anchored by commercial offices, retail outlets, serviced apartments and residential towers. He also led a team in conceptualising the development master plan for the 52-acre tract of prime development land in Bangsar for S P Setia's proposed Setia Federal Hill project, which include residential units, office and shopping space, hotels, a 5-acre park and a performing arts centre.

In addition, he was appointed by BPSDC to be one of the three members of the tender committee in 2012. As a member of the tender committee, he oversaw the technical aspects of the Battersea Power Station project such as procurement and technical due diligence. He was also the Chief Design Review Officer of BPSDC responsible for overseeing the project design and product development of all its development phases.

Currently, he oversees four international projects as the Chief of Design and Planning in EWI for London City Island Phase 2, Embassy Gardens Phase 2, Wardian London and West Village, Parramatta projects.

- (iii) **Norhayati binti Subali**, a Malaysian aged 53, is our Chief of Sales and Marketing. She graduated with a Bachelor of Science (Hons) degree in Urban Estate Management from Liverpool Polytechnic, U.K. in 1987. She has more than 20 years of experience in sales and marketing of property development projects, both locally and internationally.

Upon graduation in 1987, she joined Juru Bena Tenaga Sdn Bhd as a Marketing Executive and left in 1990 to join SKJ as an Assistant Manager, Sales and Marketing.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

When SKJ was injected into S P Setia via a reverse take-over in 1995, she was promoted to the position of Assistant General Manager, Property Central, a position she held until 2002. During her tenure as the Assistant General Manager, Property Central, she oversaw S P Setia's Bukit Indah Ampang and Pusat Bandar Puchong projects in the Klang Valley from inception to handing over of vacant possession.

She was later promoted to the position of General Manager, Property Central and held that position for seven years. She was responsible for master planning, marketing, sales and implementation of the Setia Alam project in Shah Alam as well as quality control. Norhayati binti Subali and her team coined S P Setia's tagline of 'Live Learn Work Play', which has been widely used as S P Setia's development philosophy. She also led and implemented numerous initiatives which successfully widened Setia Alam's customer base by attracting prospective purchasers to travel to the project site to discover the then new township.

Norhayati binti Subali was promoted to Divisional General Manager, Luxury Residences and Group Marketing in 2009. In this role, she oversaw the marketing of S P Setia's high-end luxury high-rise condominium known as "Setia Sky Residences" in Kuala Lumpur. She was primarily responsible for the planning, marketing, sales and project implementation of two blocks of "Setia Sky Residences", which was launched in 2009.

Under her leadership, S P Setia also launched an innovative home ownership campaign, '5/95 Home Loan Package', which significantly increased sales for the S P Setia group following a downturn in property market sentiment during the global financial crisis.

She was promoted to the position of Divisional General Manager, Group Marketing and International Properties in 2012. Her role included planning and implementation of marketing and sales strategies for the S P Setia group's Marketing and International Properties Division as well as overseeing the brand building of S P Setia, approving marketing collaterals and ensuring the alignment of the S P Setia's brand in new overseas markets.

With S P Setia's venture into overseas markets such as Australia and U.K., Norhayati binti Subali was actively involved in the marketing campaigns of the S P Setia group's international properties not only in Malaysia but also in the region. She led the team that researched and identified development features that would be attractive to Malaysian investors in Australia and the U.K. This research was then taken into consideration in planning for S P Setia's overseas projects such as Fulton Lane and Parque Melbourne in Melbourne, Australia and Battersea Power Station project in London, U.K.

Her position also required her to lead and supervise a team in providing post-sales (such as leasing and sub-sale of units) and customer liaison services to Malaysian and Singaporean buyers of S P Setia's overseas projects. She led the team which was responsible in setting up the Setia International Centre located in Kuala Lumpur. Setia International Centre acts as a one-stop service centre, including providing after sales services to the Malaysian customers for their overseas property investments with S P Setia.

She was appointed as Managing Director of Battersea Power Station Malaysia Sdn Bhd in 2012. In this capacity she was primarily responsible for coordinating the global sales launches of the Battersea Power Station project, which took place in London, Kuala Lumpur, Singapore and Hong Kong.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

As EWI's Chief of Sales and Marketing she is responsible for the development of the marketing strategies and execution of the sales programmes for our four international projects namely the London City Island Phase 2, Embassy Gardens Phase 2, Wardian London and West Village, Parramatta projects.

- (iv) **Cheong Heng Leong**, a Malaysian aged 37, is our CEO, International Business (United Kingdom). He graduated from the University of Oxford with a Bachelor of Arts in Economics and Management in 2003. He also holds a Masters in Real Estate Economics and Finance, which he obtained from the London School of Economics and Political Science in 2005.

He has been in the property industry for nearly ten years, with more than five years of experience within the U.K. property market.

In 2006, he joined the Investor Relations department of S P Setia, which had a market capitalisation of RM2.7 billion at the time. Working alongside the CEO and CFO of the company, he was responsible for liaising with local and foreign analysts and fund managers through one-on-one meetings, conferences and roadshows in Malaysia, Singapore, Hong Kong, Thailand, Japan, the United States and the U.K. He was ranked 3rd and 2nd in the Malaysian Investor Relations Association Awards for *Best Investor Relations Professional – Mid Cap* in 2010 and 2011 respectively. In addition to his investor relations responsibilities, he also assisted the Business Development team in negotiating rental terms with Starbucks, KFC and Pizza Hut for their respective drive-thru premises in the S P Setia group's flagship Setia Alam township; and carried out financial feasibility studies on various other development sites within Malaysia.

He was tasked with additional responsibilities in 2011 and asked to look for suitable residential development opportunities in the U.K. He was responsible for helping the Malaysian consortium of S P Setia, Sime Darby Berhad and EPF in identifying and subsequently acquiring the development site for the GBP8 billion GDV Battersea Power Station project in Central London. Working under the leadership of Dato' Teow, he was the 'point-man' responsible for the day-to-day management of the extensive due diligence team of bankers, lawyers, accountants, property and technical consultants; and on behalf of the consortium managed the entire acquisition process which took more than nine months to complete. The thoroughness of the exercise gave the consortium members the confidence to submit an unconditional bid of GBP400 million for the site and ultimately enabled the Malaysians to trump other offers from some of the largest U.K. developers and richest families in the world, despite reports that the Malaysian bid was not the highest in terms of value.

Following the successful acquisition of Battersea Power Station, he was triple-promoted by S P Setia in 2012 to General Manager, Property U.K., making him the fastest-promoted and youngest general manager in the company at the point of time. In recognition of the project knowledge that he had amassed, he was subsequently nominated by S P Setia, Sime Darby Berhad and EPF and seconded in 2012 to serve as the Chief Strategic Relations Officer of the U.K.-based BPSDC, reporting directly to the Chairman. His responsibilities included helping the Chairman to oversee the day-to-day development management of the project, and corporate and strategic planning.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

He resigned from S P Setia in September 2015 to join EW Management as CEO, International Business (United Kingdom). Based in London, his main responsibilities include identifying new real estate opportunities for our Company, and overseeing the implementation of the joint-venture development with Ballymore on behalf of the joint venture's majority shareholders.

- (v) **Yap Foo Leong**, an Australian aged 59, is our CEO, International Business (Australia). He holds a professional qualification from the Chartered Institute of Management Accountants in U.K. and also a Diploma in Business (Real Estate Management) from Macleay College and is a registered Licensed Real Estate Agent (LREA) in Australia.

He first started work in 1981 with the Hong Leong group of companies in Malaysia and held various positions in different Hong Leong companies from 1981 to 1987, including stints in the Trading and Management Divisions before being transferred to Hume Industries (M) Berhad as its Senior Accountant in 1987. His key functions included group treasury management, group accounts and corporate finance. His last posting was in Hume Fibreboard Sdn Bhd as the Finance Manager until he left to join Gamuda Berhad in 1993. In Gamuda Berhad, he was mainly involved in group finance, accounting and audit work besides handling fund managers and investor relations. In year 2000, he was transferred to Syarikat Pengeluar Air Sungai Selangor (SPLASH) as the Senior Manager, Finance. One of the main tasks was to secure funding for the concessionaire for the construction of the Sungai Selangor dam.

In early 2001, he migrated to Australia where he joined Dealruby Pty Ltd which is part of the Richbout group as a Director overseeing the entire spectrum of the group's business, mainly in property development and management. For one of the bigger projects that was the award winning Moore Park Gardens and he managed to increase the rent roll from 150 units to 300 units thereby ensuring a steady stream of income for the company. Besides property management, he also implemented projects and was involved in activities from site identification, feasibility studies, obtaining approvals from the authorities, loan approvals from the banks, managing consultants and appointment of builders, successful marketing of properties and controlling of overall cost and quality. One of the notable projects implemented was in Mosman, Sydney where 13 bungalows each costing AUD three to four million overlooking the Balmoral beach were built. Each of these bungalows was crafted based on different concepts and designs to suit individual taste. The site constraint meant that careful planning and appropriate construction methods had to be adopted. Another notable project was in Maroubra, Sydney, where he sourced the site and managed to obtain bank financing despite tough borrowing conditions post the global financial crisis. This was achieved after having secured more than 70% pre-sales for the apartments during launch.

He left Dealruby Pty Ltd in July 2014 and joined EW Sydney Development as the CEO, International Business (Australia). He was instrumental in identifying the West Village, Parramatta project and conducted due diligence on the site. His main responsibility is to identify new projects and expand the Eco World International brand as well as to build the ECOWORLD team in Australia. He also oversees the overall operations of the West Village, Parramatta project.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTOR (Cont'd)

10.2.2 Shareholdings of our key management

The following table sets out the direct and indirect shareholdings of each of our key management before and after the IPO (assuming full subscription of the IPO Shares and full exercise of the Warrants allocated to our key management in their capacity as the Eligible EWI Persons):

Key management	Before the IPO			After the IPO ⁽¹⁾			Assuming full exercise of Warrants			
	Direct	Indirect		Direct	Indirect		Direct	Indirect		
	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	% ⁽²⁾	No. of Shares	No. of Shares	% ⁽³⁾	
Tan Sri Liew	246,540,798	-	99.9	246,540,798	2,500,000 ⁽⁴⁾	10.3	345,157,117	3,500,000 ⁽⁴⁾	10.3	0.1 ⁽⁴⁾
Dato' Teow	-	-	-	15,000,000	-	0.6	21,000,000	-	0.6	-
Melissa Tan Swee Peng	-	-	-	3,000,000	-	0.1	4,200,000	-	0.1	-
Tan Cheng Yong	-	-	-	3,000,000	-	0.1	4,200,000	-	0.1	-
Norhayati binti Subali	-	-	-	3,000,000	-	0.1	4,200,000	-	0.1	-
Cheong Heng Leong	-	-	-	3,000,000	-	0.1	4,200,000	-	0.1	-
Yap Foo Leong	-	-	-	3,000,000	-	0.1	4,200,000	-	0.1	-

Notes:

- (1) Excludes IPO Shares they may subscribe for under the Retail Offering to the Malaysian Public and the Restricted Offering, if applicable, as well as any excess IPO Shares that they may subscribe for under the allocation to the Eligible EWI Persons.
- (2) Based on our enlarged issued and paid-up share capital of 2,400,000,000 Shares.
- (3) Based on our enlarged issued and paid-up share capital of 3,360,000,000 Shares assuming the full exercise of the Warrants.
- (4) Deemed interested under Section 59 of the Act by virtue of and on the assumption of full subscription of the IPO Shares and full exercise of the Warrants allocated to his son, Liew Tian Xiong in his capacity as an Eligible EW Berhad Person but excluding any IPO Shares that his spouse, Puan Sri Datin Sri How Teng Teng and Liew Tian Xiong may subscribe for under the Retail Offering to the Malaysian Public and the Restricted Offering.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

10.2.3 Involvement of our Executive Director and key management in other businesses or corporations

Save as disclosed in Section 10.1.3 of this Prospectus, as at the LPD, none of our Executive Directors or our key management is involved in other principal business activities outside our Group.

The involvement of our Executive Directors in other principal business activities outside our Group as highlighted in Section 10.1.3 of this Prospectus are not expected to affect their contribution to our Group as our Executive Directors are not actively involved in the management and day-to-day operations of these business and/or corporations as their involvement relates to an oversight role and/or the attendance at board meetings.

10.3 PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS

10.3.1 Profile of our Promoter and substantial shareholder

Tan Sri Liew is our Promoter and substantial shareholder. For the profile of Tan Sri Liew, please refer to Section 10.1.1(ii) of this Prospectus.

10.3.2 Profile of our Strategic Investors

(i) EW Berhad

On 27 October 2016, EW Capital signed the EW Berhad Share Subscription Agreement to subscribe for 27.0% of our enlarged issued and paid-up capital at the Institutional Price payable in full on or before the date of allotment of our IPO Shares to EW Capital. Subsequently, at the extraordinary general meeting of EW Berhad held on 20 February 2017, shareholders of EW Berhad approved the EW Berhad Allocation. Upon completion of the subscription, EW Berhad via EW Capital will be one of our substantial shareholders.

EW Capital was incorporated as a private limited company in Malaysia under the Companies Act, 1965 on 3 February 2016. As at the LPD, it is a wholly-owned subsidiary of EW Berhad incorporated for the purpose of EW Berhad's strategic investment in our Company in line with the EW Berhad Allocation.

EW Berhad was incorporated as a private limited company in Malaysia under the Companies Act, 1965 on 8 March 1974 under the name of Sanda Plastics Industries Sendirian Berhad. On 31 January 1991, it was converted into a public limited company and assumed the name Sanda Plastics Industries Berhad. EW Berhad subsequently changed its name to Sanda Industries Berhad on 22 August 1997 and Focal Aims Holdings Berhad on 21 June 2000 before adopting its present name on 18 December 2013.

EW Berhad was listed on the Second Board of the Kuala Lumpur Stock Exchange ("KLSE") (now known as *Bursa Securities*) on 16 September 1991 under the name of Sanda Plastics Industries Berhad and was subsequently transferred to the Main Board of KLSE (now known as *Main Market of Bursa Securities*) on 2 January 2002.

The principal activity of EW Berhad is investment holding whilst its subsidiaries are involved in property investment and development.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

The substantial shareholders of EW Berhad and their respective shareholdings in EW Berhad as at the LPD are set out below:

Substantial shareholder	Direct		Indirect	
	No. of ordinary shares held	%	No. of ordinary shares held	%
Liew Tian Xiong	502,768,330	17.98	-	-
EW Holdings	432,865,439	15.48	-	-
Sinarmas Harta Sdn Bhd	906,135,139	32.40	-	-
Syabas Tropikal Sdn Bhd ⁽¹⁾	-	-	906,135,139	32.40
Tan Sri Abdul Rashid bin Abdul Manaf ⁽²⁾	-	-	432,865,439	15.48
Dato' Leong Kok Wah ⁽³⁾	-	-	1,339,000,578	47.88
EPF	187,044,100	6.69	-	-

Notes:

- (1) Deemed interested through its interest in Sinarmas Harta Sdn Bhd under Section 8 of the Act.
- (2) Deemed interested through his interest in Eco World Development Holdings Sdn Bhd under Section 8 of the Act.
- (3) Deemed interested through his interest in Syabas Tropikal Sdn Bhd and Eco World Development Holdings Sdn Bhd under Section 8 of the Act.

(ii) GuocoLand

GuocoLand via its nominated indirect wholly-owned subsidiary GLL EWI, had on 20 February 2017 signed the GuocoLand Share Subscription Agreement to subscribe for 27.0% of our enlarged issued and paid-up capital at the Institutional Price payable in full on or before the date of allotment of our IPO Shares to GLL EWI. Upon completion of the subscription, GLL EWI will be one of our substantial shareholders.

GuocoLand was incorporated in Singapore under the Companies Act, Chapter 50 of Singapore on 31 March 1976 and is a public company listed on the Singapore Exchange Securities Trading Limited since 1978.

The principal business activities of GuocoLand's subsidiaries are property development, property investment, hotel operations and property management. GuocoLand and its subsidiaries have established property operations in their geographical markets of Singapore, China, Malaysia and Vietnam, comprising residential, hospitality, commercial and retail developments.

The parent company of GuocoLand is Guoco Group Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited. Guoco Group Limited is a member of the Hong Leong group of companies.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

GLL EWI was incorporated as a private limited company in Hong Kong under the Companies Ordinance of Hong Kong (Chapter 622 of the Laws of Hong Kong) on 26 October 2016. As at the LPD, it is an indirect wholly-owned subsidiary of GuocoLand incorporated for the purpose of GuocoLand's strategic investment in our Company in accordance with the GuocoLand Allocation.

The substantial shareholders of GuocoLand and their respective shareholdings in GuocoLand as at the LPD are set out below:

Substantial shareholder	Direct		Indirect	
	No. of ordinary shares held	%	No. of ordinary shares held	%
GuocoLand Assets Pte Ltd	772,032,426	65.24	-	-
Fairbury Pte Ltd ⁽¹⁾	73,604,933	6.22	-	-
Guoco Group Limited	-	-	772,032,426	65.24 ⁽²⁾
GuoLine Overseas Limited	-	-	772,032,426	65.24 ⁽²⁾
GuoLine Capital Assets Limited	-	-	804,493,744	67.98 ⁽³⁾
Hong Leong Company (Malaysia) Berhad	-	-	804,693,744	68.00 ⁽⁴⁾
HL Holdings Sdn Bhd	-	-	804,693,744	68.00 ⁽⁴⁾
Hong Leong Investment Holdings Pte Ltd	-	-	804,693,744	68.00 ⁽⁴⁾
Quek Leng Chan	13,333,333	1.13	818,111,030	69.13 ⁽⁵⁾

Notes:

- (1) Trust established in respect of GuocoLand Limited Executives' Share Option Scheme.
- (2) Deemed interest arising through GuocoLand Assets Pte Ltd by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.
- (3) Deemed interest arising through GuocoLand Assets Pte Ltd and a company in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.
- (4) Deemed interest arising through GuocoLand Assets Pte Ltd and two companies in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.
- (5) Deemed interest arising through GuocoLand Assets Pte Ltd and three companies in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.

In line with the Shareholders' Agreement, Tan Sri Liew, EW Berhad and GuocoLand will, directly or indirectly, jointly exercise control over our Company upon the Listing. Upon our Listing, Tan Sri Liew, EW Berhad and GuocoLand will together, directly or indirectly, hold about 64.3% of our enlarged issued and paid-up share capital. The breakdown of their respective shareholdings in our Company is set out in Section 10.3.3 of this Prospectus. For further details of the Shareholders' Agreement, please refer to Section 7.10.3 of this Prospectus.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

10.3.3 Shareholdings of our Promoter, Strategic Investors and substantial shareholders

The following table sets out the direct and indirect shareholdings of our Promoter, Strategic Investors and substantial shareholders before and after the IPO (assuming full subscription of the IPO Shares and full exercise of the Warrants allocated to EW Berhad through EW Capital, GuocoLand through GLL EWI and to certain of our substantial shareholders in their capacity as the Eligible EW Berhad Persons):

Name	Before the IPO			After the IPO ⁽¹⁾			Assuming full exercise of Warrants					
	Direct		Indirect	Direct		Indirect	Direct		Indirect			
	No. of Shares	%	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽³⁾	No. of Shares	% ⁽³⁾		
Tan Sri Liew	246,540,798	99.9	-	-	246,540,798	10.3	2,500,000 ⁽⁴⁾	0.1 ⁽⁴⁾	345,157,117	10.3	3,500,000 ⁽⁴⁾	0.1 ⁽⁴⁾
EW Capital	-	-	-	-	648,000,000	27.0	-	-	907,200,000	27.0	-	-
EW Berhad	-	-	-	-	-	-	648,000,000 ⁽⁵⁾	27.0 ⁽⁵⁾	-	-	907,200,000 ⁽⁵⁾	27.0 ⁽⁵⁾
EW Holdings	-	-	-	-	-	-	648,000,000 ⁽⁶⁾	27.0 ⁽⁶⁾	-	-	907,200,000 ⁽⁶⁾	27.0 ⁽⁶⁾
Sinarماس Harta Sdn Bhd	-	-	-	-	-	-	648,000,000 ⁽⁶⁾	27.0 ⁽⁶⁾	-	-	907,200,000 ⁽⁶⁾	27.0 ⁽⁶⁾
Syabas Tropikal Sdn Bhd	-	-	-	-	-	-	648,000,000 ⁽⁷⁾	27.0 ⁽⁷⁾	-	-	907,200,000 ⁽⁷⁾	27.0 ⁽⁷⁾
Tan Sri Abdul Rashid bin Abdul Manaf	-	-	-	-	2,000,000	0.1	648,000,000 ⁽⁸⁾	27.0 ⁽⁸⁾	2,800,000	0.1	907,200,000 ⁽⁸⁾	27.0 ⁽⁸⁾
Dato' Leong Kok Wah	-	-	-	-	2,000,000	0.1	648,000,000 ⁽⁹⁾	27.0 ⁽⁹⁾	2,800,000	0.1	907,200,000 ⁽⁹⁾	27.0 ⁽⁹⁾
GLL EWI	-	-	-	-	648,000,000	27.0	-	-	907,200,000	27.0	-	-
GLL (Malaysia) Pte Ltd	-	-	-	-	-	-	648,000,000 ⁽¹⁰⁾	27.0 ⁽¹⁰⁾	-	-	907,200,000 ⁽¹⁰⁾	27.0 ⁽¹⁰⁾
GuocoLand	-	-	-	-	-	-	648,000,000 ⁽¹¹⁾	27.0 ⁽¹¹⁾	-	-	907,200,000 ⁽¹¹⁾	27.0 ⁽¹¹⁾
GuocoLand Assets Pte Ltd	-	-	-	-	-	-	648,000,000 ⁽¹²⁾	27.0 ⁽¹²⁾	-	-	907,200,000 ⁽¹²⁾	27.0 ⁽¹²⁾

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS
(Cont'd)

Name	Before the IPO			After the IPO ⁽¹⁾			Assuming full exercise of Warrants		
	Direct	Indirect		Direct	Indirect		Direct	Indirect	
	No. of Shares	No. of Shares	%	No. of Shares	No. of Shares	% ⁽²⁾	No. of Shares	No. of Shares	% ⁽³⁾
Guoco Group Limited	-	-	-	-	648,000,000 ⁽¹³⁾	27.0 ⁽¹³⁾	-	907,200,000 ⁽¹³⁾	27.0 ⁽¹³⁾
GuoLine Overseas Limited	-	-	-	-	648,000,000 ⁽¹³⁾	27.0 ⁽¹³⁾	-	907,200,000 ⁽¹³⁾	27.0 ⁽¹³⁾
GuoLine Capital Assets Limited	-	-	-	-	648,000,000 ⁽¹⁴⁾	27.0 ⁽¹⁴⁾	-	907,200,000 ⁽¹⁴⁾	27.0 ⁽¹⁴⁾
Hong Leong Company (Malaysia) Berhad	-	-	-	-	648,000,000 ⁽¹⁵⁾	27.0 ⁽¹⁵⁾	-	907,200,000 ⁽¹⁵⁾	27.0 ⁽¹⁵⁾
HL Holdings Sdn Bhd	-	-	-	-	648,000,000 ⁽¹⁵⁾	27.0 ⁽¹⁵⁾	-	907,200,000 ⁽¹⁵⁾	27.0 ⁽¹⁵⁾
Hong Leong Investment Holdings Pte Ltd	-	-	-	-	648,000,000 ⁽¹⁵⁾	27.0 ⁽¹⁵⁾	-	907,200,000 ⁽¹⁵⁾	27.0 ⁽¹⁵⁾
Quek Leng Chan	-	-	-	-	648,000,000 ⁽¹⁶⁾	27.0 ⁽¹⁶⁾	-	907,200,000 ⁽¹⁶⁾	27.0 ⁽¹⁶⁾

Notes:

- (1) Excludes IPO Shares they may subscribe for under the Retail Offering to the Malaysian Public and the Restricted Offering, if applicable, as well as any excess IPO Shares that they may subscribe for under the allocation to the Eligible EW Berhad Persons.
- (2) Based on our enlarged issued and paid-up share capital of 2,400,000,000 Shares.
- (3) Based on our enlarged issued and paid-up share capital of 3,360,000,000 Shares assuming full exercise of the Warrants.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS
(Cont'd)

- (4) Deemed interested under Section 59 of the Act by virtue of and on the assumption of full subscription of the IPO Shares and full exercise of the Warrants allocated to his son, Liew Tian Xiong in his capacity as an Eligible EW Berhad Person but excluding any IPO Shares that his spouse, Puan Sri Datin Sri How Teng Teng and Liew Tian Xiong may subscribe for under the Retail Offering to the Malaysian Public and the Restricted Offering.
- (5) Deemed interested through its interest in EW Capital under Section 8 of the Act.
- (6) Deemed interested through its interest in EW Berhad under Section 8 of the Act.
- (7) Deemed interested through its interest in Sinarmas Harta Sdn Bhd under Section 8 of the Act.
- (8) Deemed interested through his interest in EW Holdings under Section 8 of the Act.
- (9) Deemed interested through his interest in Syabas Tropikal Sdn Bhd and EW Holdings under Section 8 of the Act.
- (10) Deemed interested through its interest in GLL EWI under Section 8 of the Act.
- (11) Deemed interested through its interest in GLL (Malaysia) Pte Ltd under Section 8 of the Act.
- (12) Deemed interested through its interest in GuocoLand under Section 8 of the Act.
- (13) Deemed interest arising through GuocoLand Assets Pte Ltd by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.
- (14) Deemed interest arising through GuocoLand Assets Pte Ltd and a company in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.
- (15) Deemed interest arising through GuocoLand Assets Pte Ltd and two companies in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.
- (16) Deemed interest arising through GuocoLand Assets Pte Ltd and three companies in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Chapter 50 of Singapore.

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10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS
(Cont'd)

10.3.4 Changes in our Promoter's and substantial shareholder's shareholding in our Company since our incorporation

The following table sets out the direct and indirect shareholdings of our Promoter and substantial shareholders for the past three years and up to the LPD:

Name	As at 31 October 2014		As at 31 October 2015		As at 31 October 2016		As at the LPD	
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect
	No. of Shares ⁽¹⁾	No. of Shares ⁽¹⁾	No. of shares	No. of shares	No. of Shares	No. of Shares	No. of Shares	No. of Shares
	%	%	%	%	%	%	%	%
Tan Sri Liew	-	200 ⁽²⁾	750,000	-	246,540,798	-	246,540,798	-
	-	100 ⁽²⁾	99.9	-	99.9	-	99.9	-
Dato' Teow	-	200 ⁽²⁾	-	-	-	-	-	-
	-	100 ⁽²⁾	-	-	-	-	-	-
EWIPM	200	-	-	-	-	-	-	-
	100	-	-	-	-	-	-	-

Notes:

(1) Representing ordinary shares of RM0.01 each in our Company.

(2) Deemed interest through their respective shareholdings in EWIPM under Section 8 of the Act.

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10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

10.3.5 Involvement of our substantial shareholder and Strategic Investors in other businesses or corporations which carry on a similar trade as that of our Group or which are our customers and/or suppliers

Save as disclosed below and in Section 10.1.4 of this Prospectus, as at the LPD, none of our substantial shareholder and Strategic Investors have any interest, direct or indirect, in other businesses or corporations which are (i) carrying on a similar trade as that of our Group, or are (ii) our customers and/or suppliers.

Strategic Investors	Businesses/ Corporations	Principal activities	Nature of interest	% shareholding	
				Direct	Indirect
EW Berhad	<i>Similar trade as that of our Group</i>				
	Eco Botanic Sdn Bhd	Property development	Interest in shares	100.0	-
	Eco Business Park 1 Sdn Bhd	Property development	Interest in shares	100.0	-
	Eco Business Park 2 Sdn Bhd	Property development	Interest in shares	100.0	-
	Eco Majestic Development Sdn Bhd	Property development and property investment holding	Interest in shares	100.0	-
	Eco Meadows Sdn Bhd	Property development	Interest in shares	100.0	-
	Eco Sanctuary Sdn Bhd	Property development and property investment holding	Interest in shares	100.0	-
	Eco Sky Sdn Bhd	Property development	Interest in shares	100.0	-
	Eco Summer Sdn Bhd	Property development	Interest in shares	100.0	-
	Eco Terraces Sdn Bhd	Property development	Interest in shares	100.0	-
	Eco Tropics Development Sdn Bhd	Property development	Interest in shares	100.0	-
	Eco World Project Management Sdn Bhd	Property development project management	Interest in shares	100.0	-
	Eco World Development Management (BBCC) Sdn Bhd <i>(formerly known as Eco World Development Management Sdn Bhd)</i>	Property development project management	Interest in shares	100.0	-
	Eco World Ukay Sdn Bhd	Project management, building and construction services	Interest in shares	100.0	-
	Focal Aims Land Sdn Bhd	Property development	Interest in shares	100.0	-

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

Strategic Investors	Businesses/ Corporations	Principal activities	Nature of interest	% shareholding	
				Direct	Indirect
EW Berhad (Cont'd)	BBC Development Sdn Bhd	Property development and property investment holding	Interest in shares	40.0	-
	Paragon Pinnacle Sdn Bhd	Property development and property investment holding	Interest in shares	60.0	-
	Eco World Development (S) Pte Ltd (which is also our supplier)	Promotion, marketing and other activities related to property management	Interest in shares	100.0	-
	Eco Horizon Sdn Bhd (formerly known as Teraju Pasifik Sdn Bhd)	Property development	Interest in shares	100.0	-
	Eco Ardence Sdn Bhd (formerly known as Jendela Hikmat Sdn Bhd)	Property development and property investment holding	Interest in shares	50.0	-
GuocoLand	Similar trade as that of our Group Malaysia				
	GuocoLand (Malaysia) Berhad	Investment holding and provision of management services	Interest in shares	-	65.01
	PD Resort Sdn Bhd	Property investment and development and hotel operations	Interest in shares	-	100.0
	Kiapeng Development Sdn Bhd	Property development and property investment	Interest in shares	-	100.0
	JB Parade Condominium Sdn Bhd	Property development	Interest in shares	-	70.0
	Bedford Development Sdn Bhd	Investment holding and property development	Interest in shares	-	100.0
	Corebright Housing Sdn Bhd	Provision of construction management services	Interest in shares	-	100.0
	Bedford Industrial Development Sdn Bhd	Property development	Interest in shares	-	100.0
	Pembinaan Sri Jati Sdn Bhd	Investment holding and property development	Interest in shares	-	100.0
	Continental Estates Sdn Bhd	Property development and operation of an oil palm estate	Interest in shares	-	68.0
	Sabna Development Sdn Bhd	Property development	Interest in shares	-	100.0

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

Strategic Investors	Businesses/ Corporations	Principal activities	Nature of interest	% shareholding	
				Direct	Indirect
GuocoLand (Cont'd)	Ace Acres Sdn Bhd	Property development	Interest in shares	-	100.0
	Titan Debut Sdn Bhd	Acquisition, enhancement and resale of properties	Interest in shares	-	100.0
	GLM Alam Damai Sdn Bhd	Property development and property investment	Interest in shares	-	100.0
	PJ Corporate Park Sdn Bhd	Property development	Interest in shares	-	100.0
	PJ City Development Sdn Bhd	Property development and property investment	Interest in shares	-	100.0
	DC Offices Sdn Bhd	Property investment	Interest in shares	-	100.0
	Damansara City Sdn Bhd	Property development and property investment	Interest in shares	-	100.0
	DC Town Square Sdn Bhd	Property investment	Interest in shares	-	100.0
	DC Parking Sdn Bhd	Car park operations and property investment	Interest in shares	-	100.0
	GLM Oval Sdn Bhd	Property investment	Interest in shares	-	100.0
	GLM Property Services Sdn Bhd	Provision of property management services	Interest in shares	-	100.0
	GLM Property Management Co Sdn Bhd	Provision of property management services	Interest in shares	-	100.0
	GLM REIT Management Sdn Bhd	Provision of management services	Interest in shares	-	100.0
	Raikon Building Management Co Sdn Bhd	Provision of property-related services	Interest in shares	-	100.0
	Tujuan Optima Sdn Bhd	Property development	Interest in shares	-	100.0
	Promakmur Development Sdn Bhd	Property development	Interest in shares	-	50.0
	Kota Selatan Indah Sdn Bhd	Property development	Interest in shares	-	50.0
Vintage Heights Sdn Bhd	Property development and operation of an oil palm estate	Interest in shares	-	45.0	

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

Strategic Investors	Businesses/ Corporations	Principal activities	Nature of interest	% shareholding	
				Direct	Indirect
GuocoLand (Cont'd)	<u>Vietnam</u>				
	GuocoLand Binh Duong Property Co Ltd	Property development	Interest in shares	-	100.0
	<u>Singapore</u>				
	Elliot Development Pte Ltd	Property development	Interest in shares	-	100.0
	First Bedok Land Pte Ltd	Property development	Interest in shares	-	100.0
	First Meyer Development Pte Ltd	Property development	Interest in shares	-	100.0
	Guoco Property Management Pte Ltd	Property management, marketing and property services	Interest in shares	-	100.0
	Sophia Residence Development Pte Ltd	Property development	Interest in shares	-	100.0
	Waterline Development Pte Ltd	Property development	Interest in shares	-	100.0
	TPC Commercial Pte Ltd	Holding property for rental	Interest in shares	-	80.0
	Wallich Residence Pte Ltd	Property development	Interest in shares	-	80.0
	Sims Urban Oasis Pte Ltd	Property development	Interest in shares	-	100.0
	GLL Land Pte Ltd	Holding property for rental	Interest in shares	-	100.0
	Goodwood Residence Development Pte Ltd	Property development	Interest in shares	-	100.0
	GuocoLand Property Management Pte Ltd	Property management, marketing and property services	Interest in shares	-	100.0
Leedon Residence Development Pte Ltd	Property development	Interest in shares	-	100.0	
	<u>The People's Republic of China</u>				
	Beijing Jiang Sheng Property Development Co Ltd	Property development	Interest in shares	-	100.0
	Chongqing Yuzhong Xin Hao Jun Real Estate Development Co Ltd	Property development	Interest in shares	-	100.0

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS *(Cont'd)*

Strategic Investors	Businesses/ Corporations	Principal activities	Nature of interest	% shareholding	
				Direct	Indirect
GuocoLand <i>(Cont'd)</i>	Shanghai Xinhaojia Property Development Co Ltd	Property development	Interest in shares	-	50.0
	Shanghai Xinhaolong Property Development Co Ltd	Property development	Interest in shares	-	100.0
	Shanghai Xinhaolong Property Management Limited	Property management	Interest in shares	-	100.0
	Tianjin Zhong Xin Ming Shi Real Estate Development Co Ltd	Property development	Interest in shares	-	100.0

Having regard to the abovementioned businesses' and corporations' operations, the interests that are held by our substantial shareholder and Strategic Investors may give rise to conflict of interest situations notwithstanding that the abovementioned businesses and corporations operate within different geographical jurisdictions as at the LPD.

Although such interests may give rise to a conflict of interest situation where applicable, such substantial shareholder, Strategic Investors and persons connected to them will abstain from deliberating and voting on the resolutions relating to these matters or transactions that require approval of our shareholders in respect of their direct or indirect interests. Such transactions will be carried out on arm's length basis and on usual commercial terms.

EW Berhad and our Company have further entered into the Collaboration Agreement to, among other things, establish a framework for mutual collaboration and strategic alliances and to mitigate any conflict of interest situation. For further details of the Collaboration Agreement, please refer to Section 7.10 of this Prospectus.

Tan Sri Liew, EW Berhad and GuocoLand have also entered into the Shareholders' Agreement to, among other things, regulate their relationship with one another as shareholders in our Company and in relation to their voting shares and the exercise of their voting rights in our Company. For further details of the Shareholders' Agreement, please refer to Section 7.10.3 of this Prospectus.

10.4 RELATIONSHIPS OR ASSOCIATIONS BETWEEN OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS

Save as disclosed below and in Section 10.3.2 of this Prospectus, as at the LPD, there are no family relationships/associations between our Directors, key management, Promoter, substantial shareholder and Strategic Investors:

- (i) Tan Sri Liew, who is our Promoter, substantial shareholder and Executive Vice Chairman, is the Non-Independent Non-Executive Chairman of EW Berhad, the strategic investor; and
- (ii) Tan Sri Liew, is also the father of Liew Tian Xiong, who is a substantial shareholder and Executive Director of EW Berhad.

10. INFORMATION ON OUR DIRECTORS, KEY MANAGEMENT, PROMOTER, SUBSTANTIAL SHAREHOLDER AND STRATEGIC INVESTORS (Cont'd)

10.5 DECLARATION BY OUR DIRECTORS, KEY MANAGEMENT AND PROMOTER

None of our Directors, key management or Promoter is or has been involved in any of the following events (whether in or outside Malaysia):

- (i) a petition under any bankruptcy or insolvency laws was filed (and not struck out) against such person or any partnership in which he was a partner or any corporation of which he was a director or key personnel;
- (ii) disqualified from acting as a director of any corporation, or from taking part, directly or indirectly, in the management of any corporation;
- (iii) charged and/or convicted in a criminal proceeding or is a named subject of a pending criminal proceeding;
- (iv) any judgment entered against such person involving a breach of any law or regulatory requirement that relates to the securities or futures industry; or
- (v) the subject of any order, judgement or ruling of any court, government or regulatory authority or body temporarily enjoining such person from engaging in any type of business practice or activity.

10.6 SERVICE CONTRACTS

As at the date of this Prospectus, there are no existing or proposed service contracts for a fixed tenure entered into or to be entered into between any of our Directors or member of our key management with our Group that provides for benefits payable on termination of employment.

10.7 OTHER MATTERS

Save as disclosed in Section 6.1.1 of this Prospectus, no other amounts or benefits has been paid or intended to be paid to our Promoter, Directors and substantial shareholder within the two years preceding the date of this Prospectus, except for remuneration received by our Directors in the course of their employment and Directors' fees.

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11. APPROVALS AND CONDITIONS

11.1 APPROVALS AND CONDITIONS

The SC has, via its letter dated 29 March 2016, approved the IPO, the Bonus Issue of Warrants and the Listing under Section 214(1) of the CMSA, subject to the Joint Principal Advisers and our Company, fully complying with the requirements of the Equity Guidelines and Prospectus Guidelines pertaining to the implementation of the Listing. On 30 September 2016, we received the SC's approval for an extension of time of up to 28 March 2017 to implement the IPO and the Listing and such date has been further extended to 30 April 2017 as approved by the SC in its letter dated 21 February 2017. The SC has also, via its letter dated 23 January 2017, approved the reallocation of 2,000,000 IPO Shares out of the 65,168,800 IPO Shares reserved for application by the Eligible EWI Persons to the Eligible EW Berhad Persons as part of the IPO approved by the SC in its letter dated 29 March 2016.

The SC has, via its letters dated 4 June 2015 and 29 March 2016, approved the waivers sought by us from having to comply with certain requirements under the Equity Guidelines. The details of the waivers sought and the accompanying conditions imposed by the SC are as follows:

<u>Reference</u>	<u>Details of waiver granted</u>	<u>Details of conditions imposed (if any)</u>	<u>Status of compliance (if any)</u>
Equity Guidelines			
Paragraph 5.02(b)(iii) of Part II	Waiver from the requirement to have generated operating revenue for at least one full financial year prior to the submission to the SC	(i) Our Company achieving sales from property development projects of EW-Ballymore Holding and/or EW Sydney Development (" Relevant Projects ") totalling no less than GBP250 million at the point of submission of the listing application;	Complied
Paragraph 5.08(b) of Part II	Waiver from the requirement to have positive cash flow from operating activities	(ii) Our Company demonstrating that it has sufficient funds to complete the Relevant Projects at the point of submission of the listing application, including demonstrating that it has secured the relevant debt financing;	Complied
		(iii) Our Company demonstrating that our Directors and management have sufficient and satisfactory experience in the property development industry in the countries where the Relevant Projects are located, accompanied by appropriate disclosures in the Prospectus;	Complied. Refer to Sections 10.1.1 and 10.2.1 of this Prospectus

11. APPROVALS AND CONDITIONS (Cont'd)

Reference	Details of waiver granted	Details of conditions imposed (if any)	Status of compliance (if any)
		(iv) Disclosure in the Prospectus on the property development models in the United Kingdom and Australia as well as the effect on our Company's revenue and cash flows, and the associated risks; and	Complied. Refer to Sections 5.1.5 and 7.8 of this Prospectus
		(v) Disclosure in the Prospectus on the ability of our Company to pay dividends.	Complied. Refer to Sections 3.4 and 13.8 of this Prospectus
Paragraph 5.21 of Part II	Waiver to allow our Company to offer for subscription of 240,000,000 IPO Shares, representing 10.0% of our enlarged issued and paid-up share capital by way of a restricted offer to the Entitled Shareholders of EW Berhad in conjunction with our IPO.	-	N/A
Paragraph 6, Practice Note 4 of Part VI	Waiver from having to submit the complete list of placees and the relevant details to the SC before our Listing and to allow the submission of the complete list of placees and the relevant details by the Joint Principal Advisers as soon as practicable but in any event, no later than three Market Days after our Listing.	-	N/A

In addition, the SC concurs that our Company may distribute the Prospectus in CD-ROM format together with a printed copy of the Application Forms to the Entitled Shareholders of EW Berhad. The Entitled Shareholders of EW Berhad may request for a copy of the printed Prospectus from the Share Registrar or our Company or EW Berhad at no cost and are given an option to have the printed Prospectus despatched to them free of charge to their mailing address within three Market Days from the date of receipt of their request, or to obtain the printed Prospectus from the designated locations as set out in Section 17.3.3 of this Prospectus. Any delivery charges, if applicable, will be borne by our Company. The Entitled Shareholders of EW Berhad may also download the Prospectus from Bursa Securities' website.

11. APPROVALS AND CONDITIONS (Cont'd)

The SC has also taken note of the notification dated 12 February 2016 from the Joint Principal Advisers, on behalf of our Company that our Company is a company with predominantly foreign-based operations in line with the equity requirement for public companies. As such, the SC has, via its letter dated 29 March 2016 informed that our Company is exempted from having to comply with the Bumiputera equity requirement for our Listing.

Bursa Securities has, via its letter dated 3 March 2017, resolved to approve the Admission and the Listing.

11.2 MORATORIUM ON THE SALE OF OUR SHARES

Under the Equity Guidelines, our Shares held by the Promoter amounting to 246,540,798 Shares, representing about 10.3% of our enlarged issued and paid-up share capital, at the date of the Admission are to be placed under moratorium. The Promoter has fully accepted the moratorium. The Promoter will not be permitted to sell, transfer or assign any part of his interest in our Shares under moratorium (including any Shares issued to the Promoter arising from the exercise of the Warrants held by the Promoter as at the date of our Listing) for a six-month period beginning from the date of our Listing.

The above moratorium restriction is specifically endorsed on the share certificate representing our Shares held by the Promoter which is under moratorium to ensure that the Share Registrar does not register any transfer that contravenes such restriction.

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12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

12.1 RELATED PARTY TRANSACTIONS

Under the Listing Requirements, a "related party transaction" is a transaction entered into by a listed issuer or its subsidiaries that involves the interests, direct or indirect, of a related party. A "related party" of a listed issuer (not being a special purpose acquisition company) is:

- (i) a director having the meaning given in Section 2(1) of the CMSA and 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 of the listed issuer, its subsidiary or holding company or a chief executive of the listed issuer, its subsidiary or holding company; or
- (ii) a major shareholder which 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 major shareholder of the listed issuer or its subsidiaries or holding company, who has or had an interest or interests in one or more voting shares in a corporation and the nominal amount of that share or the aggregate of the nominal amounts of those shares is:
 - (a) 10.0% or more of the aggregate of the nominal amounts of all the voting shares in the corporation; or
 - (b) 5.0% or more of the aggregate of the nominal amounts of all the voting shares in the corporation where such person is the largest shareholder of the corporation; or
- (iii) a person connected with such director or major shareholder.

Certain transactions, despite falling within the definition of a related party transaction above, are not normally regarded as related party transactions. These are detailed in Paragraph 10.08(11) of the Listing Requirements.

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12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

12.1.1 Non-recurrent related party transactions

Save as disclosed below, there are no existing or potential material non-recurrent related party transactions that we have entered into or have proposed to enter into with related parties for the FPE 31 October 2014, FYE 31 October 2015 and FYE 31 October 2016 and up to the LPD in respect of which rights and obligations are subsisting.

No.	Date of transaction	Transacting parties	Nature of relationship	Nature of transaction	Transaction value
1.	15 April 2015	EWI and EW Berhad	<u>Interested person connected with major shareholder and director</u> Liew Tian Xiong ⁽¹⁾	Grant of the non-exclusive, worldwide, royalty-free licence to use the trademarks disclosed in Annexure C of this Prospectus including logos, brands and other features associated therewith by EW Berhad to EWI in accordance with the Brand Licensing Agreement	RM10
2.	30 April 2015	EW-Ballymore Embassy Gardens and Whistleglade Company	<u>Interested person connected with major shareholder and director</u> John Martin Mulryan ⁽²⁾	Provision of development management services by Whistleglade Company to EW-Ballymore Embassy Gardens in relation to the Embassy Gardens Phase 2 project	GBP16.0 million ⁽⁴⁾ (equivalent to RM88.52 million) and an additional fee ⁽⁵⁾
3.	30 April 2015	EW-Ballymore Arrowhead and Whistleglade Company	<u>Interested person connected with major shareholder and director</u> John Martin Mulryan ⁽²⁾	Provision of development management services by Whistleglade Company to EW-Ballymore Arrowhead in relation to the Wardian London project	GBP14.0 million ⁽⁴⁾ (equivalent to RM77.46 million) and an additional fee ⁽⁵⁾
4.	15 May 2015	EW-Ballymore London City and Whistleglade Company	<u>Interested person connected with major shareholder and director</u> John Martin Mulryan ⁽²⁾	Provision of development management services by Whistleglade Company to EW-Ballymore London City in relation to the London City Island Phase 2 project	GBP14.5 million ⁽⁴⁾ (equivalent to RM80.22 million) and an additional fee ⁽⁵⁾

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

No.	Date of transaction	Transacting parties	Nature of relationship	Nature of transaction	Transaction value
5.	30 November 2015	EWI, Tan Sri Liew, Dato' Voon and EW Investment	<u>Interested major shareholder</u> Tan Sri Liew ⁽³⁾ <u>Interested Director</u> Tan Sri Liew ⁽³⁾	Acquisition by EWI of the entire issued and paid-up share capital of EW Investment from Tan Sri Liew and Dato' Voon in accordance with the share sale agreement dated 30 November 2015 entered into between EWI, Tan Sri Liew and Dato' Voon and EW Investment as supplemented by the supplemental agreement dated 8 January 2016 and two extension of payment date letters dated 18 May 2016 and 4 October 2016, respectively	GBP6,954,087 ⁽⁶⁾
6.	30 November 2015	EWI, Tan Sri Liew, Dato' Voon and EW Investment	<u>Interested major shareholder</u> Tan Sri Liew ⁽³⁾ <u>Interested Director</u> Tan Sri Liew ⁽³⁾	Undertaking by EWI to pay shareholder's advances due from EW Investment to Tan Sri Liew up to 7 December 2015 in accordance with the share sale agreement dated 30 November 2015 entered into between EWI, Tan Sri Liew and Dato' Voon and EW Investment as supplemented by the supplemental agreement dated 8 January 2016 and two extension of payment date letters dated 18 May 2016 and 4 October 2016, respectively	GBP43,969,006 ⁽⁷⁾
7.	3 December 2015	EWI, Tan Sri Liew, Dato' Teow and EW Management	<u>Interested major shareholder</u> Tan Sri Liew ⁽³⁾ <u>Interested Director</u> <ul style="list-style-type: none"> • Tan Sri Liew⁽³⁾ • Dato' Teow⁽⁵⁾ 	Acquisition by EWI of 75.0% of the issued and paid-up share capital of EW Management from Tan Sri Liew and Dato' Teow in accordance with the share sale agreement dated 3 December 2015 entered into between EWI, Tan Sri Liew and Dato' Teow and EW Management	GBP375,000 ⁽⁸⁾ (equivalent to RM2,387,775)

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

No.	Date of transaction	Transacting parties	Nature of relationship	Nature of transaction	Transaction value
8.	27 October 2016	EWI and Capital ⁽¹⁰⁾	EW <u>Interested person connected with major shareholder and director</u> Liew Tian Xiong ⁽¹⁾	Subscription by EW Capital of such number of IPO shares representing 27.0% of the enlarged issued and paid-up share capital of EWI in accordance with the EW Berhad Share Subscription Agreement	RM777,600,000 ⁽¹¹⁾
9.	27 October 2016	EWI and Berhad	EW <u>Interested person connected with major shareholder and director</u> Liew Tian Xiong ⁽¹⁾	Agreement to establish a framework for mutual collaboration and strategic alliance to, amongst other things, (i) enhance the "ECOWORLD" brand, (ii) further develop the parties' respective capabilities and expertise; (iii) increase sales of the parties' respective property development projects and grow market shares; and (iv) mitigate any potential conflict of interest situations in accordance with the Collaboration Agreement	Nil

Notes:

- (1) Liew Tian Xiong is the son of Tan Sri Liew, our major shareholder and Director. Liew Tian Xiong is a director and major shareholder of EW Berhad.
- (2) John Martin Mulyan, the ultimate owner of Whistleglade Company, is the son of Sean Martin Mulyan. Sean Martin Mulyan is the ultimate shareholder of AHL, which owns 25.0% equity interest of EW-Ballymore Holding, the holding company of EW-Ballymore London City, EW-Ballymore Embassy Gardens and EW-Ballymore Arrowhead.
- (3) Tan Sri Liew is our major shareholder and Director.
- (4) The amount excludes the value added tax, of 20% as at the LPD, payable by our respective joint ventures.
- (5) Calculated based on the internal rate of return ("IRR") of the London City Island Phase 2, Embassy Gardens Phase 2 and Wardian London property development projects on a portfolio basis ("Property Portfolio").
The additional fee is payable if the IRR is positive on the completion of the sale or the grant of lease (for a term not less than 99 years) or more of all of the units (in value) constructed within the Property Portfolio or upon the disposal of all or substantially all of the shares or right, title and interest therein of (i) EW-Ballymore London City, EW-Ballymore Embassy Gardens and EW-Ballymore Arrowhead; or (ii) EW-Ballymore Holding. The additional fee shall be limited to an amount of not exceeding GBP110 million (equivalent to RM606.34 million).

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

The computation of the additional fee is detailed below:

The additional fee is the aggregate of, if any:	Remarks
10% of Tranche 1 Profit ("Tranche 1 Increase Fee");	Tranche 1 Profit: The amount of Profit that results in the return of an IRR between 0% and 10%.
15% of Tranche 2 Profit ("Tranche 2 Increase Fee");	Tranche 2 Profit: The incremental Profit (after deduction of the Tranche 1 Increased Fee) that results in the return of an IRR between 10% and 15%.
20% of Tranche 3 Profit ("Tranche 3 Increase Fee"); and	Tranche 3 Profit: The incremental Profit (after deduction of the Tranche 1 Increased Fee and Tranche 2 Increase Fee) that results in the return of an IRR between 15% and 20%.
40% of Tranche 4 Profit	Tranche 4 Profit: The incremental Profit (after deduction of the Tranche 1 Increased Fee, Tranche 2 Increase Fee and Tranche 3 Increase Fee) that results in the return of an IRR greater than 20%.

Notes:

- (a) Profit means the amount by which the receipts exceeded the invested capital.
- (b) Receipts means any cash actually paid to and received by shareholders and estimated receipts distributable to the shareholders.
- (c) Invested capital means all contributions made by the shareholders of EW-Ballymore Holding Group.
- (5) To be paid by our Company in RM based on the middle rate of GBP to RM quoted by BNM at 12.00 p.m. at the business day immediate preceding a date falling within 16 months from 7 December 2015 or a date falling within ten business days from the date of Admission, whichever is the earlier.
- (6) Shareholder's advances of GBP42,349,204 due from EW Investment to Tan Sri Liew as at 31 October 2015, which sum has been/will be paid by our Company to Tan Sri Liew via three payment tranches as follows:
- (a) first payment of GBP27,481,957 (equivalent to RM175,700,396*) had been made by way of issuance and allotment of 146,417,000 Shares on 7 December 2015;
- (b) second payment of GBP11,429,000 (equivalent to RM73,069,026*) had been made by way of cash payment on 10 December 2015; and
- (c) the remaining sum of GBP3,438,247 together with interest at the rate of 4.26% per annum calculated on a daily basis on the remaining sum from 7 December 2015 until the actual payment date, will be paid by way of cash payment in accordance with the mode of settlement as set out in note (5) above; and
- Shareholders' advances of GBP1,619,801 due from EW Investment to Tan Sri Liew from 1 November 2015 until 7 December 2015 together with the interest at the rate of 4.26% per annum calculated on a daily basis on the remaining sum from 1 November 2015 until the actual payment date, will be paid by our Company to Tan Sri Liew in cash and in accordance with the mode of settlement as set out in note (5) above.
- * Based on the exchange rate of GBP1.00 : RM6.3933, being the middle rate for GBP to RM quoted by BNM at 12.00 p.m. as at 27 November 2015, which is the business day immediately preceding the date of the share sale agreement dated 30 November 2015 entered into between our Company as the purchaser, Tan Sri Liew and Dato' Voon as the sellers and EW Investment.

(7) Dato' Teow is our Director.

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

- (8) *Based on the exchange rate of GBP1.00 : RM6.3674, being the middle rate for GBP to RM quoted by BNM at 12.00 p.m. as at 2 December 2015, which is the business day immediately preceding the date of the share sale agreement dated 3 December 2015 entered into between our Company as the purchaser, Tan Sri Liew and Dato' Teow as the sellers and EW Management.*
- (9) *EW Capital is the nominated wholly-owned subsidiary of EW Berhad which was incorporated for EW Berhad's strategic investment in our Company in accordance with the EW Berhad Allocation.*
- (10) *648,000,000 new EWI Shares to be issued by EWI under the IPO representing 27.0% of the enlarged issued and paid-up share capital of EWI based on an illustrative Institutional Price of RM1.20 per IPO Share.*

Our Directors confirm that all the above non-recurrent related party transactions were carried out on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third parties, and are not detrimental to our non-interested shareholders.

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12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

12.1.2 Recurrent related party transactions

Related party transactions can be deemed as recurrent if they are entered into or will be entered into at least once every three years, in the ordinary course of business and are of a revenue or trading nature which is necessary for the day-to-day operations of our Group.

After the Listing, we will be required to seek our shareholders' approval each time we enter into a material related party transaction in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time we wish to enter into such related party transactions during the validity period of the mandate.

Save as disclosed below, there are no existing or potential recurrent related party transactions that we have entered into or are to be entered into by our Group with related parties for the FPE 31 October 2014, FYE 31 October 2015, FYE 31 October 2016 and until our next AGM which is anticipated to be held on or before 30 April 2018.

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value			
				FPE 31 October 2014	FYE 31 October 2015	FYE 31 October 2016	1 November 2016 to 30 April 2018
1.	EW International Marketing and Eco World Development (S) Pte Ltd	<u>Interested major shareholder</u> EW Berhad ⁽¹⁾ <u>Interested person connected with major shareholder and director</u> Liew Tian Xiong ⁽²⁾	Provision of promotion and marketing services by Eco World Development (S) Pte Ltd to EW International Marketing in relation to the London City Island Phase 2, Embassy Gardens Phase 2 and Wardian London projects	Nil	RM1,094,098 ⁽³⁾	RM51,637 ⁽³⁾	RM911,000 ⁽³⁾

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value			
				Actual		Estimate	
				FPE 31 October 2014	FYE 31 October 2015	FYE 31 October 2016	1 November 2016 to 30 April 2018
2.	EW International Marketing and Eco World Development (S) Pte Ltd	<u>Interested major shareholder</u> EW Berhad ⁽¹⁾ <u>Interested person connected with major shareholder and director</u> Liew Tian Xiong ⁽²⁾	Provision of promotion and marketing services by Eco World Development (S) Pte Ltd to EW International Marketing in relation to the West Village, Parramatta project	Nil	RM959,278 ⁽⁴⁾	RM119,926 ⁽⁴⁾	RM222,000 ⁽⁴⁾
3.	EW-Ballymore Embassy Gardens and Whistleglade Company	<u>Interested person connected with major shareholder and director</u> John Mutryan ⁽⁶⁾ Martin	Provision of sales and marketing services by Whistleglade Company to EW-Ballymore Embassy Gardens in relation to the Embassy Gardens Phase 2 project	Nil	Nil	GBP1,008,871 (equivalent to RM5,155,028 ⁽⁵⁾)	GBP1,731,692 (equivalent to RM9,580,586)

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value			
				Actual			Estimate
				FPE 31 October 2014	FYE 31 October 2015	FYE 31 October 2016	1 November 2016 to 30 April 2018
4.	EW-Ballymore Arrowhead and Whistleglade Company	<u>Interested person connected with major shareholder and director</u> John Mulryan ⁽⁶⁾ Martin	Provision of sales and marketing services by Whistleglade Company to EW-Ballymore Arrowhead in relation to the Wardian London project	Nil	Nil	GBP612,796 (equivalent to RM3,131,204 ⁽⁵⁾)	GBP1,918,952 (equivalent to RM10,616,602)
5.	EW-Ballymore London City and Whistleglade Company	<u>Interested person connected with major shareholder and director</u> John Mulryan ⁽⁶⁾ Martin	Provision of sale and marketing services by Whistleglade Company to EW-Ballymore London City in relation to the London City Island Phase 2 project	Nil	GBP842,714 (equivalent to RM5,550,114 ⁽⁷⁾)	GBP703,138 (equivalent to RM3,592,824 ⁽⁵⁾)	GBP1,484,418 (equivalent to RM8,212,543)
6.	EW-Ballymore Embassy Gardens and Whistleglade Company	<u>Interested person connected with major shareholder and director</u> John Mulryan ⁽⁶⁾ Martin	Provision of marketing suite by Whistleglade Company to EW-Ballymore Embassy Gardens	Nil	GBP300,002 (equivalent to RM1,975,813 ⁽⁷⁾)	GBP600,005 (equivalent to RM3,065,846 ⁽⁵⁾)	GBP940,007 (equivalent to RM5,200,589)

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value			
				Actual		Estimate	
				FPE 31 October 2014	FYE 31 October 2015	FYE 31 October 2016	1 November 2016 to 30 April 2018
7.	EW-Ballymore Arrowhead and Whistleglade Company	<u>Interested person connected with major shareholder and director</u> John Muiryan ⁽⁶⁾ Martin	Provision of marketing suite by Whistleglade Company to EW-Ballymore Arrowhead	Nil	Nil	Nil	GBP398,664 (equivalent to RM2,205,609)
8.	EW-Ballymore Embassy Gardens and Roundstone Construction Services Ltd	<u>Interested person connected with major shareholder and director</u> John Muiryan ⁽⁸⁾ Martin	Provision of pre-construction services, construction management and sales gallery fittings by Roundstone Construction Services Ltd to EW-Ballymore Embassy Gardens in relation to the Embassy Gardens Phase 2 project	Nil	GBP1,871,176 (equivalent to RM12,323,565 ⁽⁷⁾)	GBP8,909,522 (equivalent to RM45,524,985 ⁽⁹⁾)	GBP24,874,670 (equivalent to RM137,619,112)

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value			
				Actual		Estimate	
				FPE 31 October 2014	FYE 31 October 2015	FYE 31 October 2016	1 November 2016 to 30 April 2018
9.	EW-Ballymore Arrowhead and Roundstone Construction Services Ltd	<u>Interested person connected with major shareholder and director</u> John Mulryan ⁽⁶⁾ Martin	Provision of pre-construction services, construction management and sales gallery fittings by Roundstone Construction Services Ltd to EW-Ballymore Arrowhead in relation to the Wardian London project	Nil	GBP1,024,341 (equivalent to RM6,746,310 ⁽⁷⁾)	GBP1,900,976 (equivalent to RM9,713,417 ⁽⁵⁾)	GBP14,704,914 (equivalent to RM81,354,937)
10.	EW-Ballymore London City and Roundstone Construction Services Ltd	<u>Interested person connected with major shareholder and director</u> John Mulryan ⁽⁶⁾ Martin	Provision of pre-construction services and construction management by Roundstone Construction Services Ltd to EW-Ballymore London City in relation to the London City Island Phase 2 project	Nil	GBP537,907 (equivalent to RM3,542,656 ⁽⁷⁾)	GBP11,592,721 (equivalent to RM59,235,326 ⁽⁵⁾)	GBP19,872,884 (equivalent to RM109,946,731)

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value			
				Actual		Estimate	
				FPE 31 October 2014	FYE 31 October 2015	FYE 31 October 2016	1 November 2016 to 30 April 2018
11.	EW International Marketing and BBCC Development Sdn Bhd	<u>Interested major shareholder</u> EW Berhad ⁽⁹⁾	Lease/ rental of office space by EW International Marketing from BBCC Development Sdn Bhd	Nil	Nil	Nil	RM780,000 ⁽¹⁰⁾
12.	EWI and Gito Gaya Sdn Bhd	<u>Interested person connected with major shareholder and director</u> Liew Tian Xiong ⁽²⁾	Lease/ rental of office space by EWI from Gito Gaya Sdn Bhd	Nil	Nil	Nil	RM255,000 ⁽¹³⁾
		<u>Interested person connected with major shareholder and director</u> Puan Sri Datin Sri How Teng Teng ⁽¹²⁾					

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

No.	Transacting parties	Nature of relationship	Nature of transaction	Transaction value		
				FPE 31 October 2014	FYE 31 October 2015	FYE 31 October 2016
				Actual	Estimate	1 November 2016 to 30 April 2018
13.	EWI and Eco World Project Management Sdn Bhd ("EWPM")	<u>Interested major shareholder</u> EW Berhad ⁽¹⁴⁾	Provision of support services by EWPM to EWI including information technology and human resource services	-	-	RM140,039 ⁽¹⁵⁾
14.	EWI Group with (i) directors of EWI Group; (ii) major shareholders of EWI Group; and/or (iii) persons connected with them	<u>Interested person connected with major shareholder and director</u> Liew Tian Xiong ⁽²⁾	Sale of properties by EWI Group in the ordinary course of business of not more than 10.0% of any of the percentage ratios in the Listing Requirements	-	GBP13,566,045 (equivalent to RM89,345,972 ⁽⁷⁾)	GBP1,608,240 (equivalent to RM8,217,624 ⁽⁵⁾)
				AUD6,426,670 (equivalent to RM19,603,914 ⁽⁷⁾)	Nil	See Note (16) below

Notes:

- (1) Eco World Development (S) Pte Ltd is a wholly-owned subsidiary of EW Berhad. EW Berhad will be our major shareholder upon completion of the subscription of IPO Shares as contemplated under the EW Berhad Share Subscription Agreement.
- (2) Liew Tian Xiong is the son of Tan Sri Liew, our major shareholder and Director. Liew Tian Xiong is a director and major shareholder of EW Berhad.
- (3) Based on a fee of 1.8% of the net sales proceeds less GBP1,000 per unit sold through the promotion and marketing activities carried out by Eco World Development (S) Pte Ltd, a wholly-owned subsidiary of EW Berhad.
- (4) Based on a fee of 3.0% of the net sales proceeds per unit sold through the promotion and marketing activities carried out by Eco World Development (S) Pte Ltd, a wholly-owned subsidiary of EW Berhad.
- (5) Based on the exchange rate of GBP1.00 : RM5.1097, being the middle rate for GBP to RM quoted by BNM at 5.00 p.m. as at 31 October 2016.

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

- (6) John Martin Mulyan, the ultimate owner of Whistleglade Company, is the son of Sean Martin Mulyan. Sean Martin Mulyan is the ultimate shareholder of AIHL, which owns 25.0% equity interest of EW-Ballymore Holding, the holding company of EW-Ballymore London City, EW-Ballymore Embassy Gardens and EW-Ballymore Arrowhead.
- (7) Based on the exchange rate of GBP1.00 : RM6.5860 and AUD1.00: RM3.0504, being the middle rate for GBP to RM and AUD to RM quoted by BNM, respectively at 5.00 p.m. as at 30 October 2015, which is the last Market Day for the month of October 2015.
- (8) John Martin Mulyan is the son of Sean Martin Mulyan. Roundstone Construction Services Ltd is a wholly-owned subsidiary of Roundstone Development Management Limited, which in turn is a wholly-owned subsidiary of Whistleglade Company. John Martin Mulyan is the ultimate owner of Whistleglade Company. Sean Martin Mulyan is the ultimate shareholder of AIHL, which owns 25.0% equity interest of EW-Ballymore Holding, the holding company of EW-Ballymore London City, EW-Ballymore Embassy Gardens and EW-Ballymore Arrowhead.
- (9) BBCC Development Sdn Bhd is a joint venture of EW Berhad. EW Berhad will be our major shareholder upon completion of the subscription of IPO Shares as contemplated under the EW Berhad Share Subscription Agreement.
- (10) Based on the assumption that the tenancy agreement between EW International Marketing and BBCC Development Sdn Bhd will commence in March 2017 with the estimated rental rate of RM60,000 per month.
- (11) Tan Sri Liew is our major shareholder and Director. He is a director of Gito Gaya Sdn Bhd and holds more than 15.0% of the votes attached to the voting shares of Gito Gaya Sdn Bhd.
- (12) Puan Sri Datin Sri How Teng Teng is the spouse of Tan Sri Liew. She is a director of Gito Gaya Sdn Bhd and holds more than 15.0% of the votes attached to the voting shares of Gito Gaya Sdn Bhd.
- (13) The estimated value for the lease/rental of office space is RM15,000 per month.
- (14) EWPM is a wholly-owned subsidiary of EW Berhad. EW Berhad will be our major shareholder upon completion of the subscription of IPO Shares as contemplated under the EW Berhad Share Subscription Agreement.
- (15) Based on the assumption that the provision of support services between EWI and EWPM will commence in April 2017.
- (16) The estimated value of this category of transaction cannot be ascertained given the various types of properties sold by EWI Group with prices which vary from project to project. However, in accordance with Paragraph 3.3 of Practice Note 12 of the Listing Requirements, any one of the percentage ratios of the transactions is not more than 10.0%.

Save for discount at the rate of 4.0% currently available to all employees and staff of our Group in respect of any sale of properties by EWI Group in the ordinary course of business (which discount has also been granted to the directors and major shareholders of our Group and persons connected with them) in respect of item 13 above, our Directors are of the opinion that all the above recurrent related party transactions were carried out on an arm's length basis and on normal commercial terms which were not more favourable to the related parties than those generally available to third parties, and were not detrimental to our non-interested shareholders.

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(Cont'd)*

12.1.3 Transactions entered into that are unusual in their nature or conditions

There were no unusual transactions in their nature or conditions, involving goods, services, tangible or intangible assets to which we were a party in respect of the FPE 31 October 2014, the FYE 31 October 2015 and the FYE 31 October 2016.

12.1.4 Outstanding loans and guarantees

There were no outstanding loans (including guarantees of any kind) made by our Group to or for the benefit of our related parties in respect of the FPE 31 October 2014, the FYE 31 October 2015 and the FYE 31 October 2016, immediately preceding the date of this Prospectus.

12.2 CONFLICTS OF INTEREST

12.2.1 Audit Committee review

Our Audit Committee reviews any related party transaction and conflicts of interest that may arise within our Group. For any conflicts of interest that may arise, our Audit Committee will review and ensure that these conflicts of interest are mitigated. Our Audit Committee periodically reviews the procedures set by our Company to monitor related party transactions to ensure that these transactions are carried out on normal commercial terms not more favourable to the related party than those generally available to third parties dealing at arm's length with our Group and are not to the detriment of our Company's minority shareholders. All reviews by our Audit Committee are reported to our Board for its further action.

12.2.2 Monitoring and oversight of related party transactions and conflicts of interest

Related party transactions, by their very nature, involve a conflict of interest between our Group and the related parties with whom our Group has entered into such transactions. Some of the officers of our Group and our Directors are also officers, directors and in some cases, shareholders of the related parties of our Group, as disclosed. It is the policy of our Group that all related party transactions shall be reviewed by our Audit Committee to ensure that there is no conflict of interest and it is the policy of the companies within our Group not to enter into transactions with related parties unless these transactions are carried out on normal commercial terms not more favourable to the related party than those generally available to third parties dealing at arm's length with our Group and are not to the detriment of our Company's minority shareholders.

In addition, we plan to adopt a comprehensive corporate governance framework that meets best practice principles to mitigate any potential conflict of interest situation and intend for the framework to be guided by the Listing Requirements and the Malaysian Code on Corporate Governance upon our Listing. The procedures which may form part of the framework include, amongst other things, the following:

- (i) our Board shall ensure that at least one-third of our Board's members are independent directors and will undertake an annual assessment of our Independent Directors;
- (ii) our Directors will be required to immediately make full disclosure of any direct or indirect interests that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group, whether or not they believe it is a material transaction. Upon such disclosure, the interested Director shall be required to abstain from deliberation and voting on any resolution related to the related party transaction;

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(Cont'd)*

- (iii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will propose the transactions to our Audit Committee for evaluation and assessment who would in turn, make a recommendation to our Board; and
- (iv) all related party transactions would be thoroughly reviewed by our Audit Committee to ensure that they are in the best interest of our Company. In reviewing the related party transactions, the following, amongst others things, will be considered:
 - (a) the rationale and the cost/benefit to our Company is first considered;
 - (b) where possible, comparative quotes will be taken into consideration;
 - (c) that the transactions are based on normal commercial terms and not more favourable to the related parties than those generally available to third parties dealing on an arm's length basis; and
 - (d) that the transactions are not detrimental to our Company's minority shareholders.

12.3 DECLARATIONS BY ADVISERS ON CONFLICTS OF INTEREST

12.3.1 Declaration by CIMB

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 transactions relating to amongst others, retail banking, investment banking, commercial banking, brokerage, securities trading, asset and funds management and credit transaction services business. The 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 the roles set out in this Prospectus.

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 any member of our Company and/or our affiliates, and/or any other entity or person, hold long or short positions in securities issued by our Company and/or 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 other 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 independently of each other, and accordingly there may be situations where parts of the CIMB Group and/or its clients now have or in the future, may have interests or take actions that may conflict with the interests of our Group.

As at the LPD, CIMB Bank Berhad Labuan Offshore Branch has extended credit facilities amounting to about GBP592.3 million (equivalent to about RM3.3 billion) to our Group as part of its ordinary course of business. It is expected that our Company will repay some of the borrowings owing to CIMB Bank Berhad Labuan Offshore Branch using the proceeds raised from the IPO.

CIMB is of the view that the abovementioned does not result in a conflict of interest in respect of its capacity which prevents it from acting as the Joint Principal Adviser for the IPO, the Joint Global Coordinator and Joint Bookrunner for the Institutional Offering as well as Joint Managing Underwriter and Joint Underwriter for the Retail Offering as:

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(Cont'd)*

- (i) CIMB Bank Berhad Labuan Offshore Branch is a licensed offshore bank and the extension of the credit facilities to our Group arose in the ordinary course of business of CIMB Bank Berhad Labuan Offshore Branch; and
- (ii) the total aggregate outstanding amount owed by our Group to CIMB Bank Berhad Labuan Offshore Branch as at the LPD of about GBP257.1 million (equivalent to about RM1.4 billion) and the total amount to be repaid by our Group to the CIMB Bank Berhad Labuan Offshore Branch using the proceeds raised from the IPO of about GBP41.9 million (equivalent to about RM231.8 million), when compared to the audited NA of the CIMB Group as at 31 December 2015 of RM41.1 billion (representing about 3.5% and 0.6% of the audited NA of the CIMB Group as at 31 December 2015, respectively), are not material.

CIMB has also confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest situation in its capacity as Joint Principal Adviser for the IPO, Joint Global Coordinator and Joint Bookrunner for the Institutional Offering as well as Joint Managing Underwriter and Joint Underwriter for the Retail Offering.

12.3.2 Declaration by Maybank IB

Maybank IB and its related and associated companies ("**Maybank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses. The Maybank 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 the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Group, our shareholders, our and/or their affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, 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 any member of our Group and/or our affiliates. This is a result of the businesses of the Maybank Group generally acting independently of each other, and accordingly, there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Group. Nonetheless, the Maybank Group is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions.

As at the LPD, our Group does not have credit facilities with Maybank IB. However, as at the LPD, the Maybank Group has extended credit facilities amounting to about GBP569.1 million (equivalent to about RM3.1 billion) to our Group. The extension of the said credit facilities are in the ordinary course of business of the Maybank Group. It is expected that our Group will repay some of the borrowings owing to the Maybank Group with the proceeds raised from the IPO.

Notwithstanding the foregoing, Maybank IB is of the view that the abovementioned do not give rise to a conflict of interest situation in its capacity as Joint Principal Adviser for the IPO, Joint Global Coordinator and Joint Bookrunner for the Institutional Offering as well as Joint Managing Underwriter and Joint Underwriter for the Retail Offering as:

- (i) the extension of credit facilities arose in the ordinary course of business of the Maybank Group;

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(Cont'd)*

- (ii) the conduct of the Maybank Group in its banking business is strictly regulated by the Financial Services Act, 2013, Islamic Financial Services Act, 2013 and the Maybank Group's own internal controls and checks; and
- (iii) the total aggregate outstanding amount owed by our Group to the Maybank Group as at the LPD of about GBP251.1 million (equivalent to about RM1.4 billion) and the total amount to be repaid by our Group to the Maybank Group using the proceeds raised from the IPO of about GBP36.0 million (equivalent to about RM199.2 million), when compared to the audited NA of the Maybank Group as at 31 December 2015 of RM61.7 billion (representing about 2.3% and 0.3% of the audited NA of the Maybank Group as at 31 December 2015, respectively), are not material.

Maybank IB has also confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest situation in its capacity as Joint Principal Adviser for the IPO, Joint Global Coordinator and Joint Bookrunner for the Institutional Offering as well as Joint Managing Underwriter and Joint Underwriter for the Retail Offering.

12.3.3 Declaration by HLIB

Tan Sri Quek Leng Chan ("**Tan Sri Quek**") is currently an indirect major shareholder of GuocoLand and Hong Leong Capital Berhad, of which the latter is the immediate holding company of HLIB. Upon completion of our Listing, Tan Sri Quek will become an indirect major shareholder of our Group. As at the LPD, GLL EWI has not appointed any directors to the board of directors of our Company and hence is currently not involved in the day-to-day operations of our Group. However, pursuant to the Shareholders' Agreement, GLL EWI is entitled to nominate up to three directors to our Board upon completion of our Listing.

HLIB and its subsidiaries and associated companies, as well as its penultimate holding company and the subsidiaries and associated companies of its penultimate holding company ("**Hong Leong Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, assets and funds management and credit transaction services businesses.

The Hong Leong 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 the roles set out in this Prospectus. In addition, in the ordinary course of business, any member of the Hong Leong Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Group, our shareholders, our and/or their affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, 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 any member of our Group and/or our affiliates. This is a result of the businesses of the Hong Leong Group generally acting independently of each other, and accordingly, there may be situations where parts of the Hong Leong Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Group. Nonetheless, the Hong Leong Group is required to comply with applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions.

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST *(Cont'd)*

As at the LPD, the Hong Leong Group has extended credit facilities amounting to RM100.0 million, GBP27.0 million (equivalent to about RM149.4 million) and AUD3.0 million (equivalent to about RM10.0 million) to our Group as part of its ordinary course of business.

The extension of the said credit facilities are in the ordinary course of business of the Hong Leong Group. It is expected that our Group will repay all of the borrowings owing to the Hong Leong Group with the proceeds raised from the IPO.

Notwithstanding the foregoing, HLIB is of the view that the aforesaid lending relationship would not give rise to a conflict of interest situation in its capacity as the Joint Principal Adviser for the IPO, the Joint Bookrunner for the Institutional Offering as well as the Joint Managing Underwriter and the Joint Underwriter for the Retail Offering as:

- (i) the extension of credit facilities arose in the ordinary course of business of the Hong Leong Group;
- (ii) the conduct of the Hong Leong Group in its banking business is strictly regulated by the Financial Services Act, 2013, Islamic Financial Services Act, 2013 and the Hong Leong Group's own internal controls and checks;
- (iii) the total aggregate outstanding amount owed by our Group to the Hong Leong Group as at the LPD of about RM100.0 million, GBP27.0 million (equivalent to about RM149.4 million) and AUD3.0 million (equivalent to about RM10.0 million), when compared to the latest audited consolidated NA of Hong Leong Financial Group Berhad as at 30 June 2016 of RM15.3 billion (representing about 1.7% of the latest audited consolidated NA of Hong Leong Financial Group Berhad as at 30 June 2016), is not material;
- (iv) the total amount to be repaid by our Group to the Hong Leong Group using the proceeds raised from the IPO of RM100.0 million, GBP27.0 million (equivalent to about RM149.4 million) and AUD3.0 million (equivalent to about RM10.0 million), when compared to the latest audited consolidated NA of Hong Leong Financial Group Berhad as at 30 June 2016 of RM15.3 billion (representing about 1.7% of the latest audited consolidated NA of Hong Leong Financial Group Berhad as at 30 June 2016), is not material; and
- (v) the portion of syndicated bridging loan facility extended by HLIB to our Group as at the LPD of RM20.0 million, when compared to the latest audited consolidated NA of HLIB as at 30 June 2016 of RM495.7 million (representing about 4.0% of the latest audited consolidated NA of HLIB as at 30 June 2016), is not material.

HLIB has also confirmed that as at the LPD, it is not aware of any circumstance that exists or is likely to exist to give rise to a possible conflict of interest situation in its capacity as the Joint Principal Adviser for the IPO, the Joint Bookrunner for the Institutional Offering as well as the Joint Managing Underwriter and the Joint Underwriter for the Retail Offering.

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

12.3.4 Declaration by UOB Kay Hian Securities (M) Sdn Bhd

UOB Kay Hian Securities (M) Sdn Bhd has confirmed that there is no existing or potential conflict of interest in its capacity as the Joint Bookrunner for the Institutional Offering outside Malaysia.

12.3.5 Declaration by Alliance Investment Bank Berhad

Alliance Investment Bank Berhad has confirmed that there is no existing or potential conflict of interest in its capacity as the Joint Underwriter in relation to the IPO.

12.3.6 Declaration by AmInvestment Bank Berhad

AmInvestment Bank Berhad has confirmed that there is no existing or potential conflict of interest in its capacity as the Joint Underwriter in relation to the IPO.

12.3.7 Declaration by RHB Investment Bank Berhad

RHB Investment Bank Berhad has confirmed that there is no existing or potential conflict of interest in its capacity as the Joint Underwriter in relation to the IPO.

12.3.8 Declaration by Mazars PLT

Mazars PLT has confirmed that there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants to our Company in relation to the IPO.

12.3.9 Declaration by Kadir Andri & Partners

Kadir Andri & Partners has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our Company as to Malaysian law in relation to the IPO.

12.3.10 Declaration by Clifford Chance Pte Ltd

Clifford Chance Pte Ltd has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our Company as to United States federal law in relation to the IPO.

12.3.11 Declaration by Cheang & Ariff

Cheang & Ariff has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to the Joint Global Coordinators, the Joint Bookrunners, the Joint Managing Underwriters and the Joint Underwriters as to Malaysian law in relation to the IPO.

12.3.12 Declaration by Paul Hastings LLP

Paul Hastings LLP has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to the Joint Global Coordinators and the Joint Bookrunners as to United States federal law and English law in relation to the IPO.

12.3.13 Declaration by Osborne Clarke LLP

Osborne Clarke LLP has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our foreign entity as to English law in relation to the IPO.

12. RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST (Cont'd)

12.3.14 Declaration by Norton Rose Fulbright LLP

Norton Rose Fulbright LLP has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our foreign entities as to English law in respect of our existing United Kingdom properties in relation to the IPO.

12.3.15 Declaration by Mourant Ozannes

Mourant Ozannes has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our foreign entities as to Jersey and BVI law in relation to the IPO.

12.3.16 Declaration by Vandenburg

Vandenburg has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our foreign entity as to Luxembourg law in relation to the IPO.

12.3.17 Declaration by Colin Biggers & Paisley Pty Ltd

Colin Biggers & Paisley Pty Ltd has confirmed that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our foreign entity as to Australian law and in respect of our existing Australian property in relation to the IPO.

12.3.18 Declaration by JLL

JLL has confirmed that there is no existing or potential conflict of interest in its capacity as the Independent Registered Valuer in relation to our existing United Kingdom properties for the IPO.

12.3.19 Declaration by m3property

m3property has confirmed that there is no existing or potential conflict of interest in its capacity as the Independent Registered Valuer in relation to our existing Australian property for the IPO.

12.3.20 Declaration by Savills

Savills has confirmed that there is no existing or potential conflict of interest in its capacity as the Independent Market Research Consultant in relation to the IPO.

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13. FINANCIAL INFORMATION

13.1 OVERVIEW

We are an international property developer that offers an attractive portfolio of existing development projects in the United Kingdom and Australia, led by a board comprising well-known and respected corporate figures in the Malaysian and international property industry, and backed by a strong management team.

Our Group's principal business activity is property development in international markets outside Malaysia. We focus on developing real estate assets into high quality residential-led, mixed-use developments in mature markets with growth potential and favourable macroeconomic conditions such as the United Kingdom and Australia.

Our property development projects typically comprise a large residential component and a smaller commercial and/or retail component which may include corporate offices, retail shops and small offices that serve to enhance the project's community space and overall liveability. The entire private residential component of each project will be for sale. We may, however, retain the commercial and/or retail component as investment properties for a period of time, to manage the quality and composition of the tenant mix and to enhance the value of the residential component of our property development project. This is in line with our Group's aspiration of developing vibrant and well-populated communities that will help transform our development projects into desirable and sought-after addresses.

We intend to continue to acquire and develop sites in the United Kingdom, Australia and other countries outside Malaysia which match our Group's value creation and growth objectives. We plan to select suitable development opportunities based on our assessment of economic conditions, the attractiveness of specific sites and such sites' development potential. It is also intended that our Group's portfolio will have a spread of property projects at various stages of development and of varying duration, phasing and anticipated completion to ensure business sustainability and continuous development revenue, as from an accounting perspective, revenue from the sale of property in the United Kingdom and Australia can only be recognised by our subsidiaries and joint ventures when the risks and rewards of the property sold have been fully transferred to the purchaser, which is upon physical completion and handover of vacant possession of the property.

For further information on our business, please refer to Section 7 of this Prospectus.

Our Company was incorporated in Malaysia under the Companies Act, 1965 of Malaysia as a private limited company on 28 August 2013.

The formation of our Group was undertaken through a series of acquisition exercises as set out below:

- (i) On 7 December 2015, our Company acquired ten ordinary shares of GBP1.00 each, representing a 100% equity interest in EW Investment from Tan Sri Liew and Dato' Voon for a total cash consideration of GBP6,954,087 to be paid by our Company in RM⁽¹⁾ on a date falling within 16 months from 7 December 2015 or a date falling within ten business days from the date of the Admission, whichever is the earlier ("**Payment Date**"). The purchase consideration was arrived at based on the audited consolidated NA of EW Investment as at 31 July 2015 after adjusting for the net revaluation surplus arising from the market valuation of its group's property development projects as at 15 October 2015.

13. FINANCIAL INFORMATION (Cont'd)

As at 31 October 2015, Tan Sri Liew had advanced to EW Investment a total sum of GBP42,349,204. On 7 December 2015, our Company issued 146,417,000 Shares at an issue price of RM1.20 each to Tan Sri Liew as settlement of GBP27,481,957 (equivalent to RM175,700,396⁽²⁾) of such advances and, on 10 December 2015, repaid an additional GBP11,429,000 (equivalent to RM73,069,026⁽²⁾) of such advances in cash to Tan Sri Liew. The remaining sum of GBP3,438,247 due to Tan Sri Liew will be settled via deferred cash payment to be paid on the Payment Date together with interest, at the exchange rate on the day preceding the Payment Date.

- (ii) On 8 December 2015, our Company acquired one ordinary share, representing a 100% equity interest in Fortune Quest from EWDSB for a cash consideration of AUD1,045,869 (equivalent to RM3,200,150⁽²⁾) which was paid by our Company on 8 December 2015. The purchase consideration was arrived at based on the audited consolidated NA of Fortune Quest as at 31 July 2015 after adjusting for the net revaluation surplus arising from the market valuation of its group's property development project as at 14 November 2015.

As at 31 July 2015, EWDSB had advanced to Fortune Quest a total sum of USD26,808,290. On 7 December 2015, our Company repaid an amount of RM113,573,321⁽²⁾ in cash as settlement of the amount due to EWDSB.

- (iii) On 7 December 2015, our Company acquired 375,000 ordinary shares of GBP1.00 each, representing a 75% equity interest in EW Management from Tan Sri Liew and Dato' Teow for a total cash consideration of GBP375,000 (equivalent to RM2,387,775⁽³⁾) which was paid by our Company on 7 December 2015. The purchase consideration was arrived at based on the par value of the ordinary shares held by Tan Sri Liew and Dato' Teow in EW Management.

Notes:

- (1) *Based on the middle rate for GBP to RM quoted by BNM at 12.00 p.m. at the business day immediately preceding the Payment Date.*
- (2) *Based on the exchange rate of GBP1.00: RM6.3933, AUD1.00: RM3.0598 and USD1.00: RM4.2365, being the middle rate quoted by BNM at 12.00 p.m. as at 27 November 2015, which is the business day immediately preceding the date of the EW Investment Acquisition Agreement and the Fortune Quest Acquisition Agreement.*
- (3) *Based on the exchange rate of GBP1.00: RM6.3674, being the middle rate quoted by BNM at 12.00 p.m. as at 2 December 2015, which is the business day immediately preceding the date of the EW Management Acquisition Agreement.*

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13. FINANCIAL INFORMATION (Cont'd)

13.2 SELECTED HISTORICAL FINANCIAL INFORMATION

You should read the following selected historical financial information for the periods and as at the dates indicated below in conjunction with the "Management's Discussion and Analysis of Financial Condition, Results of Operations and Prospects" in Section 13.3 of this Prospectus and our historical financial statements and the accompanying notes as set out in the Accountants' Report included in Section 14 of this Prospectus.

The historical financial results for any prior or interim periods are not necessarily indicative of results to be expected for a full financial year or for any future period.

Through the series of acquisition exercises mentioned in Section 13.1 of this Prospectus, our Company acquired EW Investment and EW Management on 7 December 2015 and Fortune Quest on 8 December 2015. Accordingly, the financial results of these companies have been consolidated in the Group since 7 December 2015 and 8 December 2015, respectively.

As our Group was only established during the FYE 31 October 2016, no historical consolidated financial statements have been prepared for periods prior to 1 November 2015. The historical financial statements of our Company for the financial period from 28 August 2013 (being the date of incorporation of our Company) to 31 October 2014 and for the financial period from 1 November 2014 to 31 October 2015 are included for comparison only.

The following table sets out the historical consolidated statement of financial position for our Group as at 31 October 2016 and the historical statements of financial position for our Company as at 31 October 2015 and 31 October 2014:

	Audited		
	Our Group	Our Company	Our Company
	As at 31 October 2016	As at 31 October 2015	As at 31 October 2014
		(RM '000)	
ASSETS			
Non-current assets			
Plant and equipment	2,299	-	-
Goodwill	126,302	-	-
Investment in a joint venture	127,646	-	-
Amount owing by a joint venture	745,417	-	-
Deferred tax assets	12,757	-	-
Total non-current assets	1,014,421	-	-
Current assets			
Properties under development for sale	174,040	-	-
Trade receivables	289	-	-
Other receivables and prepayments	6,883	-	83
Deferred expenditure	10,638	3,027	2,223
Current tax assets	628	-	-
Cash and bank balances	18,573	164	36,055
Total current assets	211,051	3,191	38,361
TOTAL ASSETS	1,225,472	3,191	38,361

13. FINANCIAL INFORMATION (Cont'd)

	Audited		
	Our Group	Our Company	Our Company
	As at 31 October 2016	As at 31 October 2015	As at 31 October 2014
	(RM '000)		
EQUITY AND LIABILITIES			
Equity			
Share capital	246,541	750	(1)
Share premium	49,158	-	-
Exchange translation reserve	34,698	-	-
(Accumulated losses)/Retained earnings	(222,514)	(2,421)	48
	107,883	(1,671)	48
Non-controlling interests	4,788	-	-
Total equity/(capital deficiency)	112,671	(1,671)	48
Current liabilities			
Trade payables	1,699	-	-
Other payables and accruals	14,641	4,152	797
RCPS	-	-	37,500
Amounts owing to former holding companies	12,954	634	-
Amounts owing to a shareholder	144,234	56	-
Amount owing to a former shareholder of a subsidiary	10,660	-	-
Borrowings	923,867	-	-
Current tax liabilities	2,920	20	16
Total current liabilities	1,110,975	4,862	38,313
Non-current liability			
Deferred tax liabilities	1,826	-	-
Total non-current liability	1,826	-	-
Total liabilities	1,112,801	4,862	38,313
TOTAL EQUITY AND LIABILITIES	1,225,472	3,191	38,361
NA/(NET LIABILITIES)	112,671	(1,671)	48

Note:

(1) Represents RM2.00 only.

13. FINANCIAL INFORMATION (Cont'd)

The following table sets out the historical consolidated statement of comprehensive income for our Group for the FYE 31 October 2016 and the historical statements of comprehensive income for our Company for the FYE 31 October 2015 and the FPE 31 October 2014:

	Audited		
	Our Group FYE 31 October 2016	Our Company FYE 31 October 2015	Our Company FPE 31 October 2014
		(RM '000)	
Revenue	683	-	-
Direct expenses	(5,016)	-	-
Gross loss	(4,333)	-	-
Other income	5,629	786	83
Administrative and general expenses	(36,743)	(3,086)	(19)
Marketing expenses	(2,132)	-	-
Unrealised loss on foreign exchange	(74,940)	-	-
Share of loss in a joint venture	(53,927)	-	-
Finance costs	(52,823)	-	-
(LBT)/PBT	(219,269)	(2,300)	64
Taxation	2,153	(169)	(16)
(Loss)/Profit for the year/period	(217,116)	(2,469)	48
Other comprehensive income, net of tax:			
<i>Item that may be reclassified to profit or loss subsequently:</i>			
Exchange differences on translation of foreign operations	33,866	-	-
Total comprehensive (loss)/income for the year/period	(183,250)	(2,469)	48
(Loss)/Profit for the year/period attributable to:			
Owners of our Company	(220,093)	(2,469)	48
Non-controlling interests	2,977	-	-
	(217,116)	(2,469)	48
Total comprehensive (loss)/income for the year/period attributable to:			
Owners of our Company	(185,395)	(2,469)	48
Non-controlling interests	2,145	-	-
	(183,250)	(2,469)	48
Other selected financial data:			
LBITDA ⁽¹⁾	(176,777)	(3,086)	(19)
Gross loss margin (%)	(634.41)	-	-
Depreciation	908	-	-

13. FINANCIAL INFORMATION (Cont'd)

	Audited		
	Our Group	Our Company	Our Company
	FYE 31 October 2016	FYE 31 October 2015	FPE 31 October 2014
	(RM '000)		
Loss after tax margin (%)	(31,788.58)	-	-
Par value (RM)	1.00	1.00	0.01
Number of ordinary shares in issue ('000)	246,541	750	(3)
Weighted average number of ordinary shares ('000)	223,179	265	(3)
(LPS)/EPS ⁽²⁾			
Basic (sen)	(98.62)	(931)	24,000
Diluted (sen)	(98.62)	(931)	24,000

Notes:

- (1) LBITDA represents loss before interest, taxation, depreciation and amortisation.
- (2) Calculated by dividing the (loss)/profit for the year/period attributable to the equity holders of our Company by the weighted average number of shares for the respective year/period.
- (3) Represents 200 ordinary shares only.

The following table sets out the historical consolidated statement of cash flows for our Group for the FYE 31 October 2016 and the historical statements of cash flows for our Company for the FYE 31 October 2015 and the FPE 31 October 2014:

	Audited		
	Our Group	Our Company	Our Company
	FYE 31 October 2016	FYE 31 October 2015	FPE 31 October 2014
	(RM '000)		
CASH FLOWS FROM OPERATING ACTIVITIES			
(LBT)/PBT	(219,269)	(2,300)	64
Adjustments for:			
Interest income	(86)	(786)	(83)
Deferred expenditure written off	-	1,287	-
Allowance for doubtful debts	207	-	-
Loss on disposal of plant and equipment	16	-	-
Depreciation	908	-	-
Share of loss in a joint venture	53,927	-	-
Finance costs	52,823	-	-
Gain on bargain purchase arising from acquisition of a subsidiary	(5,540)	-	-
Listing expenses	290	505	-
Landholder duty	8,691	-	-
Unrealised loss on foreign exchange	74,940	-	-
Operating loss before working capital changes	(33,093)	(1,294)	(19)

13. FINANCIAL INFORMATION (Cont'd)

	Audited		
	Our Group	Our Company	Our Company
	FYE 31 October 2016	FYE 31 October 2015	FPE 31 October 2014
		<i>(RM '000)</i>	
Changes in properties under development for sale	(8,251)	-	-
Changes in receivables	(137)	-	-
Changes in deferred expenditure	-	-	(2,223)
Changes in payables	4,353	759	797
Cash used in operations	(37,128)	(535)	(1,445)
Interest received	47	870	-
Net tax paid	(2,078)	(166)	-
Net cash (used in)/generated from operating activities	(39,159)	169	(1,445)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment	(711)	-	-
Proceeds from disposal of plant and equipment	6	-	-
Advances to a joint venture	(244,662)	-	-
Acquisition of subsidiaries	6,517	-	-
Placements of deposits, debt service reserve and interest service reserve accounts	(965)	-	-
Landholder duty	(8,691)	-	-
Interest received	39	-	-
Net cash used in investing activities	(248,467)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
(Redemption)/Issuance of RCPS	-	(37,500)	37,500
Drawdown of borrowings	330,547	-	-
Proceeds from issuance of ordinary shares	119,249	750	-
Advances from a shareholder	21,457	56	-
(Repayment to)/Advances from former holding company	(4)	634	-
Repayment to a former holding company of a subsidiary	(113,548)	-	-
Finance costs	(51,170)	-	-
Listing expenses	(7,762)	-	-
Net cash generated from/(used in) financing activities	298,769	(36,060)	37,500

13. FINANCIAL INFORMATION (Cont'd)

	Audited		
	Our Group	Our Company	Our Company
	FYE 31 October 2016	FYE 31 October 2015	FPE 31 October 2014
	(RM '000)		
NET CHANGES IN CASH AND CASH EQUIVALENTS	11,143	(35,891)	36,055
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR/PERIOD	164	36,055	(1)
EFFECT OF EXCHANGE RATE CHANGES	(3,588)	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD	<u>7,719</u>	<u>164</u>	<u>36,055</u>
Represented by:			
Cash on hand and at banks	14,631	164	8,055
Deposits held with licensed bank	3,942	-	28,000
Less: restricted deposits	(10,854)	-	-
Cash and cash equivalents	<u>7,719</u>	<u>164</u>	<u>36,055</u>

Note:

(1) Represents RM2.00 only.

13.3 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS

The following discussion and analysis relates to the historical consolidated financial information for our Group as at and for the FYE 31 October 2016 and the historical financial information of our Company as at and for the FYE 31 October 2015 and the FPE 31 October 2014. The historical consolidated financial statements for our Group as at and for the FYE 31 October 2016 and the historical financial statements for our Company as at and for the FYE 31 October 2015 and the FPE 31 October 2014 have been derived from our historical financial statements and the accompanying notes as set out in the Accountants' Report included in Section 14 of this Prospectus.

You should read the following discussion together with our historical financial statements and the accompanying notes as set out in the Accountants' Report included in Section 14 of this Prospectus.

This discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of any number of factors, including those set forth under Section 5 of this Prospectus may not be accurate.

13. FINANCIAL INFORMATION (Cont'd)

13.3.1 Basis of presentation

The historical consolidated financial statements for our Group as at and for the FYE 31 October 2016 and the historical financial statements for our Company as at and for FYE 31 October 2015 and the FPE 31 October 2014 have been prepared in accordance with MFRS, IFRS and the requirements of the Companies Act, 1965 in Malaysia.

Through the series of acquisition exercises mentioned above, our Company acquired EW Investment and EW Management on 7 December 2015 and Fortune Quest on 8 December 2015. Accordingly, the financial results of these companies have been consolidated in the Group since 7 December 2015 and 8 December 2015, respectively.

As our Group was only established during the FYE 31 October 2016, no historical consolidated financial statements have been prepared for periods prior to 1 November 2015. The historical financial statements of our Company for the financial period from 28 August 2013 (being the date of incorporation of our Company) to 31 October 2014 and for the financial period 1 November 2014 to 31 October 2015 are included for comparison only.

Our Group incurred a net loss of about RM217.12 million and reported net outflow in respect of its operating activities amounting to about RM39.16 million for the financial period from 1 November 2015 to 31 October 2016. As at 31 October 2016, our Group's current liabilities exceeded its current assets by about RM899.92 million.

Although these conditions indicate the existence of an uncertainty which may cast doubt on our Group's ability to continue as a going concern, the historical consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern in view of the continuous support from lenders and shareholders and our Group's ongoing plans to raise additional funding for working capital purposes, including through the IPO. Furthermore, our Group expects a significant increase in cash flows from our property development projects upon physical completion and handover of vacant possession of the property, the earliest of which would be in the first half of 2018 (being the handover of completed units from the first two residential blocks of the London City Island Phase 2 project). Our Directors also believe that the funding streams from these sources are sufficient to meet the working capital requirements and business activities of our Group for the foreseeable future.

As the Minister of Domestic Trade, Co-operatives and Consumerism has appointed 31 January 2017 as the date on which the Act (except section 241 and Division 8 of Part III) comes into operation, our Company will prepare its financial statements for the year ending 31 October 2017 in accordance with the requirements of the Act.

Under the Act:

- All shares issued before or upon the commencement of the Act shall have no par or nominal value. Where a share is issued before the commencement of the Act, the amount paid on the share shall be the sum of all amounts paid to the company at any time for the share, but not including any premium.
- Upon commencement of the Act, any amount standing to the credit of our Company's share premium account shall become part of our Company's share capital.
- However, our Company may, within 24 months upon the commencement of the Act, use the amount standing to the credit of our share premium account for specific purposes set out in the transitional provisions of the Act. Thereafter, any unutilised credit balance in the share premium account shall be transferred and credited to share capital of our Company.

13. FINANCIAL INFORMATION (Cont'd)

13.3.2 Significant accounting judgments and estimates

The preparation of financial statements requires our management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Although these estimates are based on our management's best knowledge of current events and actions, historical experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from these estimates.

Our management made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of our Group's accounting policies. Although estimates and judgements are continually evaluated and are based on our management's best knowledge of current events and actions, historical experience and other factors, including expectations of future events that are considered to be reasonable under the circumstances, actual results may differ from the estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Critical Judgements

In the process of applying our Group's accounting policies, our management has made the following judgements which have the most significant effect on the amounts recognised in the historical financial statements:

Revenue from sale of properties

Our management exercises judgement in recognising revenue from sale of properties. Revenue from sale of properties is recognised when all conditions set out in our Group's revenue recognition policy are fulfilled (for further details on our revenue recognition, please refer to Section 13.3.3 of this Prospectus). Thus, our management judgement is involved in assessing the timing when all those conditions are met. Our management considers terms set out in the agreements with purchasers as well as other factors relevant to the property sale transactions, when applying the revenue recognition policy.

From an accounting perspective, revenue from the sale of property in the United Kingdom and Australia can only be recognised by our subsidiary and joint venture when the risks and rewards of the property sold have been fully transferred to the purchaser, which is upon physical completion and handover of vacant possession of the property. Accordingly, our subsidiary and joint venture will not recognise the deposits received from purchasers or development progress of property for which a sales contract has been signed as revenue until the physical completion and handover of vacant possession of the property.

In Australia, where our property development projects are currently undertaken through our wholly-owned subsidiary, our revenue on a year-to-year basis will fluctuate depending on the number of projects completed in each financial year. In the United Kingdom, where our property development projects are currently undertaken through our joint ventures, the revenue of these companies on a year-to-year basis will fluctuate as well, depending on the number of projects completed in each financial year, which will, in turn, cause our share of profits from each of these joint ventures to fluctuate as well.

13. FINANCIAL INFORMATION (Cont'd)

Joint arrangement

Our management has assessed and concluded that our Group has joint control, together with its joint venture partner, over EW-Ballymore Holding Group. Based on the contractual agreement, our Group requires unanimous consent for all significant decisions over the relevant activities of EW-Ballymore Holding Group with the joint venture partner. Accordingly, this arrangement is classified as a joint venture.

In our historical consolidated financial statements, our 75% interest in the EW-Ballymore Holding Group is accounted for not as a subsidiary but as a joint venture using the equity method of accounting. Accordingly, this arrangement is classified as a joint venture. As a result, our consolidated revenue, direct expenses and each of the other line items in our historical consolidated statement of comprehensive income above the line item "*Share of profit/(loss) in a joint venture*" are not impacted by and do not reflect the results of the EW-Ballymore Holding Group. Instead, our 75% interest in the results of the EW-Ballymore Holding Group is reflected in our historical consolidated statement of comprehensive income in the line item "*Share of profit/(loss) in a joint venture*".

Similarly, the assets and liabilities of the EW-Ballymore Holding Group are not directly reflected in our historical consolidated statement of financial position. However, our investment in the EW-Ballymore Holding Group is accounted for in our asset line item, "*Investment in a joint venture*".

We are developing three of our four current projects through the EW-Ballymore Holding Group, being all three of our property development projects in the United Kingdom.

RCPS

On 22 September 2014, our Company entered into a RCPS subscription agreement (the "**RCPS Subscription Agreement**") with our then holding company, EWIPM, which is collectively owned by Tan Sri Liew, Dato' Teow, Datuk Heah Kok Boon, Tan Cheng Yong and Norhayati binti Subali and such other relevant future employees of our Company (collectively known as the "**RCPS Management Team**").

Our Directors had assessed and concluded that the issuance of the RCPS is within the scope of *MFRS 2 Share-based Payments* as the RCPS entitle the RCPS Management Team to ordinary shares and warrants of our Company which are linked to the services to be provided by the RCPS Management Team for the activities leading up to an initial public offering of our Company as a SPAC (as defined in the Equity Guidelines), and the subsequent identification of the qualifying acquisition for the approval of the shareholders of our Company, which is no longer being pursued. Our Directors have also determined the grant date to be the date the RCPS are issued as that is the date where there is a shared understanding of the terms and conditions of the RCPS and our Company confers on EWIPM the rights to the shares and warrants of our Company.

Our Directors had estimated the fair value of the RCPS at grant date to be the same as the cash consideration paid by EWIPM as our Company was dormant, had no staff, had not entered into any commercial contracts and its assets were substantially the cash considerations it received. Consequently, there was no financial impact to the historical consolidated financial statements.

Our Directors also assessed and concluded that the RCPS was a financial liability.

During the FYE 31 October 2015, our Company redeemed in full its RCPS.

13. FINANCIAL INFORMATION (Cont'd)***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources associated with estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below:

Impairment of goodwill

Our management performs a goodwill impairment test annually, or more frequently if events or changes in circumstances indicate that the carrying amount of goodwill may be impaired. This requires an estimation of the value-in-use of the cash generating unit ("CGU") to which the goodwill is allocated.

Estimating value-in-use requires our management to make an estimate of the expected future cash flows from the cash generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The value-in-use calculation is based on a discounted cash flow model.

Impairment of non-financial assets (other than goodwill)

Our Group assesses whether there are any indicators of impairment for all non-financial assets (other than goodwill) at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value-in-use calculations are undertaken, our management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. The value-in-use calculation is based on a discounted cash flow model.

Impairment of loans and receivables

Our Group assesses whether there is any objective evidence that a financial asset is impaired at each reporting date. To determine whether there is objective evidence of impairment, our Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

Impairment of properties under development for sale

Properties under development for sale are stated at lower of cost and estimated net realisable value. When it is probable that the total development costs will exceed the total projected revenue, the amount in excess of net realisable value is recognised as an expense immediately.

The process of estimating the net realisable value of the properties under development for sale is subject to our management judgement and the effect of assumptions in respect of development plan, timing of sale and the prevailing market conditions. Our Group has engaged cost consultants to perform cost studies and evaluate estimates on its development projects, taking into account the costs incurred to-date, the development status and costs to complete the development projects. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the properties.

13. FINANCIAL INFORMATION (Cont'd)

Income taxes

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

Our Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Recognition of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unutilised tax losses to the extent that it is probable that taxable profits will be available in future against which the deductible temporary differences and tax losses can be utilised.

Significant judgement of our management is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits together with future tax planning strategies.

Business combination

Our management exercises judgement in determining the acquisition date of an acquisition, which is the date on which we obtains control of an acquiree.

As of the acquisition date, our management recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in an acquiree. Our management exercises judgement in identifying and estimating the fair value of assets acquired and liabilities assumed. Our management carries out purchase price allocation exercise to identify and measure those assets acquired and liabilities assumed, and eventually deriving the goodwill on acquisition or gain on bargain purchase.

13.3.3 Significant factors affecting our results of operations

The following factors are the primary factors that have affected our historical consolidated financial information and, we expect, will affect our business, financial condition, results of operations and prospects.

The Acquisitions

(i) Acquisition of EW Investment

On 7 December 2015, our Company acquired 100% equity interest in EW Investment. EW Investment is an investment holding company with two subsidiaries, namely EW ACE and EW International Marketing. EW Investment also has an indirect investment in a joint venture, EW-Ballymore Holding, which is an investment holding company. The subsidiaries of EW-Ballymore Holding are mainly involved in property development.

(ii) Acquisition of Fortune Quest

On 8 December 2015, our Company acquired 100% equity interest in Fortune Quest. Fortune Quest is an investment holding company. Fortune Quest has a wholly-owned subsidiary, EW Sydney Development. EW Sydney Development is involved in property development.

13. FINANCIAL INFORMATION (Cont'd)**(iii) Acquisition of EW Management**

On 7 December 2015, our Company acquired 75% equity interest in EW Management. EW Management provides advisory and project monitoring services to EW ACE.

Revenue recognition

Revenue from the sale of property in the United Kingdom and Australia can only be recognised by the relevant entities when the risks and rewards of the property sold have been fully transferred to the purchaser, which is upon physical completion and handover of vacant possession of the property. Accordingly, such entities will not recognise the deposits or instalments received from purchasers or development progress of property for which a sales contract has been signed as revenue until the physical completion and handover of vacant possession of the property.

In the United Kingdom, where our property development projects are currently undertaken through subsidiaries of our joint venture with Ballymore, the revenue of these companies will also be recognised upon the physical completion and handover of vacant possession of the relevant phases in the respective financial year. The fluctuation in the revenue recognised on a year-to-year basis may result in our share of profits or loss in the joint venture to fluctuate as well.

In Australia, where our property development project is currently undertaken through our wholly-owned subsidiary, our revenue will only be recognised upon physical completion and handover of vacant possession of the property, and hence, our revenue on a year-to-year basis will fluctuate depending on the number of projects completed in each year.

Performance of the property industry in the countries we operate in

As our Group's principal business activity is the sale of our property development projects, our business, financial condition, results of operations and prospects are subject to the performance of the property industry in the countries in which we operate, where property prices are largely affected by supply and demand. In particular, the demand for properties could be adversely affected by, among others, any of the following:

- weakness in the domestic and international economies;
- lower population growth, including migration;
- adverse government regulation;
- absence of financing for purchase of properties;
- the consequences of the United Kingdom's withdrawal from the EU; and/or
- higher interest rates.

Fluctuations in the costs of construction materials, labour and equipment

Contractors engaged by our Group will supply the construction materials, labour and equipment used to develop our property development projects as part of their obligations in accordance with their contracts with our Group.

13. FINANCIAL INFORMATION (Cont'd)

Where we have not entered into fixed fee contracts with our sub-contractors, any increase in the prices of various construction materials and the costs of leasing construction equipment may result in an increase in our property development project costs. If there is a material increase in the costs of construction materials, equipment or labour and we are unable to secure alternative supply at the expected costs or pass such additional costs to our customers, or renegotiate improved terms with suppliers and contractors, the operating costs of our property development projects may increase and hence, our margins from such project may be reduced. Consequently, our profitability and financial performance will be adversely affected.

Foreign currency exchange rate fluctuations

Our Group's reporting currency is in RM while the functional and reporting currencies of our subsidiaries and joint ventures include various foreign currencies, primarily GBP, AUD and USD. The cash flows of our current projects are denominated in GBP or AUD, as the case may be, including, but not limited to, purchase of land, investment, development and operating costs, financing and revenues. Consequently, our revenue, costs, profits and asset values are affected by fluctuations in the foreign currency exchange rates among the abovementioned currencies.

We cannot predict the effects of future foreign currency exchange rate fluctuations on our assets, liabilities, revenue, direct expenses and profits. Weakening of GBP, AUD and USD against the RM may have a negative impact on the financial position and results of operations of our Group. Foreign currency exchange rate gains or losses may arise when the assets and liabilities in foreign currencies are translated or exchanged into RM for financial reporting or repatriation purposes.

13.3.4 Principal components of our historical statement of comprehensive income

The following describes the principal components of the historical consolidated statement of comprehensive income of our Group for the FYE 31 October 2016 and our Company for the FYE 31 October 2015 and the FPE 31 October 2014 and are not necessarily indicative of the principal components of the statement of comprehensive income of our Group to be expected for any future periods.

Revenue

Our Group's revenue for the FYE 31 October 2016 consisted of sales commissions derived from the marketing services rendered by EW International Marketing to EW-Ballymore London City in respect of the sales of the London City Island Phase 2 project amounting to about RM0.43 million and to EW-Ballymore Arrowhead in respect of the sales of the Wardian London project amounting to about RM0.25 million, respectively.

Our Company did not recognise any revenue for the FYE 31 October 2015 and the FPE 31 October 2014.

Direct expenses

Our Group's direct expenses for the FYE 31 October 2016 consisted of staff cost, advertising and promotional expenses, office rental and travelling expenses incurred in connection with the marketing services provided by EW International Marketing.

Our Company did not incur any direct expenses for the FYE 31 October 2015 and the FPE 31 October 2014.

Gross loss

Our Group's gross loss for the FYE 31 October 2016 was mainly due to expenses incurred in connection with the marketing services provided by EW International Marketing.

13. FINANCIAL INFORMATION (Cont'd)***Other income***

Our Group's other income for the FYE 31 October 2016 consisted mainly of gain on bargain purchase arising from the acquisition of EW Management of about RM5.54 million as a result of the fair value of the NA exceeding the fair value of consideration paid for the acquisition of EW Management.

Other income for our Company for the FYE 31 October 2015 and the FPE 31 October 2014 consisted of interest earned by our Company from the deposits placed.

Administrative and general expenses

Our Group's administrative and general expenses for the FYE 31 October 2016 consisted mainly of landholder duty of about RM8.69 million in relation to the acquisition of Fortune Quest, staff costs of about RM19.67 million, other professional fees of about RM3.76 million and office expenses of about RM1.61 million.

For FYE 31 October 2015, our Company's administrative and general expenses consisted mainly of professional fees of about RM1.80 million of which about RM1.29 million was in relation to the payment for the withdrawal of an earlier application for the proposed listing of our Company as a SPAC, while the remaining balances are listing expenses and director remuneration.

Marketing expenses

Our Group's marketing expenses for the FYE 31 October 2016 were incurred mainly in connection with the marketing of West Village, Parramatta project.

Our Company did not incur any marketing expenses for the FYE 31 October 2015 and the FPE 31 October 2014.

Unrealised loss on foreign exchange

Our Group's unrealised loss on foreign exchange for the FYE 31 October 2016 arose mainly from the advances to EW Investment and Fortune Quest of about RM87.39 million and RM0.55 million respectively. This was offset against the unrealised gain on foreign exchange of about RM4.29 million and RM8.93 million from the term loans and advances received from a shareholder and a former shareholder, respectively.

Our Company did not incur any unrealised loss on foreign exchange the FYE 31 October 2015 and the FPE 31 October 2014.

Share of loss in a joint venture

Our Group's share of loss in a joint venture for the FYE 31 October 2016 represents our share of the consolidated loss recorded by our joint venture, EW-Ballymore Holding, and its subsidiaries.

During the FYE 31 October 2016, the loss related mainly to marketing related expenses, including sales commission fees and marketing costs related to the launching of the property development projects incurred by EW-Ballymore London City, EW-Ballymore Embassy Gardens and EW-Ballymore Arrowhead.

Finance costs

Our Group's interest expense on bank borrowings for the FYE 31 October 2016 was about RM12.53 million (incurred by our Company), about RM18.12 million (incurred by EW ACE) and about RM7.22 million (incurred by EW Investment). The interest expense on shareholder's advances for the FYE 31 October 2016 was about RM1.84 million (incurred by our Company) and about RM1.96 million (incurred by EW Investment).

13. FINANCIAL INFORMATION (Cont'd)

We also incurred bank facility fees of about RM11.15 million for the FYE 31 October 2016.

Our Company did not incur any finance costs for the FYE 31 October 2015 and the FPE 31 October 2014.

(LBT)/PBT

The following table sets out the relevant line items for our Group for the FYE 31 October 2016 and for our Company for the FYE 31 October 2015 and the FPE 31 October 2014:

	Audited		
	Our Group	Our Company	Our Company
	FYE 31 October 2016	FYE 31 October 2015	FPE 31 October 2014
	(RM '000)		
(LBT)/PBT is stated after charging/(crediting):			
Auditors' remuneration			
- statutory	218	5	5
- non-statutory	200	125	-
Allowance for doubtful debts	207	-	-
Depreciation	908	-	-
Loss on disposal of plant and equipment	16	-	-
Directors' remuneration			
- salaries, allowances and bonuses	4,865	110	-
- director fee	800	-	-
- defined contribution plan	555	-	-
- others	10	-	-
Employee benefits expense	13,440	7	-
Landholder duty	8,691	-	-
Listing expenses	290	505	-
Rental expenses			
- office premise	1,667	-	-
- office equipment	110	-	-
Deferred expenditure written off	-	1,287	-
Realised loss on foreign exchange	540	(1)	-
Interest income	(86)	(786)	(83)
Gain on bargain purchase arising from acquisition of a subsidiary	(5,540)	-	-

Note:

(1) Insignificant amount due to rounding effect.

13. FINANCIAL INFORMATION (Cont'd)

Our Group recorded a LBT of about RM219.27 million for the FYE 31 October 2016, for which about RM115.72 million loss was attributable to Malaysia, about RM93.32 million loss was attributable to the United Kingdom and about RM10.23 million loss was attributable to Australia. Our Company recorded a LBT of about RM2.30 million for the FYE 31 October 2015 and a PBT of about RM0.06 million for the FPE 31 October 2014, all of which are from Malaysia.

Taxation

The Malaysian statutory tax rate reduced to 24% from the rate of 25% applicable to the FYE 31 October 2015 effective from year of assessment 2016. The changes of corporate tax rate in year of assessment 2016 had been incorporated in the computation of the deferred taxes as at 31 October 2015 and as at 31 October 2016.

The following table sets out the details of the tax expenses for our Group for the FYE 31 October 2016 and for our Company for the FYE 31 October 2015 and the FPE 31 October 2014:

	Audited		
	Our Group	Our Company	Our Company
	FYE 31 October 2016	FYE 31 October 2015	FPE 31 October 2014
	(RM '000)		
Current tax			
- Malaysian tax			
Current year	-	169	16
Prior periods	(174)	-	-
- United Kingdom tax			
Current year	2,998	-	-
Prior periods	54	-	-
	<u>2,878</u>	<u>169</u>	<u>16</u>
Deferred tax			
- Malaysian tax			
Current year	(1,194)	-	-
- Australian tax			
Current year	(3,837)	-	-
	<u>(5,031)</u>	<u>-</u>	<u>-</u>
	<u>(2,153)</u>	<u>169</u>	<u>16</u>

Our Group operates in a multi-jurisdictional tax environment and the corporate tax rates of entities within our Group outside Malaysia for the FYE 31 October 2016 are as follows:

- (i) subsidiaries incorporated in Jersey and the British Virgin Islands: 0%
- (ii) subsidiary incorporated in the United Kingdom: 20%
- (iii) subsidiary incorporated in Australia: 30%

13. FINANCIAL INFORMATION (Cont'd)

The provision for taxation differs from the amount of taxation determined by applying the applicable statutory tax rates to the (LBT)/PBT as a result of the following differences:

	Audited		
	Our Group	Our Company	Our Company
	FYE 31 October 2016	FYE 31 October 2015	FPE 31 October 2014
	(RM '000)		
Accounting (loss)/profit before tax and share of loss in a joint venture	(165,342)	(2,300)	64
Tax at applicable tax rates	(28,689)	(575)	13
Tax effect arising from non-taxable income	(1,330)	-	-
Tax effect arising from non-deductible expenses	27,981	744	3
Adjustments attributable to prior years	(115)	-	-
	<u>(2,153)</u>	<u>169</u>	<u>16</u>

Subject to the agreement of the tax authority of the United Kingdom ("UK Tax Authority") and any changes in United Kingdom tax legislation, tax losses arising from the respective companies' property development activities in the United Kingdom may be carried forward and set off against profits arising from the same activities in the respective companies in future years. In the UK Autumn Statement 2016, the United Kingdom government published draft legislation that will take effect from 1 April 2017 that will amend the rules in respect of corporation tax losses. The changes are as follows: (i) from 1 April 2017, companies will be able to use carried forward losses against profits from other activities or from other companies within a group; and (ii) from 1 April 2017, the amount of profit that can be offset against losses carried forward will be restricted to 50% of the amount of profits in excess of GBP5 million. Where the company is in a group, the GBP5 million allowance applies to the group.

As EW-Ballymore Holding and its subsidiaries were able to register for UK corporation tax during the FYE 31 October 2016, deferred tax has now been recognised in respect of unutilised tax losses to the extent that it is probable that future taxable profit will be available, against which the tax losses can be utilised. The deferred tax asset has been calculated based on the rate of 19% substantively enacted as at 31 October 2016.

Exchange differences on translation of foreign operations

Our historical consolidated financial information is presented in RM, which is also our Company's functional currency. All assets and liabilities of foreign operations that have a functional currency other than RM are translated at the exchange rates ruling at the end of the reporting period. Income and expense items are translated at an average exchange rate during a financial period. All exchange differences arising from the translation of the financial statements of foreign operations are accounted for under exchange translation reserve.

13. FINANCIAL INFORMATION (Cont'd)

13.3.5 Results of operations

FYE 31 October 2016 for our Group compared to FYE 31 October 2015 for our Company

Revenue

Revenue for our Group for the FYE 31 October 2016 was about RM0.68 million, as compared to no revenue recorded by our Company for FYE 31 October 2015. Our Group's revenue for the FYE 31 October 2016 consisted of sales commissions derived from the marketing services rendered by EW International Marketing to EW-Ballymore London City in respect of the sales of the London City Island Phase 2 project amounting to about RM0.43 million and to EW-Ballymore Arrowhead in respect of the sales of the Wardian London project amounting to about RM0.25 million.

Direct expenses

Direct expenses for our Group for the FYE 31 October 2016 was about RM5.02 million, as compared to no direct expenses recorded by our Company for the FYE 31 October 2015. Our Group's direct expenses for the FYE 31 October 2016 were incurred in connection with the marketing services provided by EW International Marketing. Our Company did not provide such marketing services during the FYE 31 October 2015.

Gross loss

Gross loss for our Group for the FYE 31 October 2016 was about RM4.33 million, as compared to no gross loss recorded by our Company for the FYE 31 October 2015, as a result of the reasons described above. This represented gross loss margin of about negative 634.41% for the FYE 31 October 2016.

Other income

Other income for our Group for the FYE 31 October 2016 was about RM5.63 million, an increase of about RM4.84 million as compared to about RM0.79 million recorded by our Company for the FYE 31 October 2015. This was principally derived from the gain on bargain purchase arising from the acquisition of EW Management of about RM5.54 million as a result of the fair value of the NA exceeding the fair value of consideration paid for the acquisition of EW Management.

Administrative and general expenses

Administrative and general expenses for our Group for the FYE 31 October 2016 were about RM36.74 million, an increase of about RM33.65 million compared to about RM3.09 million for our Company for the FYE 31 October 2015. This was principally as a result of landholder duty of about RM8.69 million in relation to the acquisition of Fortune Quest, staff costs of about RM19.67 million, other professional fee of about RM3.76 million and office expenses of about RM1.61 million.

Marketing expenses

Marketing expenses for our Group for the FYE 31 October 2016 were about RM2.13 million, as compared to no marketing expenses recorded by our Company for the FYE 31 October 2015. The marketing expenses for the FYE 31 October 2016 were incurred in connection with the marketing of our West Village, Parramatta project.

13. FINANCIAL INFORMATION (Cont'd)*Unrealised loss on foreign exchange*

Unrealised loss on foreign exchange for our Group for the FYE 31 October 2016 were about RM74.94 million, as compared to no unrealised loss on foreign exchange recorded by our Company for the FYE 31 October 2015.

The unrealised loss on foreign exchange for the FYE 31 October 2016 arose mainly from the advances to EW Investment and Fortune Quest of about RM87.39 million and RM0.55 million, respectively. This was offset against the unrealised gain on foreign exchange of about RM4.29 million and RM8.93 million from the term loans and advances received from a shareholder and a former shareholder, respectively.

Share of loss in a joint venture

The share of loss in a joint venture for our Group for the FYE 31 October 2016 was about RM53.93 million, as compared to no share of loss or profit of a joint venture recorded by our Company for the FYE 31 October 2015. The share of loss in a joint venture represents a share of 75% loss in EW-Ballymore Holding and its subsidiaries. This was principally as a result of marketing related expenses, including sales commission fees and marketing costs related to the launching of the property development projects incurred by EW-Ballymore London City, EW-Ballymore Embassy Gardens and EW-Ballymore Arrowhead for the 11 months FYE 31 October 2016. EWI acquired the joint venture interest of these companies through the acquisition of EW Investment on 7 December 2015.

Finance costs

Finance costs for our Group for the FYE 31 October 2016 were about RM52.82 million, as compared to no finance costs recorded by our Company for the FYE 31 October 2015.

Our Group's interest expense on bank borrowings for the FYE 31 October 2016 was about RM12.53 million (incurred by our Company), about RM18.12 million (incurred by EW ACE) and about RM7.22 million (incurred by EW Investment). Our Group's interest expense on shareholder's advances for the FYE 31 October 2016 was about RM1.84 million (incurred by our Company) and about RM1.96 million (incurred by EW Investment).

The bank facility fees incurred for the FYE 31 October 2016 was about RM11.15 million.

LBT

The LBT for our Group for the FYE 31 October 2016 was about RM219.27 million as compared to a LBT of about RM2.30 million for our Company for the FYE 31 October 2015, as a result of the reasons described above. For the FYE 31 October 2016, about RM115.72 million loss was attributable to Malaysia, about RM93.32 million loss was attributable to the United Kingdom and about RM10.23 million loss was attributable to Australia.

Taxation

Our Group recorded tax assets of about RM2.15 million for the FYE 31 October 2016 as compared to a tax expense of about RM0.17 million recorded by our Company for the FYE 31 October 2015. The current tax expense for the FYE 31 October 2016 was RM2.88 million, which was attributed to EW Management, offset against the deferred tax asset recognised for the tax losses in EW Sydney Development and EW International Marketing of about RM3.84 million and RM1.19 million, respectively.

Loss for the year

The loss for our Group for the FYE 31 October 2016 was about RM217.12 million as compared to a loss of about RM2.47 million recorded by our Company for the FYE 31 October 2015, as a result of the reasons described above.

13. FINANCIAL INFORMATION (Cont'd)*Exchange differences on translation of foreign operations*

The exchange differences on translation of foreign operations for our Group for the FYE 31 October 2016 was about RM33.87 million principally as a result of the adjustment for the difference between the translation in the statements of comprehensive income and statements of financial position from EW Investment Group's foreign operations. There were no exchange differences on translation of foreign operations recorded by our Company for the FYE 31 October 2015.

Total comprehensive loss for the year

The total comprehensive loss for our Group for the FYE 31 October 2016 was about RM183.25 million, as compared to a total comprehensive loss of about RM2.47 million recorded by our Company for the FYE 31 October 2015, as a result of the reasons mentioned above.

FYE 31 October 2015 for our Company compared to the FPE 31 October 2014 for our Company

Our Company did not record any revenue and direct expenses during the FYE 31 October 2015 and FPE 31 October 2014.

Other income

Other income for the FYE 31 October 2015 was about RM0.79 million, an increase of about RM0.71 million as compared to about RM0.08 million recorded for the FPE 31 October 2014. This was principally as a result of interest earned of about RM0.79 million by EWI from the placement of RM35.40 million raised from the issuance of RCPS in fixed deposits.

Administrative and general expenses

Administrative and general expenses for the FYE 31 October 2015 were about RM3.09 million, an increase of about RM3.07 million compared to about RM0.02 million for the FPE 31 October 2014. The increase was due mainly to the deferred expenditure written off of about RM1.29 million, listing expenses for the IPO of about RM0.51 million and director remuneration of about RM0.11 million.

(LBT)/PBT

The LBT for the FYE 31 October 2015 was about RM2.30 million as compared to a PBT of about RM0.06 million for the FPE 31 October 2014, all of which are from Malaysia, as a result of the reasons described above.

Taxation

The tax expense for the FYE 31 October 2015 was about RM0.17 million, an increase of about RM0.15 million as compared to about RM0.02 million recorded for the FPE 31 October 2014.

(Loss)/Profit for the year/period

The loss for the FYE 31 October 2015 was about RM2.47 million as compared to a profit of about RM0.05 million recorded for the FPE 31 October 2014.

13. FINANCIAL INFORMATION (Cont'd)

13.3.6 Liquidity and capital resources

Working capital and cash flow

Our principal sources of liquidity are a combination of shareholder's advances, and external borrowings from financial institutions. The principal utilisation of these funds are to finance purchases of land and working capital purposes such as purchases of building materials, payments to contractors and professional consultants, finance costs and operating and administrative expenses. We manage our cashflow and working capital by closely monitoring and managing, amongst other things, the level of our trade payables and receivables as well as our ability to obtain external financing. We also review future cash flow requirements and assess our ability to meet debt requirement schedules and adjust our investment and financial plans if necessary to ensure that we maintain sufficient working capital to support our business operations.

As at 31 October 2016, we had cash and cash equivalents of about RM7.72 million (consisting of cash and bank balances of RM18.57 million less restricted deposits of about RM10.85 million).

Taking into consideration the financing facilities available to our Group and the proceeds to be raised from the IPO, as well as the funding requirements for committed capital expenditure, our Board is of the opinion that we will have adequate working capital for at least 12 months from the date of this Prospectus.

The following table sets out the summary of the historical consolidated statement of cash flows for our Group for the FYE 31 October 2016 and the historical statement of cash flows for our Company for the FYE 31 October 2015 and the FPE 31 October 2014:

	Our Group	Our Company	Our Company
	FYE 31 October 2016	FYE 31 October 2015	FPE 31 October 2014
		<i>(RM '000)</i>	
Net cash (used in)/generated from operating activities	(39,159)	169	(1,445)
Net cash used in investing activities	(248,467)	-	-
Net cash generated from/(used in) financing activities	298,769	(36,060)	37,500
NET CHANGES IN CASH AND CASH EQUIVALENTS	11,143	(35,891)	36,055
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD	164	36,055	(1)
EFFECT OF EXCHANGE RATE CHANGES	(3,588)	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD	7,719	164	36,055
Represented by:			
Cash on hand and at banks	14,631	164	8,055
Deposits held with licensed bank	3,942	-	28,000
Less: restricted deposits	(10,854)	-	-
Cash and cash equivalents	7,719	164	36,055

13. FINANCIAL INFORMATION (Cont'd)**Note:**

(1) Represents RM2.00 only.

Our Board is of the opinion that save as set out in Section 13.8 of this Prospectus, there are no legal, financial or economic restrictions on our subsidiaries' ability to transfer funds to our Company in the form of cash dividends, loans or advances to meet our cash obligations, subject to availability of distributable reserves and/or loans or advances and compliance with legal requirements and financial covenants.

Net cash (used in)/generated from operating activities

Net cash used in operating activities amounted to about RM39.16 million for the FYE 31 October 2016 due mainly to an operating loss of about RM33.09 million, payment made for the development of properties of about RM8.25 million, and an increase in payables of about RM4.35 million.

Net cash generated from operating activities amounted to about RM0.17 million for the FYE 31 October 2015 due mainly to an operating loss of about RM1.29 million, partially offset by an increase in payables of about RM0.76 million and interest received of about RM0.87 million.

Net cash used in operating activities amounted to about RM1.45 million for the FPE 31 October 2014 due mainly to changes in deferred expenditures amounting to about RM2.22 million partially offset by an increase in payables of about RM0.80 million.

Net cash used in investing activities

Net cash used in investing activities amounted to about RM248.47 million for the FYE 31 October 2016 due mainly to advances to EW-Ballymore Holding of about RM244.66 million which represents a 75% equity contribution to the joint venture. The advances were mainly to support the working capital requirements of the EW-Ballymore Holding Group and for the payment of the landholder duty expenses of about RM8.69 million. The net cash used in investing activities was partially offset by the net cash inflow from acquisition of subsidiaries of about RM6.52 million.

There were no net cash used in or generated from investing activities for the FYE 31 October 2015 and FPE 31 October 2014.

Net cash generated from/(used in) financing activities

Net cash generated from financing activities amounted to about RM298.77 million for the FYE 31 October 2016 due mainly to a drawdown of borrowings of about RM330.55 million, a sum of proceeds from an issuance of ordinary shares of about RM119.25 million and advances from the shareholder of our Company of about RM21.46 million which was offset by the repayment of about RM113.55 million to the former holding company of Fortune Quest and payment of finance costs of about RM51.17 million for interest expense on bank borrowings and other finance costs.

Net cash used in financing activities amounted to about RM36.06 million for the FYE 31 October 2015 due mainly to the redemption of the RCPS in the amount of RM37.50 million.

Net cash generated from financing activities amounted to about RM37.50 million for the FPE 31 October 2014 due to proceeds received from the issuance of RCPS amounting to RM37.50 million.

13. FINANCIAL INFORMATION (Cont'd)

Borrowings

The following table sets out our Group's third party borrowings as at FYE 31 October 2016:

	Our Group
	As at 31 October 2016
	<i>(RM '000)</i>
Current borrowings	
Cash advance facility ⁽¹⁾	47,891
Bridging loan facility ⁽²⁾	259,536
Bank term loans I ⁽³⁾	550,250
Bank term loans II ⁽⁴⁾	66,190
Total borrowings	923,867

Notes:

- (1) *The effective interest rate for the cash advance facility for the FYE 31 October 2016 is 3.64% per annum. The cash advance facility is due for repayment in May 2017. The cash advance facility is denominated in AUD.*
- (2) *The effective interest rate for the bridging loan for the FYE 31 October 2016 is 5.77% per annum. The bridging loan is due for repayment in April 2017 or the first interest payment date after the Listing, whichever is earlier. The bridging loan is denominated in RM.*
- (3) *The effective interest rates for the bank term loans for the FYE 31 October 2016 ranged from 4.23% to 4.49% per annum. The bank term loans are due for repayment in April 2017 and are denominated in GBP.*
- (4) *The effective interest rates for the bank term loans for the FYE 31 October 2016 ranged from 3.86% to 4.49% per annum. The bank term loans are due for repayment in April 2017 or the first interest payment date after the Listing, whichever is earlier. The bank term loans of about RM56.62 million and RM9.57 million are denominated in GBP and AUD respectively.*

We have not defaulted on payments of either interest or principal for any of our borrowings during the FPE 31 October 2014, the FYE 31 October 2015 and the FYE 31 October 2016. We are not in breach of any terms and conditions or covenants associated with credit arrangements or bank loans that can materially affect our financial position, results of business operations, or the investment by holders of our Securities.

In addition to the above borrowings, on 17 November 2016, we have accepted a letter of offer and a supplementary letter of offer from OCBC Bank (Malaysia) Berhad for bank borrowings of GBP25,000,000 (equivalent to RM137,805,000⁽¹⁾) and AUD5,000,000 (equivalent to RM16,190,000⁽¹⁾). The GBP loan is subject to an interest rate of 3.00% above the LIBOR for the first six months from the date of first drawdown and thereafter 3.50% above the LIBOR. The AUD loan is subject to an interest rate of 2.00% above the one month AUD effective cost of funds for the first six months from the date of first drawdown and thereafter 2.50% above the one month AUD effective cost of funds. Both the GBP and AUD loans will mature 12 months from first drawdown or first interest payment date after the Admission, whichever is the earlier. On 13 February 2017, we, by way of EW Investment and Fortune Quest, also accepted letters of offer and supplementary letters of offer from United Overseas Bank Limited, Labuan Branch for bank borrowings of GBP20,000,000 (equivalent to RM110,244,000⁽¹⁾) and AUD5,000,000 (equivalent to RM16,190,000⁽¹⁾), respectively. The GBP loan is subject to interest rate of 3.25% above the bank's one month cost of funds until 31 March 2017 and thereafter 4.25% above the bank's one month cost of funds. The AUD loan is subject to an interest rate of 3.00% above the bank's one month cost of funds until 31 March 2017 and thereafter 4.00% above the bank's one month cost of funds. Both the GBP and AUD loans will mature 12 months from first drawdown or first interest payment date after the Admission, whichever is the earlier. We expect that these bank borrowings will be fully drawn down prior to our Listing and that the proceeds from our IPO will be used to repay these bank borrowings in full.

13. FINANCIAL INFORMATION (Cont'd)**Note:**

- (1) Based on the exchange rate of GBP1.00 : RM5.5122 and AUD1.00 : RM3.2380, being the middle rate for the respective GBP to RM and AUD to RM quoted by BNM at 5.00 p.m. as at 30 December 2016, being the last Market Day for the month of December 2016.

Shareholder's advances

	Our Group
	As at 31 October 2016
	(RM '000)
Bearing interest at:	
- 4.26% per annum ⁽¹⁾	51,856
- 5.84% per annum ⁽²⁾	67,505
- Interest free ⁽³⁾	24,873
Total shareholder's advances	144,234

Notes:

- (1) The advances from shareholder bearing interest at 4.26% per annum are unsecured and repayable in April 2017 or a date falling within ten days from the date of Admission, whichever earlier.
- (2) The advances from shareholder bearing interest at 5.84% per annum are unsecured and repayable in May 2017.
- (3) The interest free advances from shareholder are unsecured and repayable in April 2017 or a date falling within ten days from the date of Admission, whichever earlier.

Amounts owing to former holding companies

	Our Group
	As at 31 October 2016
	(RM '000)
Amount owing to EWDSB ⁽¹⁾	12,324
Amount owing to EWIPM ⁽²⁾	630
Total amounts owing to former holding companies	12,954

Notes:

- (1) The amount owing to EWDSB represents unsecured advances and is repayable in April 2017 or a date falling within ten business days from the date of Admission, whichever is earlier. The balance is denominated in USD.
- (2) The amount owing to EWIPM represents unsecured advances and is repayable on demand.

Former shareholder's advances

As at 31 October 2016, our Group had about RM10.66 million of advances from a former shareholder of a subsidiary which are unsecured, interest free and is expected to be repaid upon the Listing.

Capital expenditures

Our Group incurred capital expenditures of about RM0.71 million for the FYE 31 October 2016, of which RM0.44 million was incurred in relation to office renovation at our EWI office at Setia Avenue and preliminary cost incurred for our sales gallery at Bukit Bintang City Centre, Kuala Lumpur. Our Company did not incur any capital expenditures for the FYE 31 October 2015 and FPE 31 October 2014.

13. FINANCIAL INFORMATION (Cont'd)

Our actual capital expenditures may vary from projected amounts due to various factors, including changes in market conditions, our ability to generate sufficient cash flows from operations, our ability to obtain adequate financing for these planned capital expenditures, demand for our property projects, governmental policies regarding the industries in which we operate and the condition of the economy of the countries in which we operate and the global economy. In addition, our planned capital expenditures do not include any expenditure for potential acquisitions or investments that we may evaluate from time to time.

For the FYE 31 October 2016, our Group has an approved and contracted for capital expenditure in respect of plant and equipment of about RM0.08 million.

We expect to meet our capital expenditure requirements through our cash and cash equivalents on hand, cash generated from future operations and/or financing activities (including project financing) and the proceeds raised from the IPO. Our ability to obtain financing and to make timely repayments of our debt obligations are subject to various uncertainties, including our future results of operations, financial condition and cash flows, the condition of the countries in which we operate and the global economy and the markets for our products and services, the cost of financing, the condition of financial markets and the willingness of banks to provide financing facilities to us.

Commitments

EW ACE (our wholly-owned subsidiary) and AIHL have made commitments to fund EW-Ballymore Holding by way of share subscription and shareholder's advances of up to GBP330.00 million and GBP110.00 million, respectively (the "**Commitments**") over the life of the joint venture's property development projects under the EW-Ballymore Shareholders' Agreement.

As at 31 December 2016, EW ACE and AIHL have contributed GBP181.70 million and GBP60.57 million, respectively, and accordingly, EW ACE and AIHL have undrawn commitments of GBP148.30 million and GBP 49.43 million (equivalent to about RM817.46 million and RM272.47 million, respectively, based on the exchange rate of GBP1.00 : RM5.5122, being the middle rate quoted by BNM as at 30 December 2016, being the last Market Day for the month of December 2016), respectively ("**Undrawn Commitments**"), if called.

For further details of the EW-Ballymore Shareholders' Agreement, please refer to Section 7.22 of this Prospectus.

Contingent liabilities

EW-Ballymore Holding has banking facilities with an aggregate outstanding principal amount of about GBP420.50 million ("**Banking Facilities**") as at 31 December 2016.

Under the EW-Ballymore Shareholders' Agreement, if EW-Ballymore Holding and its subsidiaries have insufficient funds to make payment under the Banking Facilities in respect of which the lenders are entitled to make a valid claim on the guarantees that are given in accordance with the terms of the Banking Facilities ("**Claim**"):

- (i) EW-Ballymore Holding shall first fund the Claim by drawing down on EW ACE and AIHL's respective portions of their Undrawn Commitments;
- (ii) If the Undrawn Commitments are insufficient to satisfy the Claim, EW ACE and AIHL shall increase the commitments up to an additional amount of GBP120 million ("**Increased Commitments**"): a GBP90 million increase by EW ACE and GBP30 million by AIHL. Any failure by either EW ACE or AIHL to provide such additional funding shall be an event of default under the EW-Ballymore Shareholders' Agreement; and

13. FINANCIAL INFORMATION (Cont'd)

- (iii) If funding in excess of the Increased Commitments is required to satisfy the Claim, AIHL shall have the right but not obligation to fund pro-rata its percentage interest of such additional funding and where AIHL does not fund any amount in excess of its portion of the Increased Commitments, then EW ACE may fund (in addition to its percentage interest of such additional funding) any shortfall arising therefrom, in which event AIHL's percentage interest in EW-Ballymore Holding will be diluted accordingly. Conversely, if EW ACE does not fund pro-rata its percentage interest of such additional funding and AIHL agrees to fund any shortfall arising therefrom, then EW ACE's percentage interest in EW-Ballymore Holding will be diluted accordingly.

For further details of the EW-Ballymore Shareholders' Agreement, please refer to Section 7.22 of this Prospectus.

Material divestitures

There has not been any material divestiture undertaken by us for the FPE 31 October 2014, the FYE 31 October 2015, the FYE 31 October 2016 and up to the LPD. As at the LPD, we do not have any uncompleted material divestiture.

Material litigation or arbitration proceedings

As at the LPD, our Board confirms that there are no pending governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability, in the 12 months immediately preceding the date of this Prospectus.

Key financial ratios

The following table sets forth certain key financial ratios of our Group as at 31 October 2016 and our Company as at 31 October 2015 and 31 October 2014:

	<u>Our Group</u>	<u>Our Company</u>	<u>Our Company</u>
	<u>As at 31 October 2016</u>	<u>As at 31 October 2015</u>	<u>As at 31 October 2014</u>
Trade receivables (RM '000)	289	-	-
Trade receivables turnover period (days)	<i>n.m.</i> ⁽¹⁾	N/A	N/A
Trade payables (RM '000)	1,699	-	-
Trade payables turnover period (days)	<i>n.m.</i> ⁽²⁾	N/A	N/A
Inventory turnover period (days)	N/A	N/A	N/A
Current ratio (times) ⁽⁴⁾	0.19	0.66	1.00
Gearing ratio (times) ⁽⁵⁾	9.69	N/A	N/A

Notes:

- (1) *Our trade receivables turnover period is not meaningful as the revenue was solely generated from sales commission charged by EW International Marketing.*
- (2) *Our trade payables turnover period is not meaningful as the direct expenses was only derived from EW International Marketing. At the same time, there is no corresponding direct expenses for EW Sydney Development as recognition is based on completion basis.*
- (3) *Inventory turnover period is not applicable as our Group does not have any inventory.*

13. FINANCIAL INFORMATION (Cont'd)

- (4) *Calculated based on current assets divided by current liabilities as of the dates indicated.*
- (5) *Gearing ratio as at 31 October 2016 is calculated based on total debts divided by total equity. Gearing ratio is not applicable as at 31 October 2015 and 31 October 2014 as our Company did not have any debt.*

Current ratio

Our current ratio decreased from 1.00 time as at 31 October 2014 to 0.66 times as at 31 October 2015 principally as a result of cash flow arising from the redemption of the RCPS during the FYE 31 October 2015, which the RCPS was issued in FPE 31 October 2014.

Our current ratio decreased from 0.66 as at 31 October 2015 to 0.19 as at 31 October 2016 mainly as a result of the consolidation of bank borrowings from EW Investment and Fortune Quest.

13.3.7 Financial risk management objectives and policies

Our activities are exposed to a variety of financial risks, including liquidity and cash flow risks, interest rate risk, foreign currency risk and credit risk. The overall financial risk management objective is to minimise potential adverse effects on our financial performance.

Financial risk management is carried out through risk review, internal control systems and adherence to financial risk management policies. Our Directors regularly review these risks and approve the policies covering the management of these risks. We do not trade in derivative instruments and do not use any hedging instruments.

Liquidity and cash flow risks

Liquidity and cash flow risks are the risks that we will not be able to meet our financial obligations when they fall due.

We seek to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, our policy seeks to ensure that each business unit, through efficient working capital management is able to convert its current assets into cash to meet all demands for payment as and when they fall due.

We also seek to maintain sufficient credit lines available to meet our liquidity requirements while ensuring effective working capital management.

The financial liabilities of our Group as at 31 October 2016 are expected to be settled within the next 12 months.

Interest rate risk

Exposure to changes in interest rate risk relates primarily to the borrowings from the banks. We do not generally hedge interest rate risks.

A sensitivity analysis has been performed on our Group based on the outstanding floating rate of the bank borrowings as at 31 October 2016. If interest rates increase or decrease by 50 basis points with all other variables held constant, the loss after tax for the FYE 31 October 2016 would increase or decrease by about RM4.39 million, as a result of higher or lower interest expense on these borrowings.

13. FINANCIAL INFORMATION (Cont'd)**Foreign currency risk**

We are exposed to foreign currency risk mainly as a result of translation of the results of our foreign operations which are denominated in a foreign currency to RM and foreign currency transactions entered into in currencies other than our functional currency.

A sensitivity analysis has been performed on our Group as at 31 October 2016.

	<u>Increase/(decrease) in loss after tax</u>
	(RM'000)
Change in currency rate	
GBP	
- Strengthen by 5%	3,054
- Weaken by 5%	<u>(3,054)</u>
AUD	
- Strengthen by 5%	(2,896)
- Weaken by 5%	<u>2,896</u>
USD	
- Strengthen by 5%	(617)
- Weaken by 5%	<u>617</u>
	<u>Increase/(Decrease) in other comprehensive income</u>
	(RM'000)
Change in currency rate	
GBP	
- Strengthen by 5%	1,360
- Weaken by 5%	<u>(1,360)</u>
USD	
- Strengthen by 5%	375
- Weaken by 5%	<u>(375)</u>

As other foreign currency denominated monetary items as at 31 October 2016 are not material, the sensitivity analysis has not been presented.

Credit risk

Credit risk arises from the possibility that a counter party may be unable to meet the terms of a contract in which our Group has a gain position.

As at 31 October 2016, amounts owing by a joint venture which are included in trade and other receivables amounting to about RM4.72 million. Our Directors closely monitor our Group's credit risk exposure arising from the joint venture and are confident in recovering the outstanding balances as these amounts are still within the normal credit terms granted by our Group.

13. FINANCIAL INFORMATION (Cont'd)

Our Group are also exposed to credit risk in respect of amounts due from the joint venture amounting to about RM745.42 million as at 31 October 2016. Our Directors closely monitor our Group's credit risk exposure arising from the amount due from the joint venture, and are confident in recovering the outstanding balances.

The credit risk on cash and bank balances of our Group is limited as these balances are placed with or transacted with financial institutions which are creditworthy.

13.3.8 Treasury policies and objectives

Our treasury policy is to maintain sufficient working capital to finance our operations and meet our anticipated commitments arising from operational expenditure and financial liabilities by maintaining adequate liquidity and credit facilities.

We manage our liquidity to ensure access to sufficient funding at acceptable costs to meet our business needs and financial obligations throughout our business. We have historically relied on external unsecured and secured sources, including credit extended by our suppliers, term loans, revolving credits and other borrowings from financial institutions. Our funding policy is to obtain the most suitable type of financing and favourable cost of funding as our financing needs arise.

Most of our cash and cash equivalents are held in GBP and AUD and a substantial majority of our borrowings are denominated in GBP and AUD. Our Board reviews our foreign currency risk and strategies as needed to mitigate adverse impacts that may result from fluctuations in foreign currency exchange rates.

While we do not, currently, hedge our foreign exchange rate risk, our Company continually evaluates the need for hedging mechanisms to mitigate foreign exchange rate risk, taking into consideration factors such as the working capital requirements of the development projects.

13.3.9 Inflation

We do not believe that inflation has had a material impact on our business, financial condition or results of operations for the financial periods presented. However, inflation may affect our financial performance by increasing certain of our operating expenses, including expenses relating to labour costs, administrative expenses and other operating expenses. Any increase in the inflation rate beyond levels experienced in the past may affect our operations and financial performance if we are unable to fully offset higher costs through increased revenues.

13.3.10 Seasonality

We do not believe that seasonality has had a material impact on our business, financial condition or results of operations.

13.3.11 Order book

Due to the nature of our business, we do not maintain an order book. For further details, please refer to Section 7 of this Prospectus.

13.3.12 Government/economic/fiscal/monetary policies

For information on any government, economic, fiscal or monetary policies or factors which could materially affect our operations, please refer to Section 5 of this Prospectus.

13. FINANCIAL INFORMATION (Cont'd)

13.3.13 Prospects and trends

Except as disclosed in Sections 5, 8, 13.3 and 13.5 of this Prospectus, our Board confirms that there are no other known trends, factors, demands, commitments, events or uncertainties that are reasonably likely to have a material effect on our business, financial condition and results of operations.

13.3.14 Significant changes

Save as disclosed in this Prospectus, no significant changes have occurred which may have a material effect on the financial position and results of our Group since 31 October 2016.

13.3.15 Standards issued that are not yet effective

Our Group has not applied the following new standards, amendments and interpretation that have been issued by Malaysian Accounting Standards Board ("MASB"), which may be relevant to our operations, but are not yet effective:

New MFRSs, Amendments to MFRSs and Interpretation		Effective for financial periods beginning on or after
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 5, MFRS 7, MFRS 119 and MFRS 134	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 12	Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2017
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax assets for Unrealised Losses	1 January 2017
Amendments to MFRS 1 and MFRS 128	Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2018
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 15	Clarifications to MFRS15	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 16	Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

13. FINANCIAL INFORMATION (Cont'd)

The above new standards, amendments and interpretation are not expected to have any significant financial impact on our Group upon their initial application except for MFRS 9, MFRS 15 and MFRS 16 discussed as follows:

MFRS 9 Financial Instruments

MFRS 9 addresses the classification, recognition, de-recognition, measurement and impairment of financial assets and financial liabilities as well as general hedge accounting. It replaces MFRS 139. MFRS 9 requires financial assets to be classified into two measurement categories, i.e. at fair value and at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

For financial liabilities, the standard retains most of the MFRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to changes in an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch.

MFRS 9 contains a new impairment model based on expected losses (as oppose to 'incurred loss' model under MFRS 139), i.e. a loss event need not occur before an impairment loss is recognised, which will result in earlier recognition of losses.

Our Group is currently assessing MFRS 9's full impact and intends to apply MFRS 9 when it is effective.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 introduces a new model for revenue recognition arising from contracts with customers. MFRS 15 will replace MFRS 111 Construction Contracts, MFRS 118 Revenue, IC 13 Customer Loyalty Programmes, IC 15 Agreements for the Construction of Real Estate, IC 18 Transfers of Assets from Customers and IC 31 Revenue – Barter Transactions Involving Advertising Services. The application of MFRS 15 may result in difference in timing of revenue recognition as compared with current accounting policies.

Our Group is currently assessing the impact to the financial statements upon adopting MFRS 15 on the mandatory effective date.

MFRS 16 Leases

Currently under MFRS 117, leases are classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from finance leases but not operating leases. MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position, and recording of certain leases as off-balance sheet leases will no longer be allowed except for some limited exemptions. For a lessee that has material operating leases, the application of MFRS 16 may result in significant increase in assets and liabilities reported on its statement of financial position as compared with MFRS 117.

MFRS 16 will replace MFRS 117 Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Our Group is currently assessing the impact to the financial statements upon adopting MFRS 16 on the mandatory effective date.

13. FINANCIAL INFORMATION (Cont'd)**13.4 SELECTED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION**

You should read the following selected pro forma consolidated financial information for the periods and as at the dates indicated below in conjunction with the "Discussion and Analysis of Pro Forma Consolidated Financial Information" in Section 13.5 of this Prospectus and our pro forma consolidated financial statements and the accompanying notes as set out in the Accountants' Report included in Section 14 of this Prospectus.

The pro forma consolidated financial results for any prior or interim periods are not necessarily indicative of results to be expected for a full financial year or for any future period.

Our pro forma consolidated financial statements are prepared on a basis that is consistent with the basis of preparation of the historical financial statements of our Group.

For the purposes of the pro forma consolidated financial information for the FYE 31 October 2016 and FYE 31 October 2015, we have assumed that the group structure of our Group (via the Acquisitions as mentioned in Section 13.1 of this Prospectus) had been in existence throughout these financial years under review.

Meanwhile, for the purposes of the pro forma consolidated financial information for the FYE 31 October 2015, we have also assumed that the following transactions had taken place on to 31 October 2015:

- (i) on 2 December 2015, our Company obtained a bridging loan facility of RM260,000,000 which has been drawdown to repay the balance of outstanding advances from Tan Sri Liew amounting to RM73,069,026 for the acquisition of EW Investment; and
- (ii) on 4 December 2015, our Company issued 99,373,798 Shares to Tan Sri Liew for a cash consideration of RM1.20 per Share. The cash proceeds were used by our Company for the acquisitions of Fortune Quest and EW Management, as well as the settlement of advances due by Fortune Quest to EWDSB.

The transactions above are collectively referred to as (the "Reorganisation").

The pro forma consolidated statement of financial position of our Group has been prepared to present the assets and liabilities of our Group as if the Reorganisation had taken place on 31 October 2015.

The pro forma consolidated statement of comprehensive income and pro forma consolidated statement of cash flow, which include the results and cash flows of our Group, have been prepared as if the group structure of our Group upon completion of the Acquisitions had been in existence throughout the FYE 31 October 2015 and FYE 31 October 2016, and the Reorganisation (save for the Acquisitions) had taken place on 31 October 2015.

The following table sets out the pro forma consolidated statements of financial position of our Group as at 31 October 2016 and 31 October 2015:

	Pro Forma	
	As at 31 October 2016	As at 31 October 2015
	(RM '000)	
ASSETS		
Non-current assets		
Plant and equipment	2,299	2,551
Goodwill	126,302	115,681
Investment in a joint venture	127,646	19,419
Amount owing by a joint venture	745,417	889,497

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	As at 31 October 2016	As at 31 October 2015
	(RM '000)	
Deferred tax assets	12,757	7,246
Total non-current assets	1,014,421	1,034,394
Current assets		
Properties under development for sale	174,040	156,053
Trade receivables	289	7,430
Other receivables and prepayments	6,883	7,610
Deferred expenditure	10,638	3,027
Current tax assets	628	-
Cash and bank balances	18,573	27,373
Total current assets	211,051	201,493
TOTAL ASSETS	1,225,472	1,235,887
EQUITY AND LIABILITIES		
Equity		
Share capital	246,541	246,541
Share premium	49,158	49,158
Exchange translation reserve	34,698	-
Accumulated losses	(222,514)	(106)
	107,883	295,593
Non-controlling interests	4,788	2,423
Total equity	112,671	298,016
Current liabilities		
Trade payables	1,699	10,011
Other payables and accruals	14,641	7,384
Amounts owing to former holding companies	12,954	7,961
Amounts owing to a shareholder	144,234	53,822
Amount owing to a former shareholder of a subsidiary	10,660	13,338
Borrowings	923,867	795,309
Current tax liabilities	2,920	2,179
Total current liabilities	1,110,975	890,004
Non-current liabilities		
Borrowings	-	45,800
Deferred tax liabilities	1,826	2,067
Total non-current liabilities	1,826	47,867

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	As at 31 October 2016	As at 31 October 2015
	(RM '000)	
Total liabilities	1,112,801	937,871
TOTAL EQUITY AND LIABILITIES	1,225,472	1,235,887
NA	112,671	298,016

The following table sets out the pro forma consolidated statements of comprehensive income of our Group for the FYE 31 October 2016 and the FYE 31 October 2015:

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Revenue	970	7,454
Direct expenses	(5,455)	(4,116)
Gross (loss)/profit	(4,485)	3,338
Other income	99	10,314
Administrative and general expenses	(39,165)	(59,338)
Marketing expenses	(3,792)	(3,582)
Unrealised (loss)/gain on foreign exchange	(74,449)	23,883
Finance costs	(55,425)	(34,416)
Share of loss in a joint venture	(59,719)	(41,654)
LBT	(236,936)	(101,455)
Taxation	1,874	3,607
Loss for the year	(235,062)	(97,848)
Other comprehensive income/(loss), net of tax:		
Item that may be reclassified to profit or loss subsequently:		
Exchange differences on translation of foreign operations	25,268	(19,722)
Total comprehensive loss for the year	(209,794)	(117,570)
(Loss)/Profit for the year attributable to:		
- Owners of our Company	(238,326)	(99,264)
- Non-controlling interests	3,264	1,416
	(235,062)	(97,848)
Total comprehensive (loss)/income for the year attributable to:		
- Owners of our Company	(212,226)	(118,986)
- Non-controlling interests	2,432	1,416
	(209,794)	(117,570)

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Other selected financial data:		
LBITDA ⁽¹⁾	(191,789)	(78,802)
Gross (loss)/profit margin (%)	(462.37)	44.78
Depreciation	963	615
Loss after tax margin (%)	(24,233.20)	(1,312.69)
Par value (RM)	1.00	1.00
Number of ordinary shares in issue ('000)	246,541	246,541
Weighted average number of ordinary shares ('000)	246,541	246,541
LPS ⁽²⁾		
Basic (sen)	(96.7)	(40.3)
Diluted (sen)	(96.7)	(40.3)

Notes:

- (1) LBITDA represents loss before interest, taxation, depreciation and amortisation.
- (2) Calculated by dividing the loss for the year attributable to the equity holders of our Company by the weighted average number of shares for the respective year.

The following table sets out the pro forma consolidated statements of cash flows for our Group for the FYE 31 October 2016 and the FYE 31 October 2015:

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
LBT	(236,936)	(101,455)
Adjustments for:		
Interest income	(88)	(981)
Deferred expenditure written off	-	1,287
Allowance for doubtful debts	207	-
Loss on disposal of plant and equipment	16	-
Depreciation	963	615
Share of loss in a joint venture	59,719	41,654
Finance costs	55,425	34,416
Gain on deconsolidation of a subsidiary	(8)	-
Listing expenses	290	505
Landholder duty	8,691	11,660
Unrealised loss/(gain) on foreign exchange	74,449	(23,883)
Operating loss before working capital changes	(37,272)	(36,182)

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Changes in properties under development for sale	(9,188)	(54,778)
Changes in receivables	(3,119)	(29,632)
Changes in payables	381	34,546
Cash used in operations	(49,198)	(86,046)
Interest received	49	1,064
Net tax paid	(2,453)	(1,288)
Net cash used in operating activities	(51,602)	(86,270)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(719)	(3,146)
Proceeds from disposal of plant and equipment	6	-
Advances to a joint venture	(249,815)	(787,312)
Acquisition of subsidiaries	(5,588)	(5,588)
Placements of deposits, debt service reserve and interest service reserve accounts	(2,568)	(9,021)
Landholder duty	(8,691)	(11,660)
Interest received	39	-
Subscription of ordinary shares in a joint venture	-	(192)
Net cash used in investing activities	(267,336)	(816,919)
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of RCPS	-	(37,500)
Drawdown of borrowings	330,547	757,066
Proceeds from issuance of ordinary shares	119,249	119,999
Advances from a shareholder	31,574	162,031
Repayment to former holding companies	(109,370)	(96,477)
Finance costs	(52,579)	(30,092)
Proceeds from issuance of ordinary shares by subsidiaries	-	2,915
Listing expenses	(7,762)	-
Net cash generated from financing activities	311,659	877,942

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
NET CHANGES IN CASH AND CASH EQUIVALENTS	(7,279)	(25,247)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	17,162	41,051
EFFECT OF EXCHANGE RATE CHANGES	(2,164)	1,420
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>7,719</u>	<u>17,224</u>
Represented by:		
Cash and bank balances	18,573	27,373
Less: Restricted deposits	(10,854)	(10,149)
Cash and cash equivalents	<u>7,719</u>	<u>17,224</u>

13.5 DISCUSSION AND ANALYSIS OF PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following discussion and analysis relates to our pro forma consolidated financial information for our Group as at and for the FYE 31 October 2016 and the FYE 31 October 2015. The pro forma consolidated financial statements for our Group as at and for the FYE 31 October 2016 and the FYE 31 October 2015 have been derived from our unaudited pro forma consolidated financial statements and the accompanying notes as set out in the Accountants' Report included in Section 14 of this Prospectus. The pro forma consolidated financial statements include all adjustments, consisting only adjustments that we consider necessary to illustrate our financial position, operating results and cash flows for the FYE 31 October 2016 and FYE 31 October 2015 upon completion of the Reorganisation (as defined in Section 13.4 of this Prospectus).

You should read the following discussion together with our unaudited pro forma consolidated financial statements and the accompanying notes as set out in the Accountants' Report included in Section 14 of this Prospectus.

This discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of any number of factors, including those set forth under Section 5 of this Prospectus may not be accurate.

13.5.1 Basis of presentation

The unaudited pro forma consolidated financial information has been compiled using the audited underlying financial statements which comprise:

Name	Financial Period
EWI	Financial statements for the FYE 31 October 2015 and the consolidated financial statements for FYE 31 October 2016
EW Investment	Consolidated financial statements for the financial period from 18 November 2014 (date of incorporation) to 31 October 2015 and the FYE 31 October 2016
Fortune Quest	Consolidated financial statements for the FYE 31 October 2015 and the FYE 31 October 2016
EW Management	Financial statements for the financial period from 13 October 2014 (date of incorporation) to 31 October 2015 and the FYE 31 October 2016

13. FINANCIAL INFORMATION (Cont'd)

The pro forma consolidated financial information of our Group for the FYE 31 October 2015 has been prepared to illustrate the effects of the Reorganisation on the financial position, financial performance and cash flows of our Group, on the basis set out below:

- (i) The pro forma consolidated statement of financial position of our Group as at 31 October 2015 has been prepared to present the assets and liabilities of our Group as if the Reorganisation had taken place on 31 October 2015; and
- (ii) The pro forma consolidated statement of comprehensive income and pro forma consolidated statement of cash flows of our Group for the FYE 31 October 2015 have been prepared to present the financial performance and cash flows of our Group as if the structure of our Group upon completion of the Acquisitions had been in existence throughout the FYE 31 October 2015, and the Reorganisation had taken place on 31 October 2015.

The pro forma consolidated financial information of our Group for the FYE 31 October 2016 has been prepared to illustrate the effects of the Acquisitions on the financial performance and cash flows of our Group, on the basis set out below:

- (i) The pro forma consolidated statement of comprehensive income and pro forma consolidated statement of cash flows of our Group for the FYE 31 October 2016 have been prepared to present the financial performance and cash flows of our Group as if the structure of our Group upon completion of the Acquisitions had been in existence throughout the FYE 31 October 2016. The information about the financial position of our Group as at 31 October 2016 is presented for comparison only.

The consolidated statement of financial position of our Group as at 31 October 2016 has been extracted from the audited consolidated statement of financial position of our Group as at 31 October 2016 without any pro forma adjustment as our Group had already been formed as at 31 October 2016.

The impacts of the Acquisitions are incorporated in the unaudited pro forma consolidated financial information using the purchase method. Consistent accounting policies are applied to like transactions and events in similar circumstances. All assets and liabilities of foreign operations that have a functional currency other than RM are translated at the exchange rates ruling at the end of the reporting period. Income and expense items are translated at an average exchange rate during a financial year. All exchange differences arising from the translation of the financial statements of foreign operations are accounted for under exchange translation reserve.

The unaudited pro forma consolidated financial information has been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of (i) the financial position of our Group as at the respective reporting dates; and (ii) the financial performance or cash flows of our Group in the future periods. Accordingly, the actual financial position, financial performance and cash flows of our Group upon completion of the Reorganisation, would not have been as presented.

13.5.2 Significant accounting judgments and estimates

For more information on the significant accounting judgments and estimates used to prepare our financial statements, please refer to Section 13.3.2.

13. FINANCIAL INFORMATION (Cont'd)

13.5.3 Significant factors affecting our results of operations

The following factors are the primary factors that have affected our pro forma consolidated financial information and, we expect, will affect our business, financial condition, results of operations and prospects.

Revenue recognition

Revenue from the sale of property in the United Kingdom and Australia can only be recognised by the relevant entities when the risks and rewards of the property sold have been fully transferred to the purchaser, which is upon physical completion and handover of vacant possession of the property. Accordingly, such entities will not recognise the deposits or instalments received from purchasers or development progress of property for which a sales contract has been signed as revenue until the physical completion and handover of vacant possession of the property.

In the United Kingdom, where our property development projects are currently undertaken through subsidiaries of our joint venture with Ballymore, the revenue of these companies will be recognised upon the physical completion and handover of vacant possession of the relevant phases in the respective financial year. The fluctuation in the revenue recognised on a year-to-year basis may result in our share of profits or loss from the joint venture to fluctuate as well.

In Australia, where our property development project is currently undertaken through our wholly-owned subsidiary, our revenue will only be recognised upon physical completion and handover of vacant possession of the property, and hence, our revenue on a year-to-year basis will fluctuate depending on the number of projects completed in each year.

Performance of the property industry in the countries we operate in

As our Group's principal business activity is the sale of our property development projects, our business, financial condition, results of operations and prospects are subject to the performance of the property industry in the countries in which we operate, where property prices are largely affected by supply and demand. In particular, the demand for properties could be adversely affected by, among others, any of the following:

- weakness in the domestic and international economies;
- lower population growth, including migration;
- adverse government regulation;
- absence of financing for purchase of properties;
- the consequences of the United Kingdom's withdrawal from the European Union; and/or
- higher interest rates.

Fluctuations in the costs of construction materials, labour and equipment

Contractors engaged by our Group will supply the construction materials, labour and equipment used to develop our property development projects as part of their obligations in accordance with their contracts with our Group.

13. FINANCIAL INFORMATION (Cont'd)

Where we have not entered into fixed fee contracts with our sub-contractors, any increase in the prices of various construction materials and the costs of leasing construction equipment may result in an increase in our property development project costs. If there is a material increase in the costs of construction materials, equipment or labour and we are unable to secure alternative supply at the expected costs or pass such additional costs to our customers, or renegotiate improved terms with suppliers and contractors, the operating costs of our property development projects may increase and hence, our margins from such project may be reduced. Consequently, our profitability and financial performance will be adversely affected.

Foreign currency exchange rate fluctuations

Our Group's reporting currency is in RM while the functional and reporting currencies of our subsidiaries and joint ventures include various foreign currencies, primarily GBP, AUD and USD. The cash flows of our current projects are denominated in GBP or AUD, as the case may be, including, but not limited to, purchase of land, investment, development and operating costs, financing and revenues. Consequently, our revenue costs, profits and asset values are affected by fluctuations in the foreign currency exchange rates among the abovementioned currencies.

We cannot predict the effects of future foreign currency exchange rate fluctuations on our assets, liabilities, revenue, direct expenses and profits. Weakening of GBP, AUD and USD against the RM may have a negative impact on the financial position and results of operations of our Group. Foreign currency exchange rate gains or losses may arise when the assets and liabilities in foreign currencies are translated or exchanged into RM for financial reporting or repatriation purposes.

13.5.4 Principal components of our pro forma consolidated statement of comprehensive income and results of operations

The following describes the principal components of our pro forma consolidated statement of comprehensive income for the FYE 31 October 2016 and the FYE 31 October 2015 and are not necessarily indicative of the principal components of our statement of comprehensive income to be expected for any future period.

Revenue

Our pro forma revenue for the FYE 31 October 2016 consisted of sales commissions derived from the marketing services rendered by EW International Marketing to EW-Ballymore London City in respect of the sales of the London City Island Phase 2 project amounting to about RM0.72 million and to EW-Ballymore Arrowhead in respect of the sales of the Wardian London project amounting to about RM0.31 million. Revenue is slightly offset by the over-accrued sales commissions derived from marketing services rendered from EW-Ballymore Embassy Gardens in a prior year of about RM0.06 million.

Our pro forma revenue for the FYE 31 October 2015 consisted of sales commissions derived from the marketing services rendered by EW International Marketing to EW-Ballymore London City in respect of the sales of the London City Island Phase 2 project amounting to about RM6.00 million, to EW-Ballymore Embassy Gardens in respect of the sales of the Embassy Gardens Phase 2 project amounting to about RM0.52 million and to EW-Ballymore Arrowhead in respect of the sales of the Wardian London project amounting to about RM0.93 million.

Direct expenses

Our pro forma direct expenses for the FYE 31 October 2016 and the FYE 31 October 2015 consisted of staff costs, advertising and promotional expenses, office rental and travelling expenses incurred in connection with the marketing services provided by EW International Marketing.

13. FINANCIAL INFORMATION (Cont'd)

Gross (loss)/profit

Our pro forma gross loss for the FYE 31 October 2016 was mainly due to expenses incurred in connection with the marketing services provided by EW International Marketing.

Our pro forma gross profit for the FYE 31 October 2015 was mainly due to recognition of sales commission derived from the marketing services rendered by EW International Marketing as described above. The gross profit was partially offset by the expenses incurred in connection with the marketing services provided.

Other income

Our pro forma other income for the FYE 31 October 2016 consisted mainly of interest income earned from fixed deposits and current accounts.

Other income for the FYE 31 October 2015 consisted mainly of realised gain on foreign exchange on the settlement for the amount owing to EWDSB and a shareholder, interest income earned from fixed deposit and gain on deconsolidation of EW Parramatta, a former wholly-owned subsidiary of Fortune Quest, which was struck off during the year.

Administrative and general expenses

Our pro forma administrative and general expenses for the FYE 31 October 2016 and FYE 31 October 2015 consisted mainly of staff costs, professional fees, office expenses, entertainment expenses, and sundry expenses incurred by EWI, EW Investment, EW Sydney Development and EW International Marketing.

For the FYE 31 October 2016 and FYE 31 October 2015, it also consisted of the landholder duty of about RM8.69 million and about RM11.66 million respectively incurred in relation to the acquisition of Fortune Quest.

Marketing expenses

Our pro forma marketing expenses for the FYE 31 October 2016 and FYE 31 October 2015 consisted mainly of costs incurred for advertising and promotional expenses for our West Village, Parramatta project.

Unrealised loss/gain on foreign exchange

Unrealised loss on foreign exchange for the FYE 31 October 2016 arose mainly from the advances made from EWI to EW Investment and Fortune Quest of approximately RM87.39 million and RM0.55 million, respectively. The unrealised loss on foreign exchange is slightly offset by the gains on foreign exchange of about RM4.29 million and RM8.93 million from the term loans and advances received from a shareholder and a former shareholder respectively.

Unrealised gain on foreign exchange for the FYE 31 October 2015 arose mainly from the advances from EWDSB to Fortune Quest by about RM23.88 million.

Finance costs

Finance costs for the FYE 31 October 2016 and FYE 31 October 2015 primarily consisted of interest expense on bank borrowings as well as shareholders' advances.

Our pro forma interest expense on bank borrowings for the FYE 31 October 2016 was about RM12.53 million (incurred by our Company), about RM19.88 million (incurred by EW ACE) and about RM7.22 million (incurred by EW Investment). Our Group's interest expense on shareholder's advances for the FYE 31 October 2016 was about RM1.84 million (incurred by our Company) and about RM2.80 million (incurred by EW Investment).

13. FINANCIAL INFORMATION (Cont'd)

Our pro forma interest expense on bank borrowings for the FYE 31 October 2015 was about RM3.47 million (incurred by EW Investment) and RM11.60 million (incurred by EW ACE). Our Group's interest expenses on shareholder advances, was about RM4.32 million (incurred by EW Investment).

Other finance costs for the FYE 31 October 2015 also included a late payment fee of about RM3.62 million incurred by EW ACE for the late payment made to AIHL for the purchase of the 75% interest in EW-Ballymore Holding. The late payment fee was a result of the deferment in the completion of the said acquisition.

Share of loss in a joint venture

Share of profit or loss in a joint venture represents our share of the consolidated profit or loss recorded by our joint venture, EW-Ballymore Holding, and its subsidiaries for the financial year.

During the FYE 31 October 2016 and FYE 31 October 2015, the losses related mainly to marketing related expenses, including sales commission fees and marketing costs related to the launching of the property development projects incurred by EW-Ballymore London City, EW-Ballymore Embassy Gardens and EW-Ballymore Arrowhead.

LBT

The following table sets out the relevant line items for our pro forma consolidated financial statements for the FYE 31 October 2016 and the FYE 31 October 2015:

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
LBT is stated after charging:		
Allowance for doubtful debts	207	-
Depreciation	963	615
Loss on disposal of plant and equipment	16	-
Directors' remuneration:		
- salaries, allowances and bonuses	4,920	940
- director fee	800	800
- defined contribution plan	561	-
Rental expenses		
- office premise	1,976	93
- office equipment	127	-
Listing expenses	290	505
Deferred expenditure written off	-	1,287
Landholder duty	8,691	11,660
Realised loss on foreign exchange	540	3

13. FINANCIAL INFORMATION (Cont'd)

Our Group recorded a LBT of about RM236.94 million for the FYE 31 October 2016, for which about RM121.17 million loss was attributable to Malaysia, about RM102.55 million loss was attributable to the United Kingdom and about RM13.22 million loss was attributable to Australia. Our Group recorded a LBT of about RM101.46 million for the FYE 31 October 2015, for which about RM0.43 million loss was attributable from Malaysia, about RM103.72 million loss was attributable from the United Kingdom and about RM2.69 million profit was attributable to Australia.

Tax expense

The Malaysian statutory tax rate will be reduced to 24% from the rate of 25% applicable to the current financial year effective from year of assessment 2016. The changes of corporate tax rate in year of assessment 2016 had been incorporated in the computation of the deferred taxes as at 31 October 2015 and as at 31 October 2016.

The following table sets out the details of the pro forma tax expenses for our Group for the FYE 31 October 2016 and the FYE 31 October 2015:

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Current tax:		
- Malaysian tax		
Current year	-	1,852
Prior year	(174)	-
- United Kingdom tax		
Current year	3,277	1,417
Prior year	54	-
	3,157	3,269
Deferred tax:		
- Malaysian tax		
Current year	(1,194)	(187)
- Australian tax		
Current year	(3,837)	(6,689)
	(5,031)	(6,876)
	(1,874)	(3,607)

Our Group operates in a multi-jurisdictional tax environment and the corporate tax rates of entities within our Group outside Malaysia for the FYE 31 October 2016 are as follows:

- (a) subsidiaries incorporated in Jersey and the British Virgin Islands: 0%;
- (b) subsidiary incorporated in the United Kingdom: 20%;
- (c) subsidiary incorporated in Australia: 30%

13. FINANCIAL INFORMATION (Cont'd)

The provision for taxation differs from the amount of taxation determined by applying the applicable statutory tax rates to the LBT as a result of the following differences:

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Accounting loss before tax and share of loss in a joint venture	(177,217)	(59,801)
Tax at applicable tax rates	(29,740)	2,062
Tax effect arising from non-taxable income	-	(5,778)
Tax effect arising from non-deductible expenses	27,981	1,971
Effect of changes in tax rate	-	8
Utilisation of deferred tax assets not recognised previously	-	(1,870)
Adjustments attributable to prior years	(115)	-
	<u>(1,874)</u>	<u>(3,607)</u>

Subject to the agreement of the UK Tax Authority and any changes in United Kingdom tax legislation, tax losses arising from the respective companies' property development activities in the United Kingdom may be carried forward and set off against profits arising from the same activities in the respective companies in future years. In the UK Autumn Statement 2016, the United Kingdom government published draft legislation that will take effect from 1 April 2017 that will amend the rules in respect of corporation tax losses. The changes are as follows: (i) from 1 April 2017, companies will be able to use carried forward losses against profits from other activities or from other companies within a group; and (ii) from 1 April 2017, the amount of profit that can be offset against losses carried forward will be restricted to 50% of the amount of profits in excess of GBP5 million. Where the company is in a group, the GBP5 million allowance applies to the group.

As EW-Ballymore Holding and its subsidiaries have successfully registered for UK corporation tax during the period, deferred tax has now been recognised in respect of unutilised tax losses to the extent that it is probable that future taxable profit will be available, against which the tax losses can be utilised. The deferred tax asset has been calculated based on the rate of 19% substantively enacted as at 31 October 2016.

EW Sydney Development is an Australian tax resident and is principally involved in property development in Australia since incorporation. Subject to any changes in the Australian tax legislation, tax losses in an income year arising from EW Sydney Development's property development activities in Australia may be carried forward and deducted in future years against income for tax purposes provided EW Sydney Development satisfies the "Same Business Test". Broadly, EW Sydney Development needs to be carrying on the same business it was carrying on at the time the loss was incurred and at the time it is utilised (i.e. the business of property development).

In accordance with our Group's accounting policy, total deferred tax assets amounting to about RM11.38 million has been recognised as at 31 October 2016 in respect of losses incurred by EW Sydney Development which carry out property development activities in Australia.

13. FINANCIAL INFORMATION (Cont'd)

Exchange differences on translation of foreign operations

Our pro forma consolidated financial information is presented in RM, which is also our Company's functional currency. All assets and liabilities of foreign operations that have a functional currency other than RM are translated at the exchange rates ruling at the end of the reporting period. Income and expense items are translated at an average exchange rate during a financial period. All exchange differences arising from the translation of the financial statements of foreign operations are accounted for under exchange translation reserve.

13.5.5 Pro forma results of operations**Pro forma consolidated statements of financial position as at 31 October 2016 and as at 31 October 2015**

	Pro Forma	
	As at 31 October 2016	As at 31 October 2015
	(RM '000)	
ASSETS		
Non-current assets		
Plant and equipment	2,299	2,551
Goodwill	126,302	115,681
Investment in a joint venture	127,646	19,419
Amount owing by a joint venture	745,417	889,497
Deferred tax assets	12,757	7,246
Total non-current assets	1,014,421	1,034,394
Current assets		
Properties under development for sale	174,040	156,053
Trade receivables	289	7,430
Other receivables and prepayments	6,883	7,610
Deferred expenditure	10,638	3,027
Current tax assets	628	-
Cash and bank balances	18,573	27,373
Total current assets	211,051	201,493
TOTAL ASSETS	1,225,472	1,235,887
EQUITY AND LIABILITIES		
Equity		
Share capital	246,541	246,541
Share premium	49,158	49,158
Exchange translation reserve	34,698	-
Accumulated losses	(222,514)	(106)
	107,883	295,593
Non-controlling interests	4,788	2,423
Total equity	112,671	298,016

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	As at 31 October 2016	As at 31 October 2015
	(RM '000)	
Current liabilities		
Trade payables	1,699	10,011
Other payables and accruals	14,641	7,384
Amounts owing to former holding companies	12,954	7,961
Amounts owing to a shareholder	144,234	53,822
Amounts owing to a former shareholder of a subsidiary	10,660	13,338
Borrowings	923,867	795,309
Current tax liabilities	2,920	2,179
Total current liabilities	1,110,975	890,004
Non-current liabilities		
Borrowings	-	45,800
Deferred tax liabilities	1,826	2,067
Total non-current liabilities	1,826	47,867
Total liabilities	1,112,801	937,871
TOTAL EQUITY AND LIABILITIES	1,225,472	1,235,887
NA	112,671	298,016

Total Assets

Our pro forma total assets as at 31 October 2016 of about RM1,225.47 million consisted mainly of properties under development for sale from EW Sydney of about RM174.04 million, investment in a joint venture amounting to about RM127.65 million, goodwill arising from the Acquisitions amounting to about RM126.30 million and amount owing by a joint venture amounting to about RM745.42 million.

Total Liabilities

Our pro forma total liabilities as at 31 October 2016 of about RM1,112.80 million consisted mainly of bank borrowings amounting to about RM923.87 million, amounts owing to a shareholder of about RM144.23 million, amounts owing to a former shareholder of a subsidiary of about RM10.66 million, amounts owing to former holding companies of about RM12.95 million and trade and other payables of about RM16.34 million.

Total Equity

Our pro forma total equity as at 31 October 2016 of about RM112.67 million have incorporated the shares subscription by Tan Sri Liew of about RM294.95 million arising from the Reorganisation.

13. FINANCIAL INFORMATION (Cont'd)

Pro forma consolidated statements of comprehensive income for the FYE 31 October 2016 compared to the FYE 31 October 2015

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Revenue	970	7,454
Direct expenses	(5,455)	(4,116)
Gross (loss)/profit	(4,485)	3,338
Other income	99	10,314
Administrative and general expenses	(39,165)	(59,338)
Marketing expenses	(3,792)	(3,582)
Unrealised (loss)/gain on foreign exchange	(74,449)	23,883
Finance costs	(55,425)	(34,416)
Share of loss in a joint venture	(59,719)	(41,654)
LBT	(236,936)	(101,455)
Taxation	1,874	3,607
Loss for the year	(235,062)	(97,848)
Other comprehensive income/(loss), net of tax:		
Item that may be reclassified to profit or loss subsequently:		
Exchange differences on translation of foreign operations	25,268	(19,722)
Total comprehensive loss for the year	(209,794)	(117,570)
(Loss)/Profit for the year attributable to:		
- Owners of our Company	(238,326)	(99,264)
- Non-controlling interests	3,264	1,416
	(235,062)	(97,848)
Total comprehensive (loss)/income for the year attributable to:		
- Owners of our Company	(212,226)	(118,986)
- Non-controlling interests	2,432	1,416
	(209,794)	(117,570)
Other selected financial data:		
LBITDA ⁽¹⁾	(191,789)	(78,802)
Gross (loss)/profit margin (%)	(462.37)	44.78
Depreciation	963	615
Loss after tax margin (%)	(24,233.20)	(1,312.69)
Par value (RM)	1.00	1.00
Number of ordinary shares in issue ('000)	246,541	246,541
Weighted average number of ordinary shares ('000)	246,541	246,541

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
LPS ⁽²⁾		
Basic (sen)	(96.7)	(40.3)
Diluted (sen)	(96.7)	(40.3)

Notes:

- (1) LBITDA represents loss before interest, taxation, depreciation and amortisation.
- (2) Calculated by dividing the loss for the year attributable to the equity holders of our Company by the weighted average number of shares for the respective year.

Revenue

Our pro forma revenue for the FYE 31 October 2016 consisted of sales commissions derived from the marketing services rendered by EW International Marketing to EW-Ballymore London City in respect of the sales of the London City Island Phase 2 project amounting to about RM0.72 million and to EW-Ballymore Arrowhead in respect of the sales of the Wardian London project amounting to about RM0.31 million. Revenue is slightly offset by the over-accrued sales commissions derived from the marketing services rendered from EW-Ballymore Embassy Gardens in the prior year of about RM0.06 million.

Our pro forma revenue for the FYE 31 October 2015 consisted of sales commissions derived from the marketing services rendered by EW International Marketing to EW-Ballymore London City in respect of the sales of the London City Island Phase 2 project amounting to about RM6.00 million, to EW-Ballymore Embassy Gardens in respect of the sales of the Embassy Gardens Phase 2 project amounting to about RM0.52 million and to EW-Ballymore Arrowhead in respect of the sales of the Wardian London project amounting to about RM0.93 million.

Direct expenses

Our pro forma direct expenses for the FYE 31 October 2016 and the FYE 31 October 2015 consisted of staff costs, advertising and promotional expenses, office rental and travelling expenses incurred in connection with the marketing services provided by EW International Marketing.

Gross (loss)/profit

Our pro forma gross loss for the FYE 31 October 2016 was mainly due to expenses incurred in connection with the marketing services provided by EW International Marketing.

Our pro forma gross profit for the FYE 31 October 2015 was mainly due to recognition of sales commission derived from the marketing services rendered by EW International Marketing as described above. The gross profit was partially off by the expenses incurred in connection with the marketing services provided.

13. FINANCIAL INFORMATION (Cont'd)*Other income*

Our pro forma other income for the FYE 31 October 2016 consisted mainly of interest income earned from fixed deposits and current accounts.

Other income for the FYE 31 October 2015 consisted mainly of realised gain on foreign exchange on the settlement for the amount owing to EWDSB and a shareholder, interest income earned from fixed deposit and gain on the deconsolidation of EW Parramatta, a former wholly-owned subsidiary of Fortune Quest, which was struck off during the year.

Marketing expenses

Our pro forma marketing expenses for the FYE 31 October 2016 and FYE 31 October 2015 consisted mainly of advertising costs and promotional expenses for our West Village, Parramatta project.

Administrative and general expenses

Our pro forma administrative and general expenses for the FYE 31 October 2016 and FYE 31 October 2015 consisted mainly of staff costs, professional fees, office expenses, entertainment expenses, and sundry expenses incurred by EWI, EW Investment, EW Sydney Development and EW International Marketing.

For the FYE 31 October 2016 and FYE 31 October 2015, it also consisted of the landholder duty of about RM8.69 million and about RM11.66 million respectively incurred in relation to the acquisition of Fortune Quest.

Unrealised loss/gain on foreign exchange

Unrealised loss on foreign exchange for the FYE 31 October 2016 arose mainly from the advances from EWI to EW Investment and Fortune Quest of approximately RM87.39 million and RM0.55 million, respectively. The unrealised loss on foreign exchange is slightly offset by the gains on foreign exchange of about RM4.29 million and RM8.93 million from the term loans and advances received from a shareholder and a former shareholder respectively.

Unrealised gain on foreign exchange for the FYE 31 October 2015 arose mainly from the advances from EWDSB to Fortune Quest by about RM23.88 million.

Finance costs

Finance costs for the FYE 31 October 2016 and FYE 31 October 2015 consisted primarily of interest expense on bank borrowings as well as shareholders' advances.

Our pro forma interest expense on bank borrowings for the FYE 31 October 2016 was about RM12.53 million (incurred by our Company), about RM19.88 million (incurred by EW ACE) and about RM7.22 million (incurred by EW Investment). Our Group's interest expense on shareholder's advances for the FYE 31 October 2016 was about RM1.84 million (incurred by our Company) and about RM2.80 million (incurred by EW Investment).

Our pro forma interest expense on bank borrowings for the FYE 31 October 2015 was about RM3.47 million (incurred by EW Investment) and RM11.60 million (incurred by EW ACE). Our Group's interest expenses on shareholder advances, was about RM4.32 million (incurred by EW Investment).

Other finance costs for the FYE 31 October 2015 also included a late payment fee of about RM3.62 million incurred by EW ACE for the late payment made to AIHL for the purchase of the 75% interest in EW-Ballymore Holding. The late payment fee was a result of the deferment in the completion of the said acquisition.

13. FINANCIAL INFORMATION (Cont'd)

Share of loss in a joint venture

Share of profit or loss in a joint venture represents our share of the consolidated profit or loss recorded by our joint venture, EW-Ballymore Holding, and its subsidiaries for the financial year.

During the FYE 31 October 2016 and FYE 31 October 2015, the losses related mainly to marketing related expenses, including sales commission fees and marketing costs related to the launching of the property development projects incurred by EW-Ballymore London City, EW-Ballymore Embassy Gardens and EW-Ballymore Arrowhead.

LBT

The following table sets out the relevant line items for our pro forma consolidated financial statements for the FYE 31 October 2016 and the FYE 31 October 2015:

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
LBT is stated after charging:		
Allowance for doubtful debts	207	-
Depreciation	963	615
Loss on disposal of plant and equipment	16	-
Directors' remuneration:		
- salaries, allowances and bonuses	4,920	940
- director fee	800	800
- defined contribution plan	561	-
Rental expenses		
- office premise	1,976	93
- office equipment	127	-
Listing expenses	290	505
Deferred expenditure written off	-	1,287
Landholder duty	8,691	11,660
Realised loss on foreign exchange	540	3

Our Group recorded a LBT of about RM236.94 million for the FYE 31 October 2016, for which about RM121.17 million loss was attributable to Malaysia, about RM102.55 million loss was attributable to the United Kingdom and about RM13.22 million loss was attributable to Australia. Our Group recorded a LBT of about RM101.46 million for the FYE 31 October 2015, for which about RM0.43 million loss was attributable from Malaysia, about RM103.72 million loss was attributable from the United Kingdom and about RM2.69 million profit was attributable to Australia.

Taxation

The Malaysian statutory tax rate will be reduced to 24% from the rate of 25% applicable to the current financial year effective from year of assessment 2016. The changes of corporate tax rate in year of assessment 2016 had been incorporated in the computation of the deferred tax as at 31 October 2015 and as at 31 October 2016.

13. FINANCIAL INFORMATION (Cont'd)

The following table sets out the details of the pro forma tax expenses for our Group for the FYE 31 October 2016 and the FYE 31 October 2015:

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Current tax:		
- Malaysian tax		
Current year	-	1,852
Prior year	(174)	-
- United Kingdom tax		
Current year	3,277	1,417
Prior year	54	-
	3,157	3,269
Deferred tax:		
- Malaysian tax		
Current year	(1,194)	(187)
- Australian tax		
Current year	(3,837)	(6,689)
	(5,031)	(6,876)
	(1,874)	(3,607)

Our Group operates in a multi-jurisdictional tax environment and the corporate tax rates of entities within our Group outside Malaysia for the FYE 31 October 2016 are as follows:

- (a) subsidiaries incorporated in Jersey and the British Virgin Islands: 0%;
- (b) subsidiary incorporated in the United Kingdom: 20%;
- (c) subsidiary incorporated in Australia: 30%

The provision for taxation differs from the amount of taxation determined by applying the applicable statutory tax rates to the LBT as a result of the following differences:

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Accounting loss before tax and share of loss in a joint venture	(177,217)	(59,801)
Tax at applicable tax rates	(29,740)	2,062
Tax effect arising from non-taxable income	-	(5,778)
Tax effect arising from non-deductible expenses	27,981	1,971
Effect of changes in tax rate	-	8

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Utilisation of deferred tax assets not recognised previously	-	(1,870)
Adjustment attributable to prior years	(115)	-
	<u>(1,874)</u>	<u>(3,607)</u>

Subject to the agreement of the UK Tax Authority and any changes in United Kingdom tax legislation, tax losses arising from the respective companies' property development activities in the United Kingdom may be carried forward and set off against profits arising from the same activities in the respective companies in future years. In the UK Autumn Statement 2016, the United Kingdom government published draft legislation that will take effect from 1 April 2017 that will amend the rules in respect of corporation tax losses. The changes are as follows: (i) from 1 April 2017, companies will be able to use carried forward losses against profits from other activities or from other companies within a group; and (ii) from 1 April 2017, the amount of profit that can be offset against losses carried forward will be restricted to 50% of the amount of profits in excess of GBP5 million. Where the company is in a group, the GBP5 million allowance applies to the group.

As EW-Ballymore Holding and its subsidiaries have successfully registered for UK corporation tax during the period, deferred tax has now been recognised in respect of unutilised tax losses to the extent that it is probable that future taxable profit will be available, against which the tax losses can be utilised. The deferred tax asset has been calculated based on the rate of 19% substantively enacted as at 31 October 2016.

EW Sydney Development is an Australian tax resident and is principally involved in property development in Australia since incorporation. Subject to any changes in the Australian tax legislation, tax losses in an income year arising from EW Sydney Development's property development activities in Australia may be carried forward and deducted in future years against income for tax purposes provided EW Sydney Development satisfies the "Same Business Test". Broadly, EW Sydney Development needs to be carrying on the same business it was carrying on at the time the loss was incurred and at the time it is utilised (i.e. the business of property development).

In accordance with our Group's accounting policy, total deferred tax assets amounting to about RM11.38 million has been recognised as at 31 October 2016 in respect of losses incurred by EW Sydney Development which carry out property development activities in Australia.

Exchange differences on translation of foreign operations

Our pro forma consolidated financial information is presented in RM, which is also our Company's functional currency. All assets and liabilities of foreign operations that have a functional currency other than RM are translated at the exchange rates applicable at the end of the reporting period. Income and expense items are translated at an average exchange rate during a financial. All exchange differences arising from the translation of the financial statements of foreign operations are accounted for under exchange translation reserve.

13. FINANCIAL INFORMATION (Cont'd)

Pro forma consolidated statements of cash flows for our Group for the FYE 31 October 2016 and for the FYE 31 October 2015

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
LBT	(236,936)	(101,455)
Adjustments for:		
Interest income	(88)	(981)
Deferred expenditure written off	-	1,287
Allowance for doubtful debts	207	-
Loss on disposal of plant and equipment	16	-
Depreciation	963	615
Share of loss in a joint venture	59,719	41,654
Finance costs	55,425	34,416
Gain on deconsolidation of a subsidiary	(8)	-
Listing expenses	290	505
Landholder duty	8,691	11,660
Unrealised loss/(gain) on foreign exchange	74,449	(23,883)
Operating loss before working capital changes	(37,272)	(36,182)
Changes in properties under development for sale	(9,188)	(54,778)
Changes in receivables	(3,119)	(29,632)
Changes in payables	381	34,546
Cash used in operations	(49,198)	(86,046)
Interest received	49	1,064
Net tax paid	(2,453)	(1,288)
Net cash used in operating activities	(51,602)	(86,270)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(719)	(3,146)
Proceeds from disposal of plant and equipment	6	-
Advances to a joint venture	(249,815)	(787,312)
Acquisition of subsidiaries	(5,588)	(5,588)
Placements of deposits, debt service reserve and interest service reserve accounts	(2,568)	(9,021)
Landholder duty	(8,691)	(11,660)
Interest received	39	-
Subscription of ordinary shares in a joint venture	-	(192)
Net cash used in investing activities	(267,336)	(816,919)

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of RCPS	-	(37,500)
Drawdown of borrowings	330,547	757,066
Proceeds from issuance of ordinary shares	119,249	119,999
Advances from a shareholder	31,574	162,031
Repayment to former holding companies	(109,370)	(96,477)
Finance costs	(52,579)	(30,092)
Listing expenses	(7,762)	-
Proceeds from issuance of ordinary shares by subsidiaries	-	2,915
Net cash generated from financing activities	<u>311,659</u>	<u>877,942</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	(7,279)	(25,247)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	17,162	41,051
EFFECT OF EXCHANGE RATE CHANGES	(2,164)	1,420
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>7,719</u>	<u>17,224</u>
Represented by:		
Cash and bank balances	18,573	27,373
Less: Restricted deposits	<u>(10,854)</u>	<u>(10,149)</u>
Cash and cash equivalents	<u>7,719</u>	<u>17,224</u>

Cash flows from operating activities

Our cash flows used in operating activities for the FYE 31 October 2016 of about RM51.60 million was due mainly to the operating loss before working capital changes of about RM37.27 million and payment made for the development of properties of about RM9.2 million by EW Sydney Development.

Our cash flows used in operating activities for the FYE 31 October 2015 of about RM86.27 million was due mainly to the operating loss before working capital changes of about RM36.18 million and payment made by EW Sydney Development for the development of properties, which amounted to about RM54.78 million.

13. FINANCIAL INFORMATION (Cont'd)*Cash flows from investing activities*

Our cash flows used in investing activities for the FYE 31 October 2016 of about RM267.34 million was due mainly to advances made to a joint venture, EW-Ballymore Holding, of about RM249.82 million, payment of landholder duty arising from the acquisition of Fortune Quest of about RM8.69 million and consideration paid for the acquisition of Fortune Quest and EW Management of about RM3.20 million and RM2.39 million, respectively.

Our cash flows used in investing activities for the FYE 31 October 2015 of about RM816.92 million was due mainly to advances made to a joint venture, EW-Ballymore Holding, of about RM787.31 million, payment of landholder duty arising from the acquisition of Fortune Quest of about RM11.66 million and consideration paid for the acquisition of Fortune Quest and EW Management of about RM3.20 million and RM2.39 million, respectively.

Cash flows from financing activities

Our cash flows generated from financing activities for the FYE 31 October 2016 of about RM311.66 million was due mainly to a drawdown of about RM330.55 million from our Company's loans, proceeds from the issuance of Shares amounting to about RM119.25 million and advances from a shareholder of about RM31.57 million. The increase in cash flows from financing activities were offset by repayment to former holding companies of about RM109.37 million, payment of finance costs of about RM52.58 million and payment of listing expenses of about RM7.76 million.

Our cash flows generated from financing activities for the FYE 31 October 2015 of about RM877.94 million was due mainly to drawdowns of about RM757.07 million from our Company's loans, proceeds from the issuance of shares amounting to about RM120.00 million and advances from a shareholder of about RM162.03 million. The increase was offset by repayment to former holding companies of about RM96.48 million, payment of finance cost of about RM30.09 million and redemption of RCPS of about RM37.50 million.

13.5.6 Liquidity and capital resources*Working capital and cash flow*

Our principal sources of liquidity are a combination of shareholders' advances and external borrowings from financial institutions. The principal utilisation of these funds are to finance purchases of land and for working capital purposes such as purchases of building materials, payments to contractors and professional consultants, and payments of finance costs and operating and administrative expenses. We manage our cash flow and working capital by closely monitoring and managing, amongst other things, the level of our trade payables and receivables as well as our ability to obtain external financing. We also review future cash flow requirements and assess our ability to meet debt repayment schedules and adjust our investment and financial plans, if necessary, to ensure that we maintain sufficient working capital to support our business operations.

The following table sets out the summary of our pro forma statements of cash flows for the FYE 31 October 2016 and the FYE 31 October 2015:

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
Net cash used in operating activities	(51,602)	(86,270)
Net cash used in investing activities	(267,336)	(816,919)
Net cash generated from financing activities	311,659	877,942

13. FINANCIAL INFORMATION (Cont'd)

	Pro Forma	
	FYE 31 October 2016	FYE 31 October 2015
	(RM '000)	
NET CHANGES IN CASH AND CASH EQUIVALENTS	(7,279)	(25,247)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	17,162	41,051
EFFECT OF EXCHANGE RATE CHANGES	(2,164)	1,420
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>7,719</u>	<u>17,224</u>
Represented by:		
Cash and bank balances	18,573	27,373
Less: Restricted deposits	(10,854)	(10,149)
Cash and cash equivalents	<u>7,719</u>	<u>17,224</u>

For the FYE 31 October 2016, we had negative operating cash flow of about RM51.60 million and we expect to record negative operating cash flow for future periods, as this is primarily due to our property development business models in the United Kingdom and Australia. Under the relevant accounting treatment, our subsidiary and joint ventures will not generate any operating cash flow until physical completion and handover of vacant possession of the property development projects in the United Kingdom and Australia. In addition, our subsidiary and joint ventures expect to incur progressive development expenditures during the construction period of the property development projects as opposed to the timing of collections from the sale of the completed properties which will only take place on the date of handover of vacant possession of the respective projects.

As at 31 October 2016, we had pro forma cash and cash equivalents of about RM7.72 million (consisting of cash and bank balances of RM18.57 million less restricted deposits of RM10.85 million).

In addition, the EW-Ballymore Holding Group has committed term loan facilities with several banks to fund the acquisition of land for property development and the development of property development projects totalling about GBP1,066 million (about RM5,446.94 million based on the exchange rate of GBP1:RM5.1097, being the middle rate quoted by BNM at 5.00 p.m. as at 31 October 2016), of which an amount of about GBP661 million had not been utilised as at 31 October 2016. We have maintained strong relationships with financial institutions in Malaysia and have made all interest payments on our bank loans in a timely manner. Other than the bank borrowings and advances that we propose to repay using the proceeds from our IPO as set out in Section 4.7 of this Prospectus, we do not foresee any immediate repayment requirement for our bank loans nor withdrawal or reduction in banking facilities on short notice that could have a material adverse impact on our liquidity position.

Based on the foregoing and taking into consideration the financial resources available to us, including our cash and cash equivalents, unutilised bank facilities and any additional debt financing we may obtain, as well as the proceeds to be raised from our IPO, our Group will have sufficient working capital until the first physical completion and handover of vacant possession of the completed units, being the first two residential blocks of the London City Island Phase 2 project. Subsequently, any surplus operational cash flows will also be reinvested to fund the development costs of our remaining property development projects. Accordingly, our Board is of the opinion that we will have adequate working capital for at least 12 months from the date of this Prospectus.

13. FINANCIAL INFORMATION (Cont'd)

Our Board is of the opinion that save as set out in Section 13.8 of this Prospectus, there are no legal, financial or economic restrictions on our subsidiaries' ability to transfer funds to our Company in the form of cash dividends, loans or advances to meet our cash obligations, subject to availability of distributable reserves and/or loans or advances and compliance with legal requirements and financial covenants.

Borrowings

The following table sets out our pro forma third party borrowings as at 31 October 2016:

	Pro Forma
	As at 31 October 2016
	<i>(RM '000)</i>
Current borrowings	
Cash advance facility ⁽¹⁾	47,891
Bridging loan facility ⁽²⁾	259,536
Bank term loans I ⁽³⁾	550,250
Bank term loans II ⁽⁴⁾	66,190
Total borrowings	923,867

Notes:

- (1) *The effective interest rate for the cash advance facility for the FYE 31 October 2016 is 3.64% per annum. The cash advance facility is due for repayment in May 2017. The cash advance facility is denominated in AUD.*
- (2) *The effective interest rate for the bridging loan for the FYE 31 October 2016 is 5.77% per annum. The bridging loan is due for repayment in April 2017 or the first interest payment date after the Listing, whichever is earlier. The bridging loan is denominated in RM.*
- (3) *The effective interest rates for the bank term loans for the FYE 31 October 2016 ranged from 4.23% to 4.49% per annum. The bank term loans are due for repayment in April 2017 and are denominated in GBP.*
- (4) *The effective interest rate for the bank term loans for the FYE 31 October 2016 ranged from 3.86% to 4.49% per annum. The bank term loans are due for repayment in April 2017 or the first interest payment date after the Listing, whichever is earlier. The bank term loans of about RM56.62 million and RM9.57 million are denominated in GBP and AUD respectively.*

We have not defaulted on payments of either interest or principal for any of our borrowings during FYE 31 October 2016 and the FYE 31 October 2015. We are not in breach of any terms and conditions or covenants associated with credit arrangements or bank loans that can materially affect our financial position, results of business operations, or the investment by holders of our Securities.

In addition to the above borrowings, on 17 November 2016, we have accepted a letter of offer and a supplementary letter of offer from OCBC Bank (Malaysia) Berhad for bank borrowings of GBP25,000,000 (equivalent to RM137,805,000⁽¹⁾) and AUD5,000,000 (equivalent to RM16,190,000⁽¹⁾). The GBP loan is subject to an interest rate of 3.00% above the LIBOR for the first six months from the date of first drawdown and thereafter 3.50% above the LIBOR. The AUD loan is subject to an interest rate of 2.00% above the one month AUD effective cost of funds for the first six months from the date of first drawdown and thereafter 2.50% above the one month AUD effective cost of funds. Both the GBP and AUD loans will mature 12 months from first drawdown or first interest payment date after the Admission, whichever is the earlier. On 13 February 2017, we, by way of EW Investment and Fortune Quest, also accepted letters of offer and supplementary letters of offer from United Overseas Bank Limited, Labuan Branch for bank borrowings of GBP20,000,000 (equivalent to RM110,244,000⁽¹⁾) and AUD5,000,000 (equivalent to RM16,190,000⁽¹⁾), respectively. The GBP loan is subject to interest rate of 3.25% above the bank's one month cost of funds until 31 March 2017 and thereafter 4.25% above the bank's one month cost of funds. The AUD loan is subject to an interest rate of 3.00% above the bank's one month cost of funds until 31

13. FINANCIAL INFORMATION (Cont'd)

March 2017 and thereafter 4.00% above the bank's one month cost of funds. Both the GBP and AUD loans will mature 12 months from first drawdown or first interest payment date after the Admission, whichever is the earlier. We expect that these bank borrowings will be fully drawn down prior to our Listing and that the proceeds from our IPO will be used to repay these bank borrowings in full.

Note:

- (1) Based on the exchange rate of GBP1.00 : RM5.5122 and AUD1.00 : RM3.2380, being the middle rate for the respective GBP to RM and AUD to RM quoted by BNM at 5.00 p.m. as at 30 December 2016, being the last Market Day for the month of December 2016.

Shareholder's advances

	Pro Forma
	As at 31 October 2016
	(RM '000)
Bearing interest at:	
- 4.26% per annum ⁽¹⁾	51,856
- -5.84% per annum ⁽²⁾	67,505
- -Interest free ⁽³⁾	24,873
Total shareholder's advances	144,234

Notes:

- (1) The advances from shareholder bearing interest at 4.26% per annum are unsecured and repayable in April 2017 or a date falling within ten days from the date of admission of the Company's securities to the Official List of the Main Market of Bursa Securities, whichever earlier.
- (2) The advances from shareholder bearing interest at 5.84% per annum are unsecured and repayable in May 2017.
- (3) The interest free advances from shareholder are unsecured and repayable in April 2017 or a date falling within ten days from the date of admission of the Company's securities to the Official List of the Main Market of Bursa Securities, whichever earlier.

Amounts owing to former holding companies

	Pro Forma
	As at 31 October 2016
	(RM '000)
Amount owing to EWDSB ⁽¹⁾	12,324
Amount owing to EWIPM ⁽²⁾	630
Total amounts owing to former holding companies	12,954

Notes:

- (1) The amount owing to EWDSB represents unsecured advances and is repayable in April 2017 or a date falling within ten business days from the date of admission of the Company's securities to the Official List of the Main Market of Bursa Malaysia Securities Berhad, whichever is earlier. The balance is denominated in USD.
- (2) The amount owing to EWIPM represents unsecured advances and is repayable on demand.

Former shareholder's advances

As at 31 October 2016, our Group had about RM10.66 million of advances from a former shareholder of a subsidiary which are unsecured, interest free and is expected to be repaid upon the Listing.

13. FINANCIAL INFORMATION (Cont'd)

Capital expenditures

Our Group incurred pro forma capital expenditures of about RM0.72 million for the FYE 31 October 2016, of which RM0.44 million was incurred in relation to office renovation at our EWI office at Setia Avenue and preliminary cost incurred for our sales gallery at Bukit Bintang City Centre, Kuala Lumpur.

Our Group incurred pro forma capital expenditures of about RM3.15 million for the FYE 31 October 2015, of which renovation costs was RM2.11 million and incurred mainly in relation to office renovation at our Eco World International Centre, Kuala Lumpur.

Our actual capital expenditures may vary from projected amounts due to various factors, including changes in market conditions, our ability to generate sufficient cash flows from operations, our ability to obtain adequate financing for these planned capital expenditures, demand for our property projects, governmental policies regarding the industries in which we operate and the condition of the economy of the countries in which we operate and the global economy. In addition, our planned capital expenditures do not include any expenditure for potential acquisitions or investments that we may evaluate from time to time.

For the FYE 31 October 2016, our Group has an approved and contracted for capital expenditure in respect of plant and equipment of about RM0.08 million.

We expect to meet our capital expenditure requirements through our cash and cash equivalents on hand, cash generated from future operations and/or financing activities (including project financing) and the proceeds raised from the IPO. Our ability to obtain financing and to make timely repayments of our debt obligations are subject to various uncertainties, including our future results of operations, financial condition and cash flows, the condition of the countries in which we operate and the global economy and the markets for our products and services, the cost of financing, the condition of financial markets and the willingness of banks to provide financing facilities to us.

Commitments

EW ACE (our wholly-owned subsidiary) and AIHL have made commitments under the EW-Ballymore Shareholders' Agreement to fund EW-Ballymore Holding by way of share subscription and shareholder's advances of up to GBP330.00 million and GBP110.00 million, respectively (the "**Commitments**"), over the life of the joint venture's property development projects under the EW-Ballymore Shareholders' Agreement.

EW ACE and AIHL have also contributed GBP181.70 million and GBP60.57 million, respectively, as at 31 December 2016, and accordingly, EW ACE and AIHL have undrawn commitments of GBP148.30 million and GBP 49.43 million (equivalent to about RM817.46 million and RM 272.47 million, respectively, based on the exchange rate of GBP1.00:RM5.5122, being the middle rate quoted by BNM as at 31 December 2016, ("**Undrawn Commitments**")), respectively, if called.

Further, if the joint venture has insufficient funds to make payment to the lenders of the banking facilities in respect of which the lenders are entitled to make a valid claim in accordance with the bank term loan agreements (the "**Claim**"):

- (a) the joint venture shall first fund the Claim by calling on its joint venture partners in respect of their respective portions of their undrawn commitments;

13. FINANCIAL INFORMATION (Cont'd)

- (b) if the undrawn commitments are insufficient to satisfy the Claim, the joint venture partners shall increase their commitments up to an additional amount of GBP120.00 million (equivalent to about RM661.46 million, based on exchange rate GBP1:RM5.5122, being the middle rate quoted by BNM as at 31 December 2016) ("**Increased Commitments**"), to be funded on a pro-rata basis by each joint venture partner according to their percentage of equity interest in the joint venture. Any failure by any joint venture partner to provide such additional funding shall be an event of default under the contractual agreement; and
- (c) if funding in excess of the Increased Commitments is required to satisfy the Claim, each joint venture partner has the right but not obligation to fund on a pro-rata basis according to their percentage of equity interest in the joint venture. If a partner to the joint venture did not fund any amount in excess of the Increased Commitments, while the other partner fund any shortfall arising therefrom, the additional funding by latter partner will result in the dilution of equity interest of the former partner in the joint venture.

For further details of the EW-Ballymore Shareholders' Agreement, please refer to Section 7.22 of this Prospectus.

Contingent liabilities

EW-Ballymore Holding has banking facilities with an aggregate outstanding principal amount of GBP420.50 million ("**Banking Facilities**") as at 31 December 2016.

Under the EW-Ballymore Shareholders' Agreement, if the EW-Ballymore Holding Group has insufficient funds to make payment under the Banking Facilities in respect of which the lenders are entitled to make a valid claim on the guarantees that are given under the terms of the Banking Facilities ("**Claim**"):

- (i) EW-Ballymore Holding shall first fund the Claim by drawing down on EW ACE and AIHL's respective portions of their Undrawn Commitments;
- (ii) If the Undrawn Commitments are insufficient to satisfy the Claim, EW ACE and AIHL shall increase the Commitments up to an additional amount of GBP120 million ("**Increased Commitments**"): a GBP90 million increase by EW ACE and GBP30 million by AIHL. Any failure by either EW ACE or AIHL to provide such additional funding shall be an event of default under the EW-Ballymore Shareholders' Agreement; and
- (iii) If funding in excess of the Increased Commitments is required to satisfy the Claim, AIHL shall have the right but not the obligation to fund the excess funding requirement pro-rata its percentage interest of such additional funding and where AIHL does not fund any amount in excess of its portion of the Increased Commitments, then EW ACE shall fund (in addition to its percentage interest of such additional funding) any shortfall arising therefrom, in which event AIHL's percentage interest in EW-Ballymore Holding will be diluted accordingly. Conversely, if EW ACE does not fund pro-rata its percentage interest of such additional funding and AIHL agrees to fund any shortfall arising therefrom, then EW ACE's percentage interest in EW-Ballymore Holding will be diluted accordingly.

For further details of the EW-Ballymore Shareholders' Agreement, please refer to Section 7.22 of this Prospectus.

13. FINANCIAL INFORMATION (Cont'd)**Material divestitures**

There has not been any material divestiture undertaken by us for the FYE 31 October 2015, the FYE 31 October 2016 and up to the LPD. As at the LPD, we do not have any uncompleted material divestiture.

Material litigation or arbitration proceedings

As at the LPD, our Board confirms that there are no pending governmental, legal or arbitration proceedings, including those relating to bankruptcy, receivership or similar proceedings which may have or have had, material or significant effects on our financial position or profitability, in the 12 months immediately preceding the date of this Prospectus.

Key financial ratios

The following table sets forth certain pro forma key financial ratios of our Group as of the date indicated:

	Pro Forma	
	As at 31 October 2016	As at 31 October 2015
Trade receivables (RM '000)	289	7,430
Trade receivables turnover period (days)	n.m. ⁽¹⁾	n.m. ⁽¹⁾
Trade payables (RM '000)	1,699	10,011
Trade payables turnover period (days)	n.m. ⁽²⁾	n.m. ⁽²⁾
Inventory turnover period (days) ⁽³⁾	N/A	N/A
Current ratio (times) ⁽⁴⁾	0.19	0.23
Gearing ratio (times) ⁽⁵⁾	9.69	3.07

Notes:

- (1) *Our trade receivables turnover period is not meaningful as the revenue for these periods was solely generated from sales commission charged by EW International Marketing.*
- (2) *Our trade payables turnover period is not meaningful as the direct expenses for these periods was only derived from EW International Marketing. At the same time, there is no corresponding direct expenses for EW Sydney Development as recognition is based on completion basis.*
- (3) *Inventory turnover period is not applicable as our Group does not have any inventory.*
- (4) *Calculated based on current assets divided by current liabilities.*
- (5) *Calculated based on total debts divided by total equity.*

13.5.7 Financial risk management objectives and policies

Our activities are exposed to a variety of financial risks, including liquidity and cash flow risks, interest rate risk, foreign currency risk and credit risk. The overall financial risk management objective is to minimise potential adverse effects on our financial performance.

Financial risk management is carried out through risk review, internal control systems and adherence to financial risk management policies. Our Directors regularly review these risks and approve the policies covering the management of these risks. We do not trade in derivative instruments and do not use any hedging instruments.

13. FINANCIAL INFORMATION (Cont'd)***Liquidity and cash flow risks***

Liquidity and cash flow risks are the risks that we will not be able to meet our financial obligations when they fall due.

We seek to ensure all business units maintain optimum levels of liquidity at all times, sufficient for their operating, investing and financing activities.

Therefore, our policy seeks to ensure that each business unit, through efficient working capital management is able to convert its current assets into cash to meet all demands for payment as and when they fall due.

We also seek to maintain sufficient credit lines available to meet our liquidity requirements while ensuring effective working capital management.

All financial liabilities of our Group as at 31 October 2016 are expected to be settled within the next 12 months.

Interest rate risk

Exposure to changes in interest rate risk relates primarily to the borrowings from the banks. We do not generally hedge interest rate risks.

A sensitivity analysis has been performed on our Group based on the outstanding floating rate of the bank borrowings as at 31 October 2016, the pro forma consolidated loss after tax for the FYE 31 October 2016 would increase or decrease by about RM4.39 million, as a result of higher or lower interest expense on these borrowings.

Foreign currency risk

We are exposed to foreign currency risk mainly as a result of translation of the results of our foreign operations which are denominated in a foreign currency to RM and foreign currency transactions entered into in currencies other than our functional currency.

A sensitivity analysis has been performed on our Group as at 31 October 2016.

	<u>Increase/(decrease) in loss after tax</u>
	(RM'000)
Change in currency rate	
GBP	
- Strengthen by 5%	3,054
- Weaken by 5%	<u>(3,054)</u>
AUD	
- Strengthen by 5%	(2,896)
- Weaken by 5%	<u>2,896</u>
USD	
- Strengthen by 5%	(617)
- Weaken by 5%	<u>617</u>

13. FINANCIAL INFORMATION (Cont'd)

	Increase/(Decrease) in other comprehensive income
	(RM'000)
Change in currency rate	
GBP	
- Strengthen by 5%	1,360
- Weaken by 5%	<u>(1,360)</u>
USD	
- Strengthen by 5%	375
- Weaken by 5%	<u>(375)</u>

As other foreign currency denominated monetary items as at 31 October 2016 are not material, the sensitivity analysis has not been presented.

Credit risk

Credit risk arises from the possibility that a counter party may be unable to meet the terms of a contract in which our Group has a gain position.

As at 31 October 2016, amounts due from our joint venture which is included in trade and other receivables amounted to about RM4.72 million. Our Directors closely monitor our Group's credit risk exposure arising from the joint venture and are confident in recovering the outstanding balances as these amounts are still within the normal credit terms granted by our Group.

Our Group is also exposed to credit risk in respect of amounts due from our joint venture amounting to about RM745.42 million as at 31 October 2016. Our Directors closely monitor our Group's credit risk exposure arising from the amounts due from the joint venture, and are confident in recovering the outstanding balances.

The credit risk on cash and bank balances of our Group is limited as these balances are placed with or transacted with financial institutions which are creditworthy.

13.5.8 Treasury policies and objectives

Our treasury policy is to maintain sufficient working capital to finance our operations and meet our anticipated commitments arising from operational expenditure and financial liabilities by maintaining adequate liquidity and credit facilities.

We manage our liquidity to ensure access to sufficient funding at acceptable costs to meet our business needs and financial obligations throughout our business. We have historically relied on external unsecured and secured sources, including credit extended by our suppliers, term loans, revolving credits and other borrowings from financial institutions. Our funding policy is to obtain the most suitable type of financing and favourable cost of funding as our financing needs arise.

Most of our cash and cash equivalents are held in GBP and AUD and a substantial majority of our borrowings are denominated in GBP and AUD. Our Board reviews our foreign currency risk and strategies as needed to mitigate adverse impacts that may result from fluctuations in foreign currency exchange rates.

While we do not, currently, hedge our foreign exchange rate risk, our Company continually evaluates the need for hedging mechanisms to mitigate foreign exchange rate risk, taking into consideration factors such as the working capital requirements of the development projects.

13. FINANCIAL INFORMATION *(Cont'd)*

13.5.9 Inflation

We do not believe that inflation has had a material impact on our business, financial condition or results of operations for the financial periods presented. However, inflation may affect our financial performance by increasing certain of our operating expenses, including expenses relating to labour costs, administrative expenses and other operating expenses. Any increase in the inflation rate beyond levels experienced in the past may affect our operations and financial performance if we are unable to fully offset higher costs through increased revenues.

13.5.10 Seasonality

We do not believe that seasonality has had a material impact on our business, financial condition or results of operations.

13.5.11 Order book

Due to the nature of our business, we do not maintain an order book. For further details, please refer to Section 7 of this Prospectus.

13.5.12 Government/economic/fiscal/monetary policies

For information on any government, economic, fiscal or monetary policies or factors which could materially affect our operations, please refer to Section 5 of this Prospectus.

13.5.13 Prospects and trends

Except as disclosed in Sections 5, 8, 13.3 and 13.5 of this Prospectus, our Board confirms that there are no other known trends, factors, demands, commitments, events or uncertainties that are reasonably likely to have a material effect on our business, financial condition and results of operations.

13.5.14 Significant changes

Save as disclosed in this Prospectus, no significant changes have occurred which may have a material effect on the financial position and results of our Group since October 2016.

13.5.15 Standards issued that are not yet effective

Our Group has not applied the following new standards, amendments and interpretation that have been issued by Malaysian Accounting Standards Board ("**MASB**"), which may be relevant to our operations, but are not yet effective:

New MFRSs, Amendments to MFRSs and Interpretation		Effective for financial periods beginning on or after
Amendments to MFRS 116 and MFRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127	Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 5, MFRS 7, MFRS 119 and MFRS 134	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
Amendments to MFRS 101	Disclosure Initiative	1 January 2016
Amendments to MFRS 12	Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2017

13. FINANCIAL INFORMATION (Cont'd)

New MFRSs, Amendments to MFRSs and Interpretation		Effective for financial periods beginning on or after
Amendments to MFRS 107	Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Recognition of Deferred Tax assets for Unrealised Losses	1 January 2017
Amendments to MFRS 1 and MFRS 128	Annual Improvements to MFRS Standards 2014-2016 Cycle	1 January 2018
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
Amendments to MFRS 15	Clarifications to MFRS15	1 January 2018
IC Interpretation 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
MFRS 16	Leases	1 January 2019
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by the MASB

The above new standards, amendments and interpretation are not expected to have any significant financial impact on our Group upon their initial application except for MFRS 9, MFRS 15 and MFRS 16 discussed as follows:

MFRS 9 Financial Instruments

MFRS 9 addresses the classification, recognition, de-recognition, measurement and impairment of financial assets and financial liabilities as well as general hedge accounting. It replaces MFRS 139. MFRS 9 requires financial assets to be classified into two measurement categories i.e. at fair value and at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

For financial liabilities, the standard retains most of the MFRS 139 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to changes in an entity's own credit risk is recorded in other comprehensive income, unless this creates an accounting mismatch.

MFRS 9 contains a new impairment model based on expected losses (as oppose to 'incurred loss' model under MFRS 139), i.e. a loss event needs not occur before an impairment loss is recognised, which will result in earlier recognition of losses.

Our Group is currently assessing MFRS 9's full impact and intends to apply MFRS 9 when it is effective.

MFRS 15 Revenue from Contracts with Customers

MFRS 15 introduces a new model for revenue recognition arising from contracts with customers. MFRS 15 will replace MFRS 111 Construction Contracts, MFRS 118 Revenue, IC 13 Customer Loyalty Programmes, IC 15 Agreements for the Construction of Real Estate, IC 18 Transfers of Assets from Customers and IC 31 Revenue – Barter Transactions Involving Advertising Services. The application of MFRS 15 may result in difference in timing of revenue recognition as compared with current accounting policies.

Our Group is currently assessing the impact of MFRS 15 to its financial statements upon adopting MFRS 15 on the mandatory effective date.

13. FINANCIAL INFORMATION *(Cont'd)*

MFRS 16 Leases

Currently under MFRS 117, leases are classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from finance leases but not operating leases. MFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position, and recording of certain leases as off-balance sheet leases will no longer be allowed except for some limited exemptions. For a lessee that has material operating leases, the application of MFRS 16 may result in significant increase in assets and liabilities reported on its statement of financial position as compared with MFRS 117.

MFRS 16 will replace MFRS 117 Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Our Group is currently assessing the impact of MFRS 16 to its financial statements upon adopting MFRS 16 on the mandatory effective date.

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13. FINANCIAL INFORMATION (Cont'd)

13.6 CAPITALISATION AND INDEBTEDNESS

The following table sets forth our Group's capitalisation and indebtedness information based on the unaudited management accounts of our Group as at 31 January 2017. The pro forma information has been adjusted to reflect (i) the full draw down of the GBP25 million and AUD5 million term loan facility provided by OCBC Bank (Malaysia) Berhad and the GBP20 million and AUD5 million term loan facility provided by United Overseas Bank Limited, Labuan Branch as detailed under Section 4.7 of this Prospectus; (ii) the IPO; (iii) the utilisation of IPO proceeds; and (iv) the full exercise of the Warrants on the assumption the aforesaid were completed on 31 January 2017.

The pro forma financial information below has been prepared for illustrative purposes only based on certain assumptions and does not represent our Group's actual cash and cash equivalents, capitalisation and indebtedness as at 31 January 2017.

	<u>Unaudited⁽¹⁾</u>	<u>Pro Forma I</u>	<u>Pro Forma II</u>	<u>Pro Forma III</u>	<u>Pro Forma IV</u>
	<u>As at 31 January 2017</u>	<u>After full draw down of term loan facilities⁽²⁾</u>	<u>After Pro Forma I and the IPO</u>	<u>After Pro Forma II and use of the IPO proceeds</u>	<u>After Pro Forma III and the full exercise of the Warrants</u>
			<i>(RM '000)</i>		
Cash and bank balances	41,927	92,635	2,676,786	311,938	1,703,938
Indebtedness					
<i>Secured or guaranteed short term debt</i>					
Term loan (EW ACE)	429,502	429,502	429,502	-	-
Term loans (EW Investment)	165,809	274,246	274,246	-	-
Bridging loan (EWI)	259,814	259,814	259,814	-	-
Term loans (EWI)	174,540	230,644	230,644	-	-
Term loan (Fortune Quest)	-	16,374	16,374	-	-
Term loan (EW Sydney Development)	50,125	50,125	50,125	50,125	50,125
<i>Unsecured or unguaranteed short term debt</i>					
Advances from former holding companies	13,767	13,767	13,767	-	-
Advances from a shareholder	169,367	169,367	169,367	-	-
Advances from a former shareholder of a subsidiary	11,542	11,542	11,542	-	-
Total debts	<u>1,274,466</u>	<u>1,455,381</u>	<u>1,455,381</u>	<u>50,125</u>	<u>50,125</u>
Contingent liabilities ⁽³⁾	497,925	497,925	497,925	497,925	497,925

13. FINANCIAL INFORMATION (Cont'd)

	Unaudited ⁽¹⁾	Pro Forma I	Pro Forma II	Pro Forma III	Pro Forma IV
	As at 31 January 2017	After full draw down of term loan facilities ⁽²⁾	After Pro Forma I and the IPO	After Pro Forma II and use of the IPO proceeds	After Pro Forma III and the full exercise of the Warrants
			(RM '000)		
Total indebtedness	1,772,391	1,953,306	1,953,306	548,050	548,050
Total shareholders' funds	85,923	85,923	2,610,727	2,605,599	3,997,599
Non-controlling interest	5,736	5,736	5,736	5,736	5,736
Total equity	91,659	91,659	2,616,463	2,611,335	4,003,335
Total capitalisation and indebtedness	1,864,050	2,044,965	4,569,769	3,159,385	4,551,385
Gearing ratio (times) ⁽⁴⁾	13.90	15.88	0.56	0.02	0.01

Notes:

- (1) Based on the unaudited management accounts of our Group.
- (2) For purposes of Pro Forma I, it is assumed that the GBP25 million and AUD5 million term loan facility provided by OCBC Bank (Malaysia) Berhad and the GBP20 million and AUD5 million term loan facility provided by United Overseas Bank Limited, Labuan Branch were drawn down in full, based on the exchange rate of GBP1 : RM5.5325 and AUD1 : RM3.3415, being the middle rate quoted by BNM at 5.00 p.m. as at 31 January 2017.
- (3) This amount represents the commitment of GBP90 million undertaken by EW ACE under the EW-Ballymore Shareholders' Agreement to fund pro-rata its percentage interest in respect of any claim by the lenders of EW-Ballymore Holding's banking facilities for an amount equal to or less than GBP120 million, based on the exchange rate of GBP1 : RM5.5325, being the middle rate quoted by BNM at 5.00 p.m. as at 31 January 2017. Where the claim by the lenders is for an amount in excess of GBP120 million, the additional funding to be provided by EW ACE and/or AIHL under the EW-Ballymore Shareholders' Agreement is further explained in Sections 13.3.6 and 13.5.6 of this Prospectus under "Contingent liabilities".
- (4) Calculated based on total debts divided by total equity.

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13. FINANCIAL INFORMATION (Cont'd)

13.7 REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED FINANCIAL INFORMATION



23 FEB 2017

The Board of Directors
 Eco World International Berhad
 Lot 6.05 Level 6, KPMG Tower
 8 First Avenue, Bandar Utama
 47800 Petaling Jaya
 Selangor Darul Ehsan

Dear Sirs,

REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED FINANCIAL INFORMATION OF ECO WORLD INTERNATIONAL BERHAD (THE "COMPANY") FOR INCLUSION IN THE PROSPECTUS IN RELATION TO THE LISTING OF AND QUOTATION FOR THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL AND WARRANTS OF THE COMPANY ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD

We have completed our assurance engagement to report on the compilation of the pro forma consolidated financial information of the Company, its subsidiaries and joint venture (collectively referred to as the "Group") by the directors of the Company. The accompanying pro forma consolidated financial information of the Company (the "Pro Forma Consolidated Financial Information") consists of:

- (a) the pro forma consolidated statement of financial position as at 31 October 2016;
- (b) the pro forma consolidated statement of comprehensive income for the financial year ended ("FYE") 31 October 2016;
- (c) the pro forma consolidated statement of cash flows for the FYE 31 October 2016; and
- (d) related notes to the pro forma consolidated financial information,

which we have stamped for identification purposes.

The applicable criteria on the basis of which the directors of the Company have compiled the pro forma consolidated financial information are specified in sections 5 and 6 in the Pro Forma Consolidated Financial Information and in accordance with the requirements of the *Prospectus Guidelines* issued by the Securities Commission Malaysia (the "Prospectus Guidelines").

With effect from 17 February 2017, Mazars, a conventional partnership, was converted to Mazars PLT (LLP0010622-LCA), a limited liability partnership.

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 TEL: +60 (3) 2161 5222 - FAX: +60 (3) 2161 3909 - contact@mazars.my - www.mazars.my

MAZARS PLT (LLP0010622-LCA) (AF 001954)
 CHARTERED ACCOUNTANTS



13. FINANCIAL INFORMATION (Cont'd)

Eco World International Berhad

Page 2

The pro forma consolidated financial information has been compiled by the directors of the Company to illustrate:

- (a) the effect of the relevant events or transactions set out in sections 2 to 4 in the Pro Forma Consolidated Financial Information on the Group's financial position as at 31 October 2016, as if the events and transactions had taken place on 31 October 2016; and
- (b) the effect of the events or transactions set out in sections 2 to 4 in the Pro Forma Consolidated Financial Information on the Group's financial performance and cash flows for the FYE 31 October 2016, as if the Group has been in existence throughout the FYE 31 October 2016, and the events and transactions are assumed to have taken place on 31 October 2016.

As part of this process, information about the Group's financial position, financial performance and cash flows have been extracted by the directors of the Company from the relevant financial statements of the Company and the companies within the Group for the FYE 31 October 2016, on which auditors' reports have been issued.

Directors' Responsibilities for the Pro Forma Consolidated Financial Information

The directors of the Company are responsible for compiling the pro forma consolidated financial information on the basis set out in sections 5 and 6 in the Pro Forma Consolidated Financial Information and in accordance with the Prospectus Guidelines.

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies *International Standard on Quality Control 1* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by the Prospectus Guidelines, about whether the pro forma consolidated financial information has been compiled, in all material respects, by the directors of the Company, on the basis set out in sections 5 and 6 in the Pro Forma Consolidated Financial Information.

13. FINANCIAL INFORMATION (Cont'd)

Eco World International Berhad

Page 3

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a Prospectus*, issued by the International Auditing and Assurance Standards Board and adopted by the Malaysian Institute of Accountants. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the directors of the Company has compiled, in all material respects, the pro forma consolidated financial information on the basis set out in sections 5 and 6 in the Pro Forma Consolidated Financial Information.

For the purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated financial information.

The purpose of pro forma consolidated financial information included in a prospectus is solely to illustrate the effect of significant events or transactions on the unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at a date selected for the purpose of illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions, when they occur, would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors of the Company in the compilation of the pro forma consolidated financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma consolidated financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the event or transaction in respect of which the pro forma consolidated financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

13. FINANCIAL INFORMATION (Cont'd)

M  M A Z A R S

Eco World International Berhad

Page 4

Opinion

In our opinion, the pro forma consolidated financial information of the Company has been properly compiled, in all material respects, on the basis set out in sections 5 and 6 in the Pro Forma Consolidated Financial Information.

Other Matters

This report has been prepared pursuant to the Prospectus Guidelines solely for inclusion in the prospectus of the Company in connection with the listing of and quotation for the entire enlarged issued and paid-up share capital and warrants of the Company on the Main Market of Bursa Malaysia Securities Berhad, and should not be used or relied upon for any other purposes.

Yours faithfully,



MAZARS PLT
LLP0010622-LCA
AF: 001954
Chartered Accountants



CHONG FAH YOW
03004/07/2018 J
Chartered Accountant

13. FINANCIAL INFORMATION (Cont'd)

**ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON**

1. Introduction

Eco World International Berhad (“EWI” or the “Company”) was incorporated in Malaysia under the Companies Act, 1965 of Malaysia on 28 August 2013 as a private limited company under the name of Eco World International Sdn Bhd. On 14 October 2014, EWI was converted into a public limited company under the name of Eco World International Berhad. EWI was re-converted back into a private limited company on 7 August 2015 under the name of Eco World International Sdn Bhd. On 11 January 2016, it was again re-converted into a public limited company and assumed its present name.

The principal activity of EWI is investment holding whilst its subsidiaries and joint ventures (collectively referred to as the “Group”) are principally involved in property development in international markets outside Malaysia. Through the operation of its subsidiaries, the Group is also involved in the provision of advisory and project monitoring, investment holding and promoting and marketing services which are related to the Group’s property development projects.

The pro forma consolidated financial information has been prepared for inclusion in the prospectus in connection with the initial public offering (“IPO”) and listing of and quotation for the entire enlarged issued and paid-up share capital and warrants of EWI (“Warrants”) on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing”).

This pro forma consolidated financial information is approved by the board of directors of EWI on **23 FEB 2017**

2. The Formation of the Group

The formation of the Group was undertaken through a series of acquisition exercises which included the acquisitions as set out below:

- (a) Acquisition of 100% equity interest in Eco World Investment Co Ltd (“EW Investment”)

On 7 December 2015, EWI acquired ten ordinary shares of GBP1.00 each, representing a 100% equity interest in EW Investment from Tan Sri Dato’ Sri Liew Kee Sin (“Tan Sri Liew”) and Dato’ Voon Tin Yow (“Dato’ Voon”) for a total cash consideration of GBP6,954,087 to be paid by EWI in RM⁽¹⁾ on a date falling within 16 months from 7 December 2015 or a date falling within ten business days from the date of the admission of EWI’s securities to the Official List of the Main Market of Bursa Securities, whichever is the earlier (“Payment Date”). The purchase consideration was arrived at based on the audited consolidated net assets of EW Investment as at 31 July 2015 after adjusting for the net revaluation surplus arising from the market valuation of the group’s property development projects as at 15 October 2015.



13. FINANCIAL INFORMATION (Cont'd)

**ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON**

As at 31 October 2015, Tan Sri Licw had advanced to EW Investment a total sum of GBP42,349,204. On 7 December 2015, EWI issued 146,417,000 ordinary shares in EWI ("Shares") at an issue price of RM1.20 to Tan Sri Liew as settlement of GBP27,481,957 (equivalent to RM175,700,396⁽²⁾) of such advances and, on 10 December 2015, repaid an additional GBP11,429,000 (equivalent to RM73,069,026⁽²⁾) of such advances in cash to Tan Sri Liew. The remaining sum of GBP3,438,247 due to Tan Sri Liew will be settled via deferred cash payment to be paid on the Payment Date together with interest, at the exchange rate on the day preceding the Payment Date;

- (b) Acquisition of 100% equity interest in Fortune Quest Group Ltd ("Fortune Quest")

On 8 December 2015, EWI acquired one ordinary share, representing a 100% equity interest in Fortune Quest from Eco World Development Sdn Bhd ("EWDSB") for a cash consideration of AUD1,045,869 (equivalent to RM3,200,150⁽²⁾) which was paid by EWI on 8 December 2015. The purchase consideration was arrived at based on the audited consolidated net assets of Fortune Quest as at 31 July 2015 after adjusting for the net revaluation surplus arising from the market valuation of the group's property development project as at 14 November 2015.

As at 31 July 2015, EWDSB had advanced to Fortune Quest a total sum of USD26,808,290. On 7 December 2015, EWI repaid an amount of RM113,573,321⁽²⁾ in cash as settlement of the amount due to EWDSB; and

- (c) Acquisition of 75% equity interest in Eco World Management & Advisory Services (UK) Limited ("EW Management")

On 7 December 2015, EWI acquired 375,000 ordinary shares of GBP1.00 each, representing a 75% equity interest in EW Management from Tan Sri Liew and Dato' Teow Leong Seng ("Dato' Teow") for a total cash consideration of GBP375,000 (equivalent to RM2,387,775⁽³⁾) which was paid by EWI on 7 December 2015. The purchase consideration was arrived at based on the par value of the ordinary shares held by Tan Sri Liew and Dato' Teow in EW Management.

The abovementioned series of acquisitions are collectively referred to as the "Acquisitions".



13. FINANCIAL INFORMATION (Cont'd)

ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON

Notes:

- (1) Based on the middle rate for GBP to RM quoted by Bank Negara Malaysia ("BNM") at 12.00 p.m. at the business day immediately preceding the Payment Date.
- (2) Based on the exchange rate of GBP1.00:RM6.3933, AUD1.00:RM3.0598 and USD1.00:RM4.2365, being the middle rate quoted by BNM at 12.00 p.m. as at 27 November 2015, which is the business day immediately preceding the date of the share sale agreements dated 30 November 2015 entered into for the respective acquisitions of EW Investment and Fortune Quest.
- (3) Based on the exchange rate of GBP1.00:RM6.3674, being the middle rate quoted by BNM at 12.00 p.m. as at 2 December 2015, which is the business day immediately preceding the date of the share sale agreement dated 3 December 2015 entered into for the acquisition of EW Management.

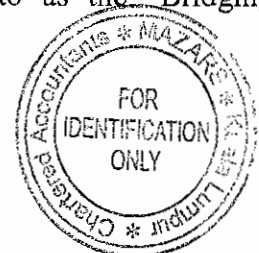
The following transactions also took place subsequent to 31 October 2016:

- (i) On 14 November 2016, EWI obtained additional term loan facilities of GBP25,000,000 and AUD5,000,000 to fund the development costs of the Group's property development projects in the United Kingdom and Australia respectively;
- (ii) Subsequent to 31 October 2016 and up to 31 December 2016, Tan Sri Liew further advanced an aggregate sum of RM17,100,000 to the Group to fund the property development expenditure and working capital of the Group's property development projects in United Kingdom and Australia; and
- (iii) On 8 February 2017, EW Investment and Fortune Quest obtained additional term loan facilities of GBP20,000,000 and AUD5,000,000 to fund the development costs of the Group's property development projects in the United Kingdom and Australia respectively.

For the purpose of this pro forma consolidated financial information, the directors of EWI have assumed that:

- (a) The existing GBP12,000,000 term loan facility has been drawn down in full on 31 October 2016 (i.e. the Group has drawn down the remaining available amount of GBP908,447);
- (b) The GBP25,000,000 and AUD5,000,000 term loan facilities have been drawn down in full on 31 October 2016;
- (c) Advances from Tan Sri Liew of an aggregate sum of RM17,100,000 had been made on 31 October 2016; and
- (d) The GBP20,000,000 and AUD5,000,000 term loan facilities have been drawn down in full on 31 October 2016.

The financing transactions above are collectively referred to as the "Bridging Financing Transactions".



13. FINANCIAL INFORMATION (Cont'd)

**ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON**

3. The Listing Scheme

EWI's listing scheme entails the following:

- (a) IPO of up to 2,153,459,200 new Shares at an IPO price of RM1.20 per Share in the following manner:
- I. Institutional offering

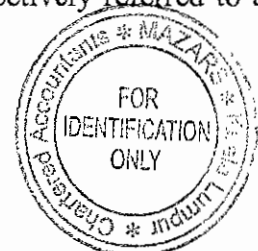
Institutional offering of up to 449,459,200 new Shares, representing up to approximately 18.7% of the enlarged issued and paid-up share capital of EWI, to Malaysian institutional and selected investors and foreign institutional and selected investors outside the United States in reliance on Regulation S under the United States Securities Act.
 - II. Retail offering

Retail offering of 408,000,000 new Shares, representing approximately 17.0% of the enlarged issued and paid-up share capital of EWI, to the directors and eligible employees of the Group, the directors of Eco World Development Group Berhad ("EW Berhad") and eligible employees of EW Berhad and its subsidiaries who have contributed to the success of the Group, the entitled shareholders of EW Berhad and the Malaysian public.
 - III. EW Berhad allocation

Allocation of such number of new Shares, representing 27.0% of the enlarged issued and paid-up share capital of EWI to EW Berhad via its nominated wholly-owned subsidiary, Eco World Capital (International) Sdn Bhd as a strategic investor.
 - IV. GuocoLand allocation

Allocation of such number of new Shares, representing 27.0% of the enlarged issued and paid-up share capital of EWI to GuocoLand Limited via its nominated indirect wholly-owned subsidiary, GLL EWI (HK) Limited as a strategic investor.
- (b) Bonus issue of up to 960,000,000 Warrants to all the shareholders of EWI on the basis of two (2) Warrants for every five (5) Shares held immediately after the IPO but prior to the Listing ("Bonus Issue of Warrants"); and
- (c) Listing.

The IPO, Bonus Issue of Warrants and Listing are collectively referred to as the "Listing Scheme".



13. FINANCIAL INFORMATION (Cont'd)**ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON****4. Use of IPO Proceeds**

The estimated gross proceeds to be raised from the IPO of up to RM2,584 million (“IPO Proceeds”) is expected to be utilised by the Group in the following manner:

Details of use	Amount
	RM million
Debt repayment	1,367
Settlement of the acquisition of EW Investment	38
Working capital and/or future land acquisition(s)	1,126
Estimated listing expenses	53
Total	2,584

The estimated listing expenses of RM53 million are expected to be accounted as follows:

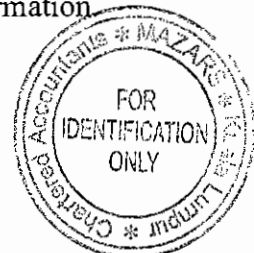
- RM48.5 million is expected to be incurred for the IPO, which will be set-off against the share premium account or other accounts under equity of the Company, where appropriate.
- RM4.5 million is expected to be incurred for the Listing Scheme, which will be expensed to profit or loss account.

5. Basis of Preparation

The pro forma consolidated financial information of the Group has been prepared and compiled in accordance with the requirements of the *Prospectus Guidelines* issued by the Securities Commission Malaysia.

The pro forma consolidated financial information of EWI comprises:

- pro forma consolidated statements of financial position as at 31 October 2016;
- pro forma consolidated statements of comprehensive income for the financial year ended (“FYE”) 31 October 2016;
- pro forma consolidated statements of cash flows for the FYE 31 October 2016; and
- related notes to the pro forma consolidated financial information



13. FINANCIAL INFORMATION (Cont'd)

**ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON**

The pro forma consolidated financial information is prepared solely for the following illustrative purposes:

- Pro forma consolidated statements of financial position has been prepared to illustrate the effects of the Bridging Financing Transactions, the Listing Scheme, the use of IPO Proceeds and the full exercise of Warrants on the financial position of the Group.

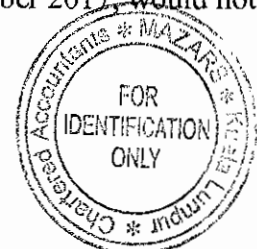
For purposes of preparation of the pro forma consolidated statements of financial position, the Bridging Financing Transactions, the Listing Scheme, the use of IPO Proceeds and the full exercise of Warrants are assumed to have taken place on 31 October 2016.

- Pro forma consolidated statements of comprehensive income and pro forma consolidated statements of cash flows have been prepared to illustrate the effects of the Acquisitions, the Bridging Financing Transactions, the Listing Scheme, the use of IPO Proceeds and the full exercise of Warrants on the financial performance and cash flows of the Group, respectively.

For purposes of preparation of the pro forma consolidated statements of comprehensive income and pro forma consolidated statements of cash flows, the structure of the Group upon completion of the Acquisitions is assumed to have been in existence throughout the FYE 31 October 2016, and the Bridging Financing Transactions, the Listing Scheme, the use of IPO Proceeds and the full exercise of Warrants are assumed to have taken place on 31 October 2016.

The Minister of Domestic Trade, Co-operatives and Consumerism has appointed 31 January 2017 as the date on which the Companies Act 2016 (“CA 2016”) comes into operation except section 241 and Division 8 of Part III. Pursuant to CA 2016, all shares issued before or upon the commencement of CA 2016 shall have no par or nominal value. Upon commencement of CA 2016, any amount standing to the credit of the Company’s share premium account shall become part of the Company’s share capital. However, the Company may, within 24 months upon the commencement of CA 2016, use the amount standing to the credit of its share premium account for specific purposes set out in the transitional provisions of CA 2016. Thereafter, any unutilised credit balance in the share premium account shall be transferred and credited to share capital of the Company. The Company shall prepare its financial statements for the financial year ending 31 October 2017 in accordance with the requirements of CA 2016.

For purposes of preparation of the pro forma consolidated financial information as at and for the FYE 31 October 2016, the requirements of CA 2016, which are effective since 31 January 2017, have not been applied. Accordingly, upon application of the requirements of CA 2016, the financial position, financial performance and cash flows of the Group as at and for the financial year ending 31 October 2017, would not have been as presented.



13. FINANCIAL INFORMATION (Cont'd)

ECO WORLD INTERNATIONAL BERHAD (1059850-A) PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES THEREON

The pro forma consolidated financial information has been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of (i) the financial position of the Group on or after 31 October 2016; and (ii) the financial performance or cash flows of the Group in the future periods, upon completion of the Acquisitions, the Bridging Financing Transactions, the Listing Scheme, the use of IPO Proceeds as well as the full exercise of Warrants. Accordingly, the actual financial position, financial performance and cash flows of the Group upon completion of the Acquisitions, the Bridging Financing Transactions, the Listing Scheme, the use of IPO Proceeds as well as the full exercise of Warrants, would not have been as presented.

The pro forma consolidated financial information, where applicable, has been compiled using the following:

- (a) audited consolidated financial statements of the Group for the FYE 31 October 2016, which were prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”);
- (b) audited consolidated financial statements of EW Investment for the FYE 31 October 2016, which were prepared in accordance with IFRS (audited by KPMG, Dublin, Ireland);
- (c) audited consolidated financial statements of Fortune Quest for the FYE 31 October 2016, which were prepared in accordance with MFRS and IFRS (audited by Mazars); and
- (d) audited financial statements of EW Management for the FYE 31 October 2016, which were prepared in accordance with IFRS (audited by KPMG, Dublin, Ireland).

The financial statements of all the companies within the Group for the respective financial periods were not subjected to any audit qualification or modification. The auditors’ reports of EWI, EW Investment and Fortune Quest include emphasis of matters regarding the uncertainty on the going concern of these entities.

The functional currency of EW Investment and EW Management is Great Britain Pound (GBP), the functional currency of Fortune Quest is United States Dollar (USD) and the functional currency of Eco World Sydney Development Pty Ltd is Australia Dollar (AUD). For purposes of the pro forma consolidated financial information, all relevant financial information and financial statements are translated into Ringgit Malaysia (RM), and rounded to the nearest thousand, unless otherwise stated.



13. FINANCIAL INFORMATION (Cont'd)

ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON

All assets and liabilities of foreign operations that have a functional currency other than RM are translated at the exchange rates ruling at the reporting date. Income and expense items are translated at an average exchange rate during a financial period. All exchange differences arising from the translation of the financial statements of foreign operations are accounted for under exchange translation reserve. The exchange rates used for the purpose of this pro forma consolidated financial information (other than repayment of debts) are as follows:

	GBP		USD		AUD	
	Closing rate (as at 31 October 2016)	Average rate (FYE 31 October 2016)	Closing rate (as at 31 October 2016)	Average rate (FYE 31 October 2016)	Closing rate (as at 31 October 2016)	Average rate (FYE 31 October 2016)
RM (per unit of foreign currency), based on BNM's rate	5.1097	5.7052	4.1960	4.1120	3.1929	3.0487

Repayment of debts as set out in Pro Forma III is accounted for using the following exchange rates:

	GBP		USD		AUD	
	Closing rate (as at 31 December 2016)		Closing rate (as at 31 December 2016)		Closing rate (as at 31 December 2016)	
RM (per unit of foreign currency), based on BNM's rate	5.5122		4.4860		3.2380	

6. Significant Accounting Policies

The pro forma consolidated financial information has been prepared in a manner consistent with the financial statements of EWI and using uniform accounting policies for like transactions and other events in similar circumstances, which are consistent with the accounting policies adopted by EWI in the preparation of its audited financial statements. Significant accounting policies applied in the compilation of the pro forma consolidated financial information are as follows:

- (a) All intra-group balances, transactions, income and expenses are eliminated in full on consolidation.



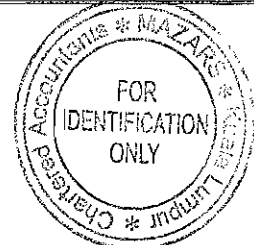
13. FINANCIAL INFORMATION (Cont'd)

**ECO WORLD INTERNATIONAL BERHAD (1059850-A)
 PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
 THEREON**

- (b) Business combination is accounted for using purchase method.
- (c) Costs incurred directly attributable to the issuance of equity instruments are accounted for as a deduction from share premium, if any, otherwise it is charged to profit or loss.
- (d) On derecognition of a financial liability, the difference between the carrying amount and the consideration paid is recognised in profit or loss. When equity instruments are issued in order to settle a financial liability, the equity instrument issued is measured at fair value, unless fair value cannot be determined reliably, in which case the equity instrument issued is measured at the fair value of the liability extinguished.
- (e) All assets and liabilities of foreign operations that have a functional currency other than RM are translated at the exchange rates ruling at the reporting date. Income and expense items are translated at an average exchange rate during a financial period. All exchange differences arising from the translation of the financial statements of foreign operations are taken directly to exchange translation reserve.

7. Pro Forma Consolidated Statements of Financial Position

	Pro Forma I	Pro Forma II	Pro Forma III	Pro Forma IV	
	Audited consolidated statement of financial position of the Group	After the Bridging Financing Transactions	After Pro Forma I and the Listing Scheme	After Pro Forma II and use of IPO Proceeds	After Pro Forma III and full exercise of Warrants
	RM'000	RM'000	RM'000	RM'000	RM'000
As at 31 October 2016					
Non-current Assets					
Plant and equipment	2,299	2,299	2,299	2,299	2,299
Goodwill	126,302	126,302	126,302	126,302	126,302
Investment in a joint venture	127,646	127,646	127,646	127,646	127,646
Amount owing by a joint venture	745,417	942,651	942,651	1,616,774	1,616,774
Deferred tax assets	12,757	12,757	12,757	12,757	12,757
	1,014,421	1,211,655	1,211,655	1,885,778	1,885,778
Current Assets					
Properties under development for sale	174,040	205,966	205,966	424,728	424,728
Trade receivables	289	289	289	289	289
Other receivables and prepayments	6,883	6,883	6,883	6,883	6,883
Deferred expenditure	10,638	10,638	-	-	-
Current tax assets	628	628	628	628	628
Cash and bank balances	18,573	66,841	2,650,992	300,316	1,692,316
	211,051	291,245	2,864,758	732,844	2,124,844
Total Assets	1,225,472	1,502,900	4,076,413	2,618,622	4,010,622



13. FINANCIAL INFORMATION (Cont'd)

ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON

	Pro Forma I	Pro Forma II	Pro Forma III	Pro Forma IV
	After the Bridging Financing Transactions	After Pro Forma I and the Listing Scheme	After Pro Forma II and use of IPO Proceeds	After Pro Forma III and full exercise of Warrants
As at 31 October 2016	RM'000	RM'000	RM'000	RM'000
Equity				
Share capital	246,541	246,541	2,400,000	3,360,000
Share premium	49,158	49,158	140,039	856,640
Warrant reserve	-	-	284,601	-
Exchange translation reserve	34,698	34,698	34,698	(21,972)
Accumulated losses	(222,514)	(223,582)	(227,937)	(253,824)
	107,883	106,815	2,631,401	3,940,844
Non-controlling interests	4,788	4,788	4,788	4,788
	112,671	111,603	2,636,189	3,945,632
Non-current Liability				
Deferred tax liabilities	1,826	1,826	1,826	1,826
	1,826	1,826	1,826	1,826
Current Liabilities				
Trade payables	1,699	1,699	1,699	1,699
Other payables and accruals	14,641	14,641	63,568	10,654
Amounts owing to former holding companies	12,954	13,035	13,035	-
Amounts owing to a shareholder	144,234	162,402	162,402	-
Amount owing to a former shareholder of a subsidiary	10,660	10,660	10,660	-
Borrowings	923,867	1,184,114	1,184,114	47,891
Current tax liabilities	2,920	2,920	2,920	2,920
	1,110,975	1,389,471	1,438,398	63,164
Total Liabilities	1,112,801	1,391,297	1,440,224	64,990
Total Equity and Liabilities	1,225,472	1,502,900	4,076,413	4,010,622
No. of Shares in issue ('000)	246,541	246,541	2,400,000	3,360,000
Net assets per share attributable to owners of EWI (RM)	0.44	0.43	1.10	1.17

Notes:

(a) Pro Forma I – The Bridging Financing Transactions

Pro Forma I illustrates the financial position of the Group after incorporating the effects of the Bridging Financing Transactions.

(b) Pro Forma II – The Listing Scheme

Pro Forma II illustrates the financial position of the Group after incorporating the effects as set out in Pro Forma I, the Listing Scheme and the recognition of estimated listing expenses.



13. FINANCIAL INFORMATION (Cont'd)

ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON

(c) Pro Forma III – The use of IPO Proceeds

Pro Forma III illustrates the financial position of the Group after incorporating the effects as set out in Pro Forma II and the use of IPO Proceeds.

The use of IPO Proceeds are translated at the exchange rates ruling at 31 December 2016 where applicable. All realised loss of foreign exchange is expensed off.

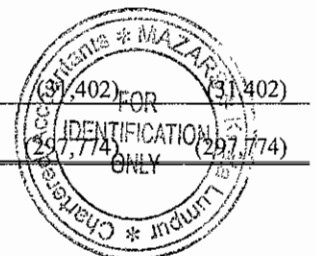
(d) Pro Forma IV – Full exercise of Warrants

Pro Forma IV illustrates the financial position of the Group after incorporating the effects as set out in Pro Forma III and assuming full exercise of Warrants.

The number of Warrants issued is 960,000,000 and the exercise price is RM1.45 per Warrant. Upon full exercise of Warrants, the warrant reserve is transferred to the share premium account. The proceeds raised from the full exercise of Warrants of RM1,392,000,000 are expected to be utilised by the Group for its working capital requirements.

8. Pro Forma Consolidated Statements of Comprehensive Income

		Pro Forma I	Pro Forma II	Pro Forma III	Pro Forma IV
	Audited consolidated statement of comprehensive income of the Group	After the Acquisitions and Bridging Financing Transactions	After Pro Forma I and the Listing Scheme	After Pro Forma II and use of IPO Proceeds	After Pro Forma III and full exercise of Warrants
FYE 31 October 2016	Note	RM'000	RM'000	RM'000	RM'000
Revenue		683	970	970	970
Direct expenses		(5,016)	(5,455)	(5,455)	(5,455)
Gross loss		(4,333)	(4,485)	(4,485)	(4,485)
Other income		5,629	99	99	99
Marketing expenses		(2,132)	(3,792)	(3,792)	(3,792)
Administrative and general expenses		(36,743)	(39,165)	(43,520)	(43,520)
Unrealised loss on foreign exchange		(74,940)	(74,449)	(74,449)	(92,500)
Finance costs		(52,823)	(56,493)	(56,493)	(64,329)
Share of loss in a joint venture		(53,927)	(59,719)	(59,719)	(59,719)
Loss before tax		(219,269)	(238,004)	(242,359)	(268,246)
Taxation		2,153	1,874	1,874	1,874
Loss for the year		(217,116)	(236,130)	(240,485)	(266,372)
Other comprehensive income, net of tax:					
<i>Item that may be reclassified to profit or loss subsequently:</i>					
Exchange differences on translation of foreign operations		33,866	25,268	25,268	(31,402)
Total comprehensive loss for the year		(183,250)	(210,862)	(215,217)	(297,774)



13. FINANCIAL INFORMATION (Cont'd)

ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON

		Pro Forma I	Pro Forma II	Pro Forma III	Pro Forma IV
	Audited consolidated statement of comprehensive income of the Group	After the Acquisitions and Bridging Financing Transactions	After Pro Forma I and the Listing Scheme	After Pro Forma II and use of IPO Proceeds	After Pro Forma III and full exercise of Warrants
	RM'000	RM'000	RM'000	RM'000	RM'000
FYE 31 October 2016	Note				
(Loss)/ Profit for the year attributable to:					
- Owners of EWI		(220,093)	(243,749)	(269,636)	(269,636)
- Non-controlling interests		2,977	3,264	3,264	3,264
		(217,116)	(240,485)	(266,372)	(266,372)
Total comprehensive (loss)/ income for the year attributable to:					
- Owners of EWI		(185,395)	(217,649)	(300,206)	(300,206)
- Non-controlling interests		2,145	2,432	2,432	2,432
		(183,250)	(215,217)	(297,774)	(297,774)
Loss Per Share ("LPS") attributable to owners of EWI (sen)					
- Basic	(e)	(98.62)	(10.16)	(11.23)	(8.02)
- Diluted	(f)	-	(7.25)	(8.02)	-

Notes:**(a) Pro Forma I – The Acquisitions and Bridging Financing Transactions**

Pro Forma I illustrates the financial performance of the Group after incorporating the effects of the Acquisitions and the Bridging Financing Transactions.

For the avoidance of doubt, the financial performance of the Group as set out in Pro Forma I has been adjusted in order to present the Group's financial performance as if the structure of the Group upon completion of the Acquisitions have been in existence throughout the FYE 31 October 2016, and the Bridging Financing Transactions are assumed to have taken place on 31 October 2016.

(b) Pro Forma II – The Listing Scheme

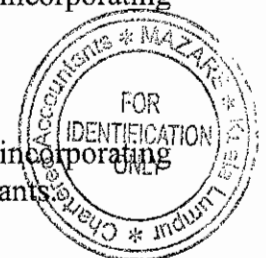
Pro Forma II illustrates the financial performance of the Group after incorporating the effects as set out in Pro Forma I, the Listing Scheme and recognition of estimated listing expenses.

(c) Pro Forma III – The use of IPO Proceeds

Pro Forma III illustrates the financial performance of the Group after incorporating the effects as set out in Pro Forma II and the use of IPO Proceeds.

(d) Pro Forma IV – Full exercise of Warrants

Pro Forma IV illustrates the financial performance of the Group after incorporating the effects as set out in Pro Forma III and assuming full exercise of Warrants.



13. FINANCIAL INFORMATION (Cont'd)

ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON

- (e) Basic LPS is computed based on the pro forma consolidated loss for the year attributable to the owners of EWI divided by the number of Shares in issue at the end of each abovementioned stage.

	Pro Forma I	Pro Forma II	Pro Forma III	Pro Forma IV	
	Audited consolidated statement of comprehensive income of the Group	After the Acquisitions and Bridging Financing Transactions	After Pro Forma I and the Listing Scheme	After Pro Forma II and use of IPO Proceeds	After Pro Forma III and full exercise of Warrants
FYE 31 October 2016					
No. of Shares in issue ('000)	223,179 ⁽¹⁾	246,541	2,400,000	2,400,000	3,360,000

Note:

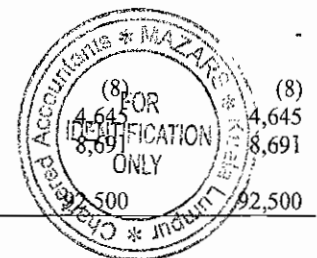
(1) The number of shares in issue is calculated based on weighted average numbers of ordinary shares in issue during FYE 31 October 2016.

- (f) EWI has no potential dilutive ordinary shares as at 31 October 2016. No potential dilutive ordinary shares is assumed for Pro Forma I and Pro Forma IV.

For Pro Forma II and III: Diluted LPS is computed based on the pro forma consolidated loss for the year attributable to the owners of EWI divided by the number of Shares in issue of 3,360,000,000 Shares, i.e. after the full exercise of Warrants.

9. Pro Forma Consolidated Statements of Cash Flows

	Pro Forma I	Pro Forma II	Pro Forma III	Pro Forma IV	
	Audited consolidated statement of cash flows of the Group	After the Acquisitions and Bridging Financing Transactions	After Pro Forma I and the Listing Scheme	After Pro Forma II and use of IPO Proceeds	After Pro Forma III and full exercise of Warrants
FYE 31 October 2016					
	Note				
	RM'000	RM'000	RM'000	RM'000	RM'000
Operating Activities					
Loss before tax	(219,269)	(238,004)	(242,359)	(268,246)	(268,246)
Adjustments for:					
Interest income	(86)	(88)	(88)	(88)	(88)
Allowance for doubtful debts	207	207	207	207	207
Loss on disposal of plant and equipment	16	16	16	16	16
Depreciation	908	963	963	963	963
Share of loss in a joint venture	53,927	59,719	59,719	59,719	59,719
Finance costs	52,823	56,493	56,493	64,329	64,329
Gain on bargain purchase arising from acquisition of a subsidiary	(5,540)	-	-	-	-
Gain on deconsolidation of a subsidiary	-	(8)	(8)	-	(8)
Listing expenses	290	290	4,645	-	4,645
Landholder duty	8,691	8,691	8,691	-	8,691
Unrealised loss on foreign exchange	74,940	74,449	74,449	-	92,500



13. FINANCIAL INFORMATION (Cont'd)

ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON

		Pro Forma I	Pro Forma II	Pro Forma III	Pro Forma IV
	Audited consolidated statement of cash flows of the Group	After the Acquisitions and Bridging Financing Transactions	After Pro Forma I and the Listing Scheme	After Pro Forma II and use of IPO Proceeds	After Pro Forma III and full exercise of Warrants
	RM'000	RM'000	RM'000	RM'000	RM'000
FYE 31 October 2016	Note				
Operating loss before working capital changes	(33,093)	(37,272)	(37,272)	(37,272)	(37,272)
Changes in properties under development for sale	(8,251)	(41,033)	(41,033)	(259,794)	(259,794)
Changes in receivables	(137)	(3,119)	(3,119)	(3,119)	(3,119)
Changes in payables	4,353	381	381	381	381
Cash used in operations	(37,128)	(81,043)	(81,043)	(299,804)	(299,804)
Interest received	47	49	49	49	49
Net tax paid	(2,078)	(2,453)	(2,453)	(2,453)	(2,453)
Net cash used in operating activities	(39,159)	(83,447)	(83,447)	(302,208)	(302,208)
Investing Activities					
Purchase of plant and equipment	(711)	(719)	(719)	(719)	(719)
Proceeds from disposal of plant and equipment	6	6	6	6	6
Advances to a joint venture	(244,662)	(447,049)	(447,049)	(1,121,172)	(1,121,172)
Acquisition of subsidiaries	6,517	(5,588)	(5,588)	(5,588)	(5,588)
Placements of deposits, debt service reserve and interest service reserve accounts	(965)	(2,568)	(2,568)	(2,568)	(2,568)
Landholder duty	(8,691)	(8,691)	(8,691)	(8,691)	(8,691)
Interest received	39	39	39	39	39
Net cash used in investing activities	(248,467)	(464,570)	(464,570)	(1,138,693)	(1,138,693)
Financing Activities					
Drawdown of borrowings	330,547	597,055	597,055	597,055	597,055
Repayments of borrowings	-	-	-	(1,211,014)	(1,211,014)
Proceeds from issuance of ordinary shares	119,249	119,249	2,703,400	2,703,400	4,095,400
Advances from/ (Repayment to) a shareholder	21,457	48,674	48,674	(119,798)	(119,798)
Repayment to former holding company	(4)	(4)	(4)	(634)	(634)
Repayment to former holding company of a subsidiary	(113,548)	(109,366)	(109,366)	(122,629)	(122,629)
Finance costs	(51,170)	(58,840)	(58,840)	(58,840)	(58,840)
Repayment to a former shareholder of a subsidiary	-	-	-	(11,500)	(11,500)
Listing expenses	(7,762)	(7,762)	(7,762)	(60,675)	(60,675)
Net cash generated from financing activities	298,769	589,006	3,173,157	1,715,365	3,107,365
Net changes in cash and cash equivalents	11,143	40,989	2,625,140	274,464	1,666,464
Cash and cash equivalents at the beginning of the year	164	17,162	17,162	17,162	17,162
Effect of exchange rate changes	(3,588)	(2,164)	(2,164)	(2,164)	(2,164)
Cash and cash equivalents at the end of the year	(e) 7,719	55,987	2,640,138	1,681,462	1,681,462



13. FINANCIAL INFORMATION (Cont'd)

ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON

Notes:

(a) Pro Forma I – The Acquisitions and Bridging Financing Transactions

Pro Forma I illustrates the cash flows of the Group after incorporating the effects of the Acquisitions and the Bridging Financing Transactions.

For the avoidance of doubt, the cash flows of the Group as set out in Pro Forma I has been adjusted in order to present the Group's cash flows as if the structure of the Group upon completion of the Acquisitions have been in existence throughout the FYE 31 October 2016, and the Bridging Financing Transactions are assumed to have taken place on 31 October 2016.

(b) Pro Forma II – The Listing Scheme

Pro Forma II illustrates the cash flows of the Group after incorporating the effects as set out in Pro Forma I and the Listing Scheme.

(c) Pro Forma III – The use of IPO Proceeds

Pro Forma III illustrates the cash flows of the Group after incorporating the effects as set out in Pro Forma II and the use of IPO Proceeds.

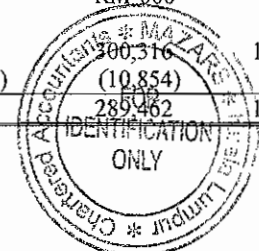
(d) Pro Forma IV – Full exercise of Warrants

Pro Forma IV illustrates the cash flows of the Group after incorporating the effects as set out in Pro Forma III and assuming full exercise of Warrants.

The number of Warrants issued is 960,000,000 and the exercise price is RM1.45 per Warrant. The proceeds raised from the full exercise of Warrants of RM1,392,000,000 are expected to be utilised by the Group for its working capital requirements.

(e) Cash and cash equivalents at the end of the year are represented as follows:

	Pro Forma I	Pro Forma II	Pro Forma III	Pro Forma IV
	After the Acquisitions and Bridging Financing Transactions	After Pro Forma I and the Listing Scheme	After Pro Forma II and use of IPO Proceeds	After Pro Forma III and full exercise of Warrants
At 31 October 2016	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	18,573	66,841	2,650,992	1,692,316
Restricted deposits	(10,854)	(10,854)	(10,854)	(10,854)
Cash and cash equivalents	7,719	55,987	2,640,138	1,681,462



13. FINANCIAL INFORMATION (Cont'd)

**ECO WORLD INTERNATIONAL BERHAD (1059850-A)
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION AND THE NOTES
THEREON**

10. Approval of pro forma consolidated financial information

The pro forma consolidated financial information is approved by the board of directors of Eco World International Berhad on **23 FEB 2017**

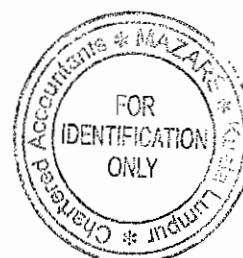
Sign on behalf of the directors



TAN SRI DATO' SRI LIEW KEE SIN
Director



DATO' TEOW LEONG SENG
Director



13. FINANCIAL INFORMATION (Cont'd)

13.8 DIVIDEND POLICY

We do not have a fixed dividend policy.

As we are a holding company, our Company's income, and therefore our ability to pay dividends, is dependent upon the dividends and other distributions we receive from our subsidiaries and joint ventures. The payment of dividends by our subsidiaries and joint ventures will depend upon their profitability and financial condition and shall have regard to their working capital needs, capital expenditure plans, availability of cash to fund such dividends or other distributions, the covenants in their existing loan agreements, which restrict the payment of dividends or other distributions until such loans are fully settled (or unless the prior approval of the lenders is obtained), and/or other agreements (including shareholders' agreements) to which any of our subsidiaries or joint ventures are parties to and any other relevant factors that their respective boards of directors deem relevant.

Barring unforeseen circumstances, until the completion and handover of the launched units of certain of the our United Kingdom property development projects, which is expected to occur during FYE 31 October 2018, our Group does not expect to record profits. Once we record PAT and non-controlling interest, our Board may consider the distribution of dividends. However, in addition to the factors above which may affect the ability of our subsidiaries and joint ventures to pay dividends to us, the actual dividend our Board may recommend or declare in any particular financial year or period will be subject to various other factors including:

- (i) our results of operations and cash flow;
- (ii) our expected financial performance and working capital needs;
- (iii) our future prospects;
- (iv) our capital expenditures and other investment plans;
- (v) other investment and growth plans; and
- (vi) the general economic and business conditions and other factors deemed relevant by our Board.

For factors which may affect or restrict our ability to pay dividend, please refer to Section 5 of this Prospectus. Our Company may only make a distribution to the shareholders if the requirements as set out in Section 131 and Section 132 of the Act, which require a distribution to be made out of profits of our Company and that our Company shall be able to repay its debts as and when such debts fall due within 12 months immediately after a distribution is made, are complied with.

Investors should note that the foregoing statement on the payment of dividends merely describes our Company's present intention and shall not constitute a legally binding obligation on our Company or legally binding statement in respect of our future dividends which are subject to modification (including non-declaration thereof) at our Board's discretion. Investors should not treat the statement as an indication of our Group's future dividend policy.

No inference should be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.