THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

Unless stated otherwise, all abbreviations and defined terms contained herein are defined in the "Definitions" section of this Abridged Prospectus.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. If you have sold or transferred all your Shares, you should hand this Abridged Prospectus, together with the NPA and the RSF (collectively, the "**Documents**") at once to the agent/broker through whom you effected the sale/transfer for onward transmission to the purchaser/transferee. All enquiries concerning the Rights Issue with Warrants should be addressed to our Share Registrar, Securities Services (Holdings) Sdn Bhd, at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

The Documents are only despatched to our shareholders whose names appear in our Record of Depositors as at 5.00 p.m. on 5 March 2015 who have a registered address in Malaysia or who have provided our Share Registrar with a registered address in Malaysia in writing on or before 5.00 p.m. on 5 March 2015. The Documents are not intended to be and should not be distributed, forwarded to or transmitted in or into countries or jurisdictions where to do so might constitute a violation of the securities laws or regulations of such countries or jurisdictions. No action has been or will be taken to ensure that either the Rights Issue with Warrants or the Documents comply with the laws of any country or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/or other professional advisers as to whether the acceptance or renunciation (as the case may be) of all or any part of their Provisional Allotments, the application for Excess Rights Shares, or the subscription, offer, sale, resale, pledge or other transfer of the Rights Shares and Warrants would result in the contravention of any laws of such countries or jurisdictions. Neither our Company, the Joint Principal Advisers nor the Joint Underwriters, nor any of their respective directors and officers or affiliates shall accept any responsibility or liability whatsoever to any party in the event that any acceptance or renunciation (as the case may be) of the Provisional Allotments, the application for Excess Rights Shares, or the subscription, offer, sale, resale, pledge or other transfer of the Rights Shares and Warrants made by any Entitled Shareholder and/or their renouncee(s) and/or transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions in which the said Entitled Shareholder and/or their renouncee(s) and/or transferee(s) (if applicable) is a resident.

The approval from our shareholders for among others, the Rights Issue with Warrants, was obtained at our EGM held on 12 December 2014. The approval from Bursa Securities for, among others, the admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for all the Rights Shares, Warrants and the Shares to be issued upon the exercise of the Warrants on the Main Market of Bursa Securities was also obtained via its letter dated 7 November 2014. The admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for the said new securities on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue with Warrants and any investment in our Company. The admission of the Warrants to the Official List of Bursa Securities and the listing of and quotation for all the said new securities will commence after, among others, receipt of confirmation from Bursa Depository that all the said new securities have been duly credited into the CDS Accounts of the successful Entitled Shareholders and/or their renouncee(s) (if applicable) and the notices of allotment have been despatched to them.

A copy of this Abridged Prospectus has been registered with the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Abridged Prospectus. The SC has not, in any way, considered the merits of the securities being offered for investment. A copy each of the Documents has also been lodged with the Registrar of Companies, who takes no responsibility for the contents of the Documents.

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

CIMB, AmInvestment and Maybank IB being the Joint Principal Advisers and Joint Underwriters for the Rights Issue with Warrants, acknowledge that, based on all available information, and to the best of their knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

ECOWORLD
CREATING TOMORROW & BEYOND

ECO WORLD DEVELOPMENT GROUP BERHAD

(Company No.: 17777-V)
(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF 656,740,426 NEW ORDINARY SHARES OF RM0.50 EACH IN ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD") ("EW BERHAD SHARES") ("RIGHTS SHARES") AT AN ISSUE PRICE OF RM1.20 PER RIGHTS SHARE, TOGETHER WITH 525,392,340 FREE DETACHABLE WARRANTS ("WARRANTS") ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING EW BERHAD SHARES HELD AS AT 5.00 P.M. ON 5 MARCH 2015 AND FOUR (4) WARRANTS FOR EVERY FIVE (5) RIGHTS SHARES SUBSCRIBED FOR

Joint Principal Advisers and Joint Underwriters

CIMB | AmInvestment Bank | Maybank Investment Bank

CIMB Investment Bank Berhad (18417-M)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

AmInvestment Bank Berhad (23742-V)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

Maybank Investment Bank Berhad (15938-H)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIMES:

Entitlement Date	:	Thursday, 5 March 2015 at 5.00 p.m.
Last date and time for the sale of the Provisional Allotments	:	Thursday, 12 March 2015 at 5.00 p.m.
Last date and time for the transfer of the Provisional Allotments	:	Tuesday, 17 March 2015 at 4.00 p.m.
Last date and time for acceptance of and payment for the Provisional Allotments	:	Friday, 20 March 2015 at 5.00 p.m.*
Last date and time for application and payment for the Excess Rights Shares	:	Friday, 20 March 2015 at 5.00 p.m.*

* *or such later date and time as our Board and the Joint Underwriters may, at their absolute discretion, decide and announce, but not less than two (2) Market Days before such stipulated date and time.*

This Abridged Prospectus is dated 5 March 2015

ALL TERMS USED ARE AS DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS ABRIDGED PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ABRIDGED PROSPECTUS.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE RIGHTS ISSUE WITH WARRANTS AND ANY INVESTMENT IN OUR COMPANY. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

THE VALUATION USED FOR THE PURPOSE OF THE CORPORATE EXERCISES SHOULD NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE ECO MACALISTER LANDS AND LANDS.

INVESTORS ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE AND MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS ABRIDGED PROSPECTUS ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA (SUCH AS OUR DIRECTORS AND ADVISERS) ARE RESPONSIBLE.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THE DOCUMENTS.

Company No. 17777-V

DEFINITIONS

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

Abridged Prospectus	:	This abridged prospectus dated 5 March 2015 issued by our Company in relation to the Rights Issue with Warrants
Acquisitions	:	Collectively, the Eco Macalister Acquisition, EW Project Management Acquisition and Development Rights Acquisition
Act	:	Companies Act, 1965
Agreements	:	Collectively, the Eco Macalister SPA, EW Project Management SPA, Development Rights Agreements and Share Subscription Agreement
Alteration and Increase in Authorised Share Capital	:	Alteration and increase in the authorised share capital of our Company from RM300,000,000 comprising 300,000,000 ordinary shares of RM1.00 each to RM2,000,000,000 comprising 4,000,000,000 ordinary shares of RM0.50 each to facilitate the Share Split, Share Subscription, Rights Issue with Warrants and Placement, which was completed on 22 January 2015
Amendments	:	Amendments to the M&A to amend the par value of the ordinary shares of our Company and to increase the authorised share capital of our Company, which was completed on 22 January 2015
AmInvestment	:	AmInvestment Bank Berhad
BBCC Land Proposals	:	Collectively, the Proposed BBCC Share Subscription and Proposed BBCC Joint Development
Board	:	Our Board of Directors
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
Cangkat Juara	:	Cangkat Juara Sdn Bhd *(now known as Eco Meadows Sdn Bhd)*, our wholly-owned subsidiary
CDS Account	:	A securities account established by Bursa Depository for a depositor for the recording of deposits and dealings in such securities by the depositors
CIMB	:	CIMB Investment Bank Berhad
Closing Date		20 March 2015 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Provisional Allotments and the Excess Rights Shares or any such later date and time as our Directors and the Joint Underwriters may, at their absolute discretion, decide and announce, but not less than two (2) Market Days before such stipulated date and time
CMSA	:	Capital Markets and Services Act, 2007
Code	:	Malaysian Code on Take-Overs and Mergers, 2010
Corporate Exercises	:	Collectively, the Acquisitions, Share Split, Share Subscription, Rights Issue with Warrants, Placement, Alteration and Increase in Authorised Share Capital, Amendments and MGO Exemption

DEFINITIONS *(cont'd)*

Crystal Cypress	:	Crystal Cypress Sdn Bhd *(now known as Eco Sky Sdn Bhd)*, our wholly-owned subsidiary
Dedikasi Mesra	:	Dedikasi Mesra Sdn Bhd, a wholly-owned subsidiary of EW Sdn Bhd
Deed Poll	:	The deed poll executed by our Company on 17 February 2015 constituting the Warrants
Developers	:	Collectively, Evergreen Upstream, Cangkat Juara, Gaya Setara, Majestic Blossom, Trinity Lake, Maha Meridian, Crystal Cypress and Velvet Rhythm
Development Rights	:	Development rights of all the Lands
Development Rights Acquisition	:	Acquisition of Development Rights from the Landowners by the Developers for an aggregate cash consideration of RM3,785.8 million, subject to the terms and conditions of the Development Rights Agreements, which was completed on 6 February 2015
Development Rights Agreements	:	Conditional development rights agreements dated 25 April 2014 entered into among the Landowners, the Developers and our Company for the Development Rights Acquisition
Documents	:	Collectively, this Abridged Prospectus and the accompanying NPA and RSF
Eco Botanic	:	Eco Botanic Development Sdn Bhd, a wholly-owned subsidiary of EW Sdn Bhd
Eco Business Park 1	:	Eco Business Park 1 Development Sdn Bhd, a wholly-owned subsidiary of EW Sdn Bhd
Eco Business Park 2	:	Eco Business Park 2 Development Sdn Bhd, a wholly-owned subsidiary of EW Sdn Bhd
Eco Macalister	:	Eco Macalister Development Sdn Bhd *(formerly known as Bintang Dedikasi Sdn Bhd)*, our wholly-owned subsidiary
Eco Macalister Acquisition	:	Acquisition of 100.00% equity interest in Eco Macalister by our Company for a cash consideration of RM2.00, subject to the terms and conditions of the Eco Macalister SPA, which was completed on 6 February 2015
Eco Macalister Lands	:	All the lands held by Eco Macalister which are detailed in Section 1 of Appendix II of this Abridged Prospectus
Eco Macalister Repayment Amount	:	RM25.0 million, being the amount paid by Eco Macalister to EW Sdn Bhd as full and final settlement of the total outstanding amount of advances owing by Eco Macalister to EW Sdn Bhd pursuant to the Eco Macalister Acquisition
Eco Macalister SPA	:	Conditional share sale and purchase agreement dated 25 April 2014 entered into between EW Sdn Bhd and our Company for the Eco Macalister Acquisition
Eco Majestic	:	Eco Majestic Sdn Bhd, a wholly-owned subsidiary of EW Sdn Bhd

DEFINITIONS *(cont'd)*

Eco Sanctuary Land Acquisition	:	Acquisition by Eco Sanctuary Sdn Bhd *(formerly known as Prominent Stream Sdn Bhd)*, our wholly-owned subsidiary, of parcels of leasehold land measuring approximately 308.72 acres in Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor from Sapphire Index Sdn Bhd, a wholly-owned subsidiary of Tropicana Corporation Berhad, for a cash consideration of RM470,674,512
Eco Sky	:	Eco Sky Development Sdn Bhd, a wholly-owned subsidiary of EW Sdn Bhd
Eco Springs	:	Eco Springs Development Sdn Bhd, a wholly-owned subsidiary of EW Sdn Bhd
Eco Terraces	:	Eco Terraces Development Sdn Bhd *(formerly known as Gama Citra Sdn Bhd)*, a wholly-owned subsidiary of EW Sdn Bhd
Eco Tropics Lands	:	Lands held by our Company in the Mukim of Plentong, District of Johor Bahru for an ongoing township project in Iskandar Malaysia, namely the Eco Tropics township *(previously referred to as the Kota Masai township)*
EGM	:	Extraordinary general meeting
Entitled Shareholders	:	Our shareholders whose names appear in our Record of Depositors on the Entitlement Date
Entitlement Date	:	5 March 2015 at 5.00 p.m., being the date and time on which the names of our shareholders must appear in our Record of Depositors, in order to be entitled to participate in the Rights Issue with Warrants
EPF	:	Employees Provident Fund Board
EPS	:	Earnings per share
Evergreen Upstream	:	Evergreen Upstream Sdn Bhd, our wholly-owned subsidiary
EW Berhad or our Company	:	Eco World Development Group Berhad
EW Berhad Share or Share	:	Ordinary share of RM0.50 each in our Company
EW Holdings	:	Eco World Development Holdings Sdn Bhd, our major shareholder and also a shareholder of EW Sdn Bhd
EW Project Management	:	Eco World Project Management Sdn Bhd, our wholly-owned subsidiary
EW Project Management Acquisition	:	Acquisition of 100.00% equity interest in EW Project Management by our Company for a cash consideration of RM2.00, subject to the terms and conditions of the EW Project Management SPA, which was completed on 6 February 2015
EW Project Management Repayment Amount	:	RM157.2 million, being the amount paid by EW Project Management to EW Sdn Bhd as full and final settlement of the total outstanding amount of advances owing by EW Project Management to EW Sdn Bhd pursuant to the EW Project Management Acquisition
EW Project Management SPA	:	Conditional share sale and purchase agreement dated 25 April 2014 entered into between EW Sdn Bhd and our Company for the EW Project Management Acquisition
EW Sdn Bhd	:	Eco World Development Sdn Bhd, a 50.00% jointly-controlled entity of EW Holdings and Sinarmas Harta

DEFINITIONS *(cont'd)*

Excess Rights Shares	:	Rights Shares which are not taken up or not validly taken up by our Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) by the Closing Date
Exercise Price	:	RM2.08, being the price at which one (1) Warrant is exercisable into one (1) EW Berhad Share, subject to such adjustments as may be allowed under the Deed Poll
Foreign Addressed Shareholders	:	Shareholders on the Entitlement Date who have not provided an address in Malaysia for the service of documents to be issued for purposes of the Rights Issue with Warrants
FYE	:	Financial year ended
Gaya Setara	:	Gaya Setara Sdn Bhd *(now known as Eco Business Park 1 Sdn Bhd)*, our wholly-owned subsidiary
Government	:	Government of Malaysia
GST	:	Goods and Services Tax
Initial Valuation Date	:	Initial date of valuation of the Eco Macalister Lands and the Lands, being either 31 December 2013, 31 January 2014 or 31 March 2014 as the case may be
Issue Price	:	The issue price of RM1.20 for each Rights Share
Joint Principal Advisers or Joint Underwriters	:	Collectively, CIMB, AmInvestment and Maybank IB
K&J	:	Messrs Khong & Jaafar Sdn Bhd
Landowners	:	Collectively, Eco Springs, Dedikasi Mesra, Eco Business Park 1, Eco Majestic, Eco Botanic, Eco Terraces, Eco Sky and Eco Business Park 2, being the registered owners of the Lands
Lands	:	All the lands held by the respective Landowners. Information on the Lands are set out in Section 1 of Appendix II of this Abridged Prospectus
Latest Valuation Date	:	Latest date of valuation of the Eco Macalister Lands and the Lands, being 31 May 2014, further details of which are set out in Section 1 of Appendix II of this Abridged Prospectus
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	6 February 2015, being the latest practicable date prior to the date of this Abridged Prospectus
M&A	:	Memorandum and Articles of Association of our Company
Maha Meridian	:	Maha Meridian Sdn Bhd *(now known as Eco Terraces Sdn Bhd)*, our wholly-owned subsidiary
Majestic Blossom	:	Majestic Blossom Sdn Bhd, our wholly-owned subsidiary
Market Day	:	Any day on which Bursa Securities is open for trading in securities
Maybank IB	:	Maybank Investment Bank Berhad
MGO Exemption	:	Exemption for EW Holdings from having to undertake a mandatory take-over offer for all the remaining EW Berhad Shares not already held by EW Holdings and its persons acting in concert following the completion of the Share Subscription, in accordance with Paragraph 16.1 of Practice Note 9 of the Code
NA	:	Net assets

DEFINITIONS *(cont'd)*

NPA	:	Notice of provisional allotment of Rights Shares pursuant to the Rights Issue with Warrants
Other Proposals	:	Collectively, the Eco Sanctuary Land Acquisition, Proposed Semenyih Land Acquisition and the BBCC Land Proposals
Placement	:	Placement of new EW Berhad Shares, representing up to 20% of the then issued and paid-up share capital of our Company, post completion of the Rights Issue with Warrants to investors to be identified
Placement Shares	:	New EW Berhad Shares to be issued pursuant to the Placement
Price-Fixing Date	:	17 February 2015, being the price-fixing date for the Issue Price
Proposed BBCC Joint Development	:	Proposed joint development between BBCC Development Sdn Bhd and UDA Holdings Berhad to develop a piece of mixed development land identified as PT 143 within Seksyen 56, held under H.S.(D) 118310, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur measuring approximately 78,485.73 square metres or 19.4 acres
Proposed BBCC Share Subscription	:	Proposed subscription by our Company of 1,999,988 new ordinary shares of RM1.00 each in BBCC Development Sdn Bhd, representing 40.00% of the enlarged issued and paid-up share capital of BBCC Development Sdn Bhd for a cash consideration of RM1,999,988.00
Proposed Semenyih Land Acquisition	:	Proposed acquisition by Majestic Blossom, of freehold land measuring approximately 492.66 acres in Mukim Beranang, Daerah Ulu Langat, Negeri Selangor from Univas (Far East) Sdn Bhd for a cash consideration of RM225,331,550.12
Provisional Allotments	:	Rights Shares and Warrants provisionally allotted to our Entitled Shareholders
Record of Depositors	:	A record of depositors established by Bursa Depository under the Rules of Bursa Depository
Reporting Accountants	:	Messrs Ernst & Young
Rights Issue with Warrants	:	Renounceable rights issue of 656,740,426 Rights Shares at the Issue Price, together with 525,392,340 Warrants on the basis of one (1) Rights Share for every two (2) existing EW Berhad Shares held as at the Entitlement Date and four (4) Warrants for every five (5) Rights Shares subscribed for
Rights Shares	:	New EW Berhad Shares to be issued pursuant to the Rights Issue with Warrants
RSF	:	Rights subscription form pursuant to the Rights Issue with Warrants
Rules of Bursa Depository	:	The rules of the Bursa Depository as issued pursuant to the SICDA
SC	:	Securities Commission Malaysia
Share Split	:	Share split involving the subdivision of each of the ordinary shares of RM1.00 each in our Company into two (2) ordinary shares of RM0.50 each, which was completed on 23 January 2015
Share Subscription	:	Share subscription by EW Holdings and Sinarmas Harta of an aggregate of 806,846,852 new EW Berhad Shares at an issue price of RM1.70 for each EW Berhad Share for an aggregate cash consideration of RM1,371,639,648.40, subject to the terms and conditions of the Share Subscription Agreement, which was completed on 6 February 2015

DEFINITIONS *(cont'd)*

Share Subscription Agreement	:	Conditional share subscription agreement dated 25 April 2014 entered into between our Company and the Subscribers for the Share Subscription
Shareholders' Undertakings	:	Irrevocable written undertakings by EW Holdings, Liew Tian Xiong and Sinarmas Harta to subscribe in full for their respective entitlements under the Rights Issue with Warrants
SICDA	:	Securities Industry (Central Depositories) Act, 1991
Sinarmas Harta	:	Sinarmas Harta Sdn Bhd, our major shareholder and also a shareholder of EW Sdn Bhd
Subscribers	:	Collectively, EW Holdings and Sinarmas Harta
Syabas Tropikal	:	Syabas Tropikal Sdn Bhd, a 99.99% owned company of Dato' Leong Kok Wah (a Director and indirect major shareholder of our Company)
TERP	:	Theoretical ex-rights price
Total Gross Proceeds	:	Total amount of approximately RM788.0 million to be raised from the Rights Issue with Warrants
Total Reimbursable Sum	:	The total amount of development expenditure which includes all costs and expenses in connection with all matters necessary, incidental and in connection with the development of the Lands, the operation, management and sale thereof, as incurred by the Landowners to be reimbursed by the Developers to the Landowners in accordance with the Development Rights Agreements. As at 31 December 2014, the Total Reimbursable Sum amounts to RM211.7 million
Trinity Lake	:	Trinity Lake Sdn Bhd, our wholly-owned subsidiary
Underwriting Agreement	:	Underwriting agreement dated 17 February 2015 entered into between our Company and the Joint Underwriters in relation to the Rights Issue with Warrants
Velvet Rhythm	:	Velvet Rhythm Sdn Bhd *(now known as Eco Business Park 2 Sdn Bhd)*, our wholly-owned subsidiary
VWAMP	:	Volume weighted average market price
Warrants	:	525,392,340 free detachable warrants to be issued pursuant to the Rights Issue with Warrants

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Currency

RM and sen	:	Ringgit Malaysia and Sen, respectively

All references to "**our Company**" in this Abridged Prospectus are to EW Berhad, and references to "**our Group**" or "**EW Berhad Group**" are to our Company and our subsidiaries. References to "**we**", "**us**", "**our**" and "**ourselves**" are to our Company and, where the context requires otherwise, our Company and our subsidiaries.

All references to "**you**" in this Abridged Prospectus are to our Entitled Shareholders and/or where the context otherwise requires, the renouncee(s) and/or transferee(s).

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

Any reference to any enactment in this Abridged Prospectus is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Abridged Prospectus is a reference to Malaysian time, unless otherwise specified. Any discrepancies in any tables included in this Abridged Prospectus between the amounts listed, actual figures and the totals thereof are due to rounding adjustments.

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CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name	Address	Nationality	Profession
Tan Sri Abdul Rashid bin Abdul Manaf *(Non-Independent Non-Executive Chairman)*	No. 5, Jalan Dungun Damansara Heights 50490 Kuala Lumpur Wilayah Persekutuan	Malaysian	Company Director
Dato' Leong Kok Wah *(Non-Independent Non-Executive Deputy Chairman)*	No. 9, Lorong Taman Pantai 5 Bukit Pantai 59100 Kuala Lumpur Wilayah Persekutuan	Malaysian	Company Director
Dato' Chang Khim Wah *(President and Chief Executive Officer)*	No. 5, Jalan USJ Heights 2/1A USJ Heights 47610 Subang Jaya Selangor Darul Ehsan	Malaysian	Company Director
Datuk Heah Kok Boon *(Executive Director and Chief Financial Officer)*	No. 20, Jalan Setiabakti 9 Bukit Damansara 50490 Kuala Lumpur Wilayah Persekutuan	Malaysian	Company Director
Liew Tian Xiong *(Executive Director)*	No. 12, Jalan Changkat Desa Taman Desa 58100 Kuala Lumpur Wilayah Persekutuan	Malaysian	Company Director
Tan Sri Dato' Sri Liew Kee Sin *(Non-Independent Non-Executive Director)*	10-2, Faber Ria Taman Desa Off Jalan Klang Lama 58100 Kuala Lumpur Wilayah Persekutuan	Malaysian	Company Director
Tan Sri Lee Lam Thye *(Non-Independent Non-Executive Director)*	No. 12, Jalan Perkasa Empat Taman Maluri 55100 Kuala Lumpur Wilayah Persekutuan	Malaysian	Company Director
Tang Kin Kheong *(Senior Independent Non-Executive Director)*	No. 94, Jalan 33/70A Desa Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan	Malaysian	Chartered Accountant
Dato' Idrose bin Mohamed *(Independent Non-Executive Director)*	No. 10, Changkat Datuk Sulaiman 2 Taman Tun Dr Ismail 60000 Kuala Lumpur Wilayah Persekutuan	Malaysian	Company Director
Dato' Haji Obet bin Tawil *(Independent Non-Executive Director)*	Lot 7120, Jalan Bakri Bakri Batu 4 84000 Muar Johor Darul Takzim	Malaysian	Company Director

CORPORATE DIRECTORY *(cont'd)*

AUDIT COMMITTEE

Name	Designation	Directorship
Tang Kin Kheong	Chairman	Senior Independent Non-Executive Director
Dato' Idrose bin Mohamed	Member	Independent Non-Executive Director
Dato' Haji Obet bin Tawil	Member	Independent Non-Executive Director

COMPANY SECRETARIES : Chua Siew Chuan (MAICSA 0777689)
Mak Chooi Peng (MAICSA 7017931)

Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

Tel. no.: +603 2084 9000

REGISTERED OFFICE : Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan

Tel. no.: +603 2084 9000
Fax. no.: +603 2094 9940

HEAD/MANAGEMENT OFFICE : No. 60, Setia Avenue
No. 2, Jalan Setia Prima S U13/S
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan

Tel. no.: +603 3344 2552
Fax. no.: +603 3341 3731
E-mail: corp@ecoworldgroup.com.my
Website: www.ecoworldgroup.com.my

PRINCIPAL BANKERS : Malayan Banking Berhad
14th Floor Menara Maybank
No. 100 Jalan Tun Perak
50050 Kuala Lumpur
Wilayah Persekutuan

Tel. no.: +603 2070 8833

CORPORATE DIRECTORY *(cont'd)*

PRINCIPAL BANKERS *(cont'd)*	:	AmIslamic Bank Berhad 22nd Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50250 Kuala Lumpur Wilayah Persekutuan Tel. no.: +603 2036 2633 Bank Muamalat Malaysia Berhad 20th Floor, Menara Bumiputra No. 21 Jalan Melaka 50100 Kuala Lumpur Wilayah Persekutuan Tel. no.: +603 2698 8787
AUDITORS AND REPORTING ACCOUNTANTS FOR THE RIGHTS ISSUE WITH WARRANTS	:	Ernst & Young (AF 0039) Chartered Accountants Level 23A, Menara Milenium Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur Wilayah Persekutuan Tel. no.: +603 7495 8000
LEGAL ADVISER FOR THE RIGHTS ISSUE WITH WARRANTS	:	Messrs Cheang & Ariff Advocates & Solicitors 39 Court@Loke Mansion 273A, Jalan Medan Tuanku 50300 Kuala Lumpur Wilayah Persekutuan Tel. no.: +603 2691 0803
JOINT PRINCIPAL ADVISERS AND JOINT UNDERWRITERS	:	CIMB Investment Bank Berhad 17th Floor, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Wilayah Persekutuan Tel. no.: +603 2261 8888 AmInvestment Bank Berhad 22nd Floor, Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Wilayah Persekutuan Tel. no.: +603 2036 2633

CORPORATE DIRECTORY *(cont'd)*

JOINT PRINCIPAL ADVISERS AND JOINT UNDERWRITERS *(cont'd)*	:	Maybank Investment Bank Berhad 32nd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur Wilayah Persekutuan Tel. no.: +603 2059 1888
INDEPENDENT VALUER FOR THE ECO MACALISTER LANDS AND LANDS	:	Messrs Khong & Jaafar Sdn Bhd 57-1 Jalan Telawi Tiga Bangsar Baru 59100 Kuala Lumpur Wilayah Persekutuan Tel. no.: +603 2282 9699
SHARE REGISTRAR	:	Securities Services (Holdings) Sdn Bhd Level 7, Menara Milenium Jalan Damanlela Pusat Bandar Damansara Damansara Heights 50490 Kuala Lumpur Wilayah Persekutuan Tel. no.: +603 2084 9000 Fax no.: +603 2094 9940/+603 2095 0292
STOCK EXCHANGE LISTED AND LISTING SOUGHT	:	Main Market of Bursa Securities

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Company No. 17777-V

ECOWORLD
CREATING TOMORROW & BEYOND

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No.: 17777-V)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights, 50490 Kuala Lumpur
Wilayah Persekutuan

5 March 2015

Board of Directors:

Tan Sri Abdul Rashid bin Abdul Manaf *(Non-Independent Non-Executive Chairman)*
Dato' Leong Kok Wah *(Non-Independent Non-Executive Deputy Chairman)*
Dato' Chang Khim Wah *(President and Chief Executive Officer)*
Datuk Heah Kok Boon *(Executive Director and Chief Financial Officer)*
Liew Tian Xiong *(Executive Director)*
Tan Sri Dato' Sri Liew Kee Sin *(Non-Independent Non-Executive Director)*
Tan Sri Lee Lam Thye *(Non-Independent Non-Executive Director)*
Tang Kin Kheong *(Senior Independent Non-Executive Director)*
Dato' Idrose bin Mohamed *(Independent Non-Executive Director)*
Dato' Haji Obet bin Tawil *(Independent Non-Executive Director)*

To: Our Entitled Shareholders

Dear Sir/Madam,

RENOUNCEABLE RIGHTS ISSUE OF 656,740,426 RIGHTS SHARES AT THE ISSUE PRICE TOGETHER WITH 525,392,340 WARRANTS ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING EW BERHAD SHARES HELD AS AT THE ENTITLEMENT DATE AND FOUR (4) WARRANTS FOR EVERY FIVE (5) RIGHTS SHARES SUBSCRIBED FOR

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1. INTRODUCTION

1.1 On 25 April 2014, our Joint Principal Advisers announced on our behalf that our Company had on the same day entered into the Agreements and intends to undertake the Corporate Exercises, which include the then proposed renounceable rights issue of new Shares together with free detachable Warrants to raise the Total Gross Proceeds before the exercise of the Warrants.

1.2 On 10 November 2014, our Joint Principal Advisers announced on our behalf that Bursa Securities had, via its letter dated 7 November 2014, approved the following:

(i) the Share Split;

(ii) admission to the Official List and the listing of and quotation for up to 700,000,000 Warrants to be issued pursuant to the Rights Issue with Warrants; and

(iii) listing of and quotation for the following:

(a) 806,846,852 new Shares to be issued pursuant to the Share Subscription;

(b) up to 700,000,000 new Shares to be issued pursuant to the Rights Issue with Warrants;

(c) up to 402,696,170 new Shares to be issued pursuant to the Placement; and

(d) up to 700,000,000 new Shares to be issued pursuant to the exercise of Warrants.

1.3 The approval of Bursa Securities for the Share Split, Share Subscription, Rights Issue with Warrants and Placement is subject to the following conditions:

No.	Conditions imposed	Status of compliance
(i)	Our Company and our Joint Principal Advisers must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Share Split, Share Subscription, Rights Issue with Warrants and Placement;	Noted
(ii)	Our Company and our Joint Principal Advisers to inform Bursa Securities upon the completion of the Share Split, Share Subscription, Rights Issue with Warrants and Placement;	To be complied
(iii)	Our Company to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Share Split, Share Subscription, Rights Issue with Warrants and Placement are completed;	To be complied
(iv)	The admission and listing for and quotation of the Warrants and the new Shares to be issued pursuant to the Share Subscription, Rights Issue with Warrants and Placement must take place upon full compliance of the public shareholding spread requirements as prescribed under Paragraph 8.02 of the Listing Requirements; and	Bursa Securities had via its letter dated 7 January 2015 granted an extension of time of six (6) months from the date of completion of the Share Subscription on 6 February 2015 for our Company to comply with the public shareholding spread requirement pursuant to Paragraph 8.02(1) of the Listing Requirements
(v)	Our Company to furnish Bursa Securities on a quarterly basis, a summary of the total number of shares listed pursuant to the exercise of the Warrants as at the end of each quarter together with a detailed computation of listing fees payable	To be complied

1.4 Our shareholders had, at our EGM held on 12 December 2014, approved the Corporate Exercises. A certified true copy of the extract of the resolutions pertaining to the Corporate Exercises that were passed at the said EGM is set out in Appendix I of this Abridged Prospectus.

1.5 On 17 December 2014, our Joint Principal Advisers announced on behalf of our Board that the SC had, via its letter dated 17 December 2014, approved the application submitted by EW Holdings for the MGO Exemption under Paragraph 16.1 of Practice Note 9 of the Code as EW Holdings had satisfied all the conditions set out in Paragraph 16.3 of Practice Note 9 of the Code.

1.6 On 7 January 2015, our Joint Principal Advisers announced on behalf of our Board that Bursa Securities had, via its letter dated 7 January 2015, granted an extension of time of six (6) months from the date of completion of the Share Subscription for our Company to comply with the public shareholding spread requirement pursuant to Paragraph 8.02(1) of the Listing Requirements.

1.7 On 8 January 2015, our Joint Principal Advisers announced on behalf of our Board that all the conditions precedent set out in the Agreements have been fulfilled as at 8 January 2015, and each of the Agreements has become unconditional.

1.8 On 23 January 2015, our Joint Principal Advisers announced on behalf of our Board that the Share Split was completed.

1.9 On 6 February 2015, our Joint Principal Advisers announced on behalf of our Board that the Acquisitions and Share Subscription were completed.

1.10 On 10 February 2015, the SC had granted our Company reliefs from having to include the valuation certificates in respect of the Eco Macalister Lands and Lands, pursuant to Paragraph 7.03(d), Chapter 7 and Paragraph 2, Appendix 7 of Division 5: Abridged Prospectus in Part I of the Prospectus Guidelines issued by the SC in this Abridged Prospectus. The approvals for the said reliefs are not subject to any conditions.

1.11 On 17 February 2015, our Joint Principal Advisers announced on behalf of our Board, the following:

(i) the Entitlement Date for the Rights Issue with Warrants had been fixed at 5.00 p.m. on 5 March 2015;

(ii) the Issue Price had been fixed at RM1.20 for each Rights Share at an entitlement basis of one (1) Rights Share for every two (2) existing Shares held by our Entitled Shareholders on the Entitlement Date;

(iii) the Exercise Price had been fixed at RM2.08 for each Warrant at an entitlement basis of four (4) Warrants for every five (5) Rights Shares subscribed for; and

(iv) that our Company had entered into the Underwriting Agreement for the Joint Underwriters to underwrite an aggregate of 113,526,299 Rights Shares, representing approximately 17.29% of the total issue size of the Rights Issue with Warrants, at the Issue Price for which no undertaking has been obtained from our shareholders, in accordance with the Underwriting Agreement.

No person is authorised to give any information or make any representation not contained in the Documents in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by us or the Joint Principal Advisers.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Details of the Rights Issue with Warrants

Subject to the terms and conditions of the Documents, the Rights Issue with Warrants entails a provisional allotment of 656,740,426 Rights Shares at the Issue Price together with 525,392,340 Warrants to our Entitled Shareholders on the basis of one (1) Rights Share for every two (2) existing Shares held as at the Entitlement Date and four (4) Warrants for every five (5) Rights Shares subscribed for.

The entitlements under the Rights Issue with Warrants are renounceable in full or in part provided that any renunciation is done on or before the last day for the sale and transfer of the Provisional Allotments. Accordingly, Entitled Shareholders can subscribe for and/or renounce their respective entitlements to the Rights Shares in full or in part. Shareholders who renounce all or any part of their entitlements to the Rights Shares provisionally allotted to them under the Rights Issue with Warrants will simultaneously relinquish any accompanying entitlement to the Warrants. For the avoidance of doubt, the Rights Shares and the Warrants are not separately renounceable. Nonetheless, the Warrants will be detached from the Rights Shares immediately upon issue and will be traded separately on Bursa Securities.

The Rights Shares will be provisionally allotted to our Entitled Shareholders. Fractional entitlements under the Rights Issue with Warrants, if any, will be dealt with in such manner as our Board in its absolute discretion deems fit and in the best interest of our Company.

The Rights Shares which are not taken up or not validly taken up shall be made available for excess applications by our Entitled Shareholders and/or their renouncee(s) (if applicable), and thereafter shall be taken up by the Joint Underwriters (if applicable).

It is the intention of our Board to allot the Excess Rights Shares to other Entitled Shareholders and/or their renouncee(s), if any, in a fair and equitable manner, and in such manner as set out in Section 9.6 of this Abridged Prospectus.

2.2 Basis of determining the Issue Price and Exercise Price

The Issue Price of RM1.20 per Rights Share represents a discount of approximately 36.51% to the TERP of our Shares of RM1.89 per Share, based on the 5-day VWAMP of our Shares up to and including 16 February 2015, being the last trading day before the Price-Fixing Date of RM2.23 per Share.

The Issue Price was jointly determined by our Board and the Joint Underwriters after taking into consideration, among others, the following:

(i) the Total Gross Proceeds to be raised to be utilised in the manner set out in Section 4.2 below;

(ii) the prevailing market price of our Shares;

(iii) the TERP of our Shares of RM1.89 computed based on the 5-day VWAMP of our Shares up to and including 16 February 2015, being the last trading day before the Price-Fixing Date of RM2.23 per Share; and

(iv) the prevailing market conditions.

After taking into consideration rights issue exercises undertaken by other listed issuers on Bursa Securities which raised gross proceeds of more than RM500 million on the Main Market of Bursa Securities for the past five (5) years and the prospects of our Group, our Board is of the opinion that the discount to the TERP is reasonably attractive to encourage our Entitled Shareholders to subscribe for the Rights Shares.

The Exercise Price of RM2.08 was determined and fixed by our Board after taking into consideration, among others, the TERP of our Shares, the prevailing market price of our Shares and market condition, as well as the prospects of our Group. The Exercise Price represents a premium of approximately 10.00% over the TERP of our Shares of RM1.89 per Share, based on the 5-day VWAMP of our Shares up to and including 16 February 2015, being the last trading day before the Price-Fixing Date of RM2.23 per Share.

The Warrants attached to the Rights Shares will be issued at no cost to our Entitled Shareholders and/or their renouncee(s) (if applicable) who successfully subscribe for the Rights Shares. Should an Entitled Shareholder renounce all or any part of his/her entitlement to the Rights Shares, he/she will not be entitled to such Warrants which are attached to the Rights Shares so renounced.

2.3 Ranking of the Rights Shares and new EW Berhad Shares arising from the exercise of the Warrants

The Rights Shares shall, upon allotment and issuance, rank pari passu in all respects with our Shares, save and except that the Rights Shares shall not entitle their holders to any dividend, right, allotment and/or other distributions, that may be declared, made or paid prior to the allotment date of the Rights Shares.

The new Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank pari passu in all aspects with the then Shares, save and except that the new Shares to be issued arising from the exercise of the Warrants shall not entitle the holders to any dividend, right, allotment and/or other distributions, that may be declared, made or paid prior to the allotment date of the new Shares to be issued arising from the exercise of the Warrants.

For the avoidance of doubt, there is no restriction on the right of our Company to create or issue further securities to rank in priority or pari passu with the Warrants.

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2.4 Salient terms of the Warrants

Issue size	:	525,392,340 Warrants.
Form	:	The Warrants will be issued in registered form and constituted by the Deed Poll. The Warrants which are to be issued with the Rights Shares will be immediately detached upon allotment and issuance of the Rights Shares. The Warrants will be traded separately on Bursa Securities.
Exercise Rights	:	Each Warrant entitles the registered warrant holder to subscribe for one (1) new Share at the Exercise Price (as detailed below) at any time during the Exercise Period (as defined below) and upon the terms of and subject to the conditions and provisions of the Deed Poll.
Exercise Price	:	Subject to adjustments in accordance with the Deed Poll, the exercise price of the Warrants had been fixed at RM2.08 for each Warrant.
Exercise Period	:	The Warrants can be exercised at any time over the period of seven (7) years commencing from and including the date of issuance of the Warrants and up to and including the Expiry Date (as defined below). Any Warrants which are not exercised at the closed of business of the Expiry Date will thereafter lapse and cease to be valid.
Expiry Date	:	At the close of business of 5.00 p.m. in Malaysia on the day falling immediately before the seventh (7^{th}) anniversary of the date of issuance of the Warrants.
Mode of exercise	:	In order to exercise any Warrant, a warrant holder must complete and sign a form for exercising the Warrants as may be provided by our Company in or substantially in the form set out in the Deed Poll ("**Exercise Form**") (which we will make available in the manner as may be stipulated by Bursa Securities) and deliver the Exercise Form to our Share Registrar together with a remittance in RM by banker's draft or cashier's order drawn on a bank operating in Malaysia or money order or postal order issued by a post office in Malaysia made in favour of "**Eco World Warrants Account**" crossed "A/C Payee Only" for the full amount of the money payable in respect of the exercise of the Warrants for new Shares to be subscribed by the warrant holder in accordance with the terms and conditions of the Deed Poll.
Rights of warrant holders to participate in any distribution and/or offer of further securities in our Company	:	The warrant holders are not entitled to participate in any distribution and/or offer of securities in our Company unless and until such warrant holders exercise the Warrants into new Shares or otherwise resolved by our Company in a general meeting.

Ranking	:	The new Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank pari passu in all aspects with the then Shares, save and except that they shall not entitle the holder to any dividend, right, allotment and/or other distributions, that may be declared, made or paid prior to the allotment date of the new Shares to be issued arising from the exercise of the Warrants.
Rights in the event of winding up, compromise or arrangement and amalgamation	:	Where a resolution has been passed for a members' voluntary winding up or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of our Company or the amalgamation of our Company with one or more companies, then: (i) if such winding up or scheme of arrangement is one in which the warrant holders, or some person designated by them for such purpose by special resolution, are to be a party, the terms of such winding up or scheme of arrangement are binding on all the warrant holders; and (ii) in a voluntary winding up or compromise or arrangement in any other case, every warrant holder is entitled upon and subject to the conditions as set out in the Deed Poll at any time, within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of our Company or within six (6) weeks from the granting of the court order approving the compromise or arrangement, as the case may be, by the irrevocable surrender of his Warrants to our Company by submitting the Exercise Form duly completed, authorising the debiting of his Warrants, together with payment of the relevant Exercise Price to elect to be treated as if he had immediately prior to the commencement of such winding-up, compromise or arrangement, exercised the Exercise Rights represented by such Warrants to the extent specified in the Exercise Form and be entitled to receive out of the assets of our Company which would be available in liquidation if he had on such date been the holder of the new Shares to which he would have become entitled pursuant to such exercise and the liquidator of our Company, must give effect to such election accordingly and all Exercise Rights, which have not been exercised within the above six (6) weeks of either the passing of such resolution for the winding-up or the granting of the court order for the approval of such compromise or arrangement, as the case may be, will lapse and the Warrants will cease to be valid for any purpose.

Rights in the event of winding up, compromise or arrangement and amalgamation *(cont'd)*	:	In the event of any consolidation, amalgamation or merger of our Company with any other corporation (other than a consolidation, amalgamation or merger in which our Company is the continuing corporation or a consolidation, amalgamation or merger) pursuant to the condition of the Deed Poll or in the event of any sale or transfer of all or substantially all of the assets of our Company, our Company shall cause the corporation resulting from or surviving such consolidation, amalgamation or merger or the corporation which have acquired such assets, as the case may be, to execute such instruments or other documents or assurances as may be necessary to legally ensure that the remaining Warrant holders will have the right (during the exercise period) to exercise such Warrant that remains unexercised and to be issued such class and amount of shares and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of new Shares which would have become liable to be issued upon exercise of such Warrant immediately prior to such consolidation, amalgamation, merger or sale, failing which such fair compensation as certified by an approved principal adviser or the auditors.
Adjustments in the Exercise Price and/or number of Warrants	:	The Exercise Price and/or the number of unexercised Warrants may from time to time be adjusted, calculated or determined by the directors of our Company in consultation with the auditors or any other professional advisers appointed by our Company in accordance with the provisions of the Deed Poll.
Modification	:	Subject to the approval of any relevant authority as required under law, any modification, amendment or addition to the Deed Poll must be approved by the warrant holders sanctioned by ordinary resolution, effected by a supplemental deed poll, executed by our Company and expressed to be supplemental and comply with the conditions set out in the Deed Poll. However, our Company may without the consent of the warrant holders (but in accordance with the terms of the Deed Poll), effect: (i) any modification to the Warrants or the Deed Poll which, in the opinion of our Company, is not materially prejudicial to the interest of the warrant holders; or (ii) any modification to the Warrants or the Deed Poll which, in the opinion of our Company, is to correct a manifest error or to comply with mandatory provisions of Malaysian law.
Listing	:	The Warrants shall be listed and quoted on Bursa Securities.
Board lot	:	For the purpose of trading on Bursa Securities, a board lot for the Warrants shall comprise 100 Warrants carrying the right to subscribe for 100 new Shares at anytime during the Exercise Period, or such other denominations as determined by Bursa Securities.
Governing laws	:	Laws of Malaysia.

3. DETAILS OF THE UNDERTAKING AND UNDERWRITING ARRANGEMENT

The Rights Issue with Warrants will be undertaken on a full subscription basis.

3.1 Undertaking

In line with their confidence in and support of our Company, EW Holdings, Liew Tian Xiong and Sinarmas Harta have provided their irrevocable written undertakings dated 25 April 2014 to subscribe in full for their respective entitlements under the Rights Issue with Warrants.

The table below sets out the number of Shares held by EW Holdings, Liew Tian Xiong and Sinarmas Harta as at the LPD and the Rights Shares which are entitled to be subscribed by EW Holdings, Liew Tian Xiong and Sinarmas Harta pursuant to the Rights Issue with Warrants based on their shareholdings in our Company as at the LPD:

	As at the LPD			
	No. of Shares held	**%[(1)]**	**No. of Rights Shares entitled to be subscribed**	**%[(2)]**
EW Holdings	505,443,626	38.48	252,721,813	38.48
Liew Tian Xiong	177,561,202	13.52	88,780,601	13.52
Sinarmas Harta	403,423,426	30.71	201,711,713	30.71

Notes:

(1) *Based on the share capital of our Company of 1,313,480,852 Shares as at the LPD.*

(2) *Based on the total of 656,740,426 Rights Shares to be issued under the Rights Issue with Warrants.*

EW Holdings, Liew Tian Xiong and Sinarmas Harta have confirmed, and our Joint Principal Advisers have verified that EW Holdings, Liew Tian Xiong and Sinarmas Harta have sufficient financial resources to fulfill its obligations pursuant to the Shareholders' Undertakings.

3.2 Underwriting arrangement

Pursuant to the Underwriting Agreement, the Joint Underwriters have severally but not jointly agreed to underwrite and subscribe for and/or procure subscribers to subscribe for an aggregate of 113,526,299 Rights Shares ("**Underwritten Shares**"), representing approximately 17.29% of the total issue size of the Rights Issue with Warrants, at the Issue Price for which no undertaking has been obtained from other shareholders, in the following agreed proportions:

	Number of Underwritten Shares	**% of agreed proportions**
CIMB	37,842,099	33.33
AmInvestment	37,842,100	33.33
Maybank IB	37,842,100	33.33
	113,526,299	**100.00**

The underwriting commission payable by our Company is 1.50% of the value of the Underwritten Shares based on the Issue Price. The underwriting commission payable to the Joint Underwriters and all costs, charges and expenses of or incidental to the Rights Issue with Warrants shall be fully borne by our Company.

Pursuant to the Shareholders' Undertakings and underwriting arrangements, EW Holdings, Liew Tian Xiong and Sinarmas Harta are not expected to trigger any mandatory take-over offer obligations under Part III of the Code following the subscription of their respective entitlements to the Rights Shares.

Nevertheless, EW Holdings may as a result of exercise of the Warrants held by EW Holdings, be obliged to undertake a mandatory take-over offer for all the remaining securities not already held by EW Holdings and its persons acting in concert pursuant to Part III of the Code ("**Warrants MGO Obligation**"). In such an event, EW Holdings intends to seek an exemption from having to undertake the Warrants MGO Obligation in accordance with Paragraph 16.1 of Practice Note 9 of the Code. An exemption application, if any, will be submitted to the SC when EW Holdings is certain on the timing of exercise of the Warrants held by EW Holdings.

4. RATIONALE FOR THE RIGHTS ISSUE WITH WARRANTS AND UTILISATION OF PROCEEDS

4.1 Rationale for the Rights Issue with Warrants

The Rights Issue with Warrants is undertaken to raise proceeds to part finance the Acquisitions (after netting of the estimated expenses for the Corporate Exercises), which is expected to contribute positively to the earnings potential of our Group in the future. The Acquisitions had enabled our Group to scale up our business operations in a significant manner as follows:

(i) our Group now have an immediate active presence in all three (3) key development regions of Malaysia namely Klang Valley, Iskandar Malaysia and Pulau Pinang;

(ii) the size of our Group's landbank increased by 3,106 acres;

(iii) our Group's development pipeline expanded by the inclusion of (8) projects;

(iv) our Group's product range expanded to include affordable, upgrader and luxury homes, integrated high-rise developments and green business parks;

(v) through the EW Project Management Acquisition, our Group secured a development team with the expertise and proven capability to create and deliver highly sought after development projects as attested by the sales of the recently launched Eco Botanic, Eco Springs, and Eco Business Park 1 developments in Iskandar Malaysia and Eco Sky and Eco Majestic developments in the Klang Valley; and

(vi) the Eco Macalister Acquisition enabled our Company to establish a show gallery to showcase our Group's entire portfolio of investment-grade properties.

After due consideration of the various options available as well as the capital structure of our Group, our Board is of the view that the Rights Issue with Warrants is the most optimal means of raising funds for our Company at this juncture, as the Rights Issue with Warrants will:

(i) provide our Entitled Shareholders with an opportunity to participate in an equity offering on a pro-rata basis to minimise dilution of interest and to increase their equity participation in our Company at a discount to prevailing market prices;

(ii) enable our Company to raise funds without incurring interest expenses as compared to bank borrowings; and

(iii) enlarge our existing capital base and therefore create additional headroom for our Group to secure borrowings to fund our business development and expansion activities.

The free Warrants attached to the Rights Shares are meant to provide our shareholders with an incentive to subscribe for the Rights Shares and enable them to benefit from the future growth of our Company and any potential capital appreciation arising thereof. In addition, our Company would also be able to raise further proceeds as and when any of the Warrants are exercised.

4.2 Utilisation of proceeds

The gross proceeds of approximately RM788.0 million to be raised from the Rights Issue with Warrants are proposed to be utilised in the following manner:

Details of utilisation	RM mil	Estimated timeframe for utilisation upon listing of the Rights Shares
Repayment of short-term bank borrowings drawn down to part finance the Development Rights Acquisition(1),(2)	188.8	Within three (3) months
To part finance the Development Rights Acquisition(1)	317.8	Within three (3) months
Repayment of short-term bank borrowings drawn down to finance the Eco Macalister Repayment Amount and EW Project Management Repayment Amount(2),(3)	182.1	Within three (3) months
To part finance the Total Reimbursable Sum(4)	92.8	Within six (6) months
Estimated expenses for the Corporate Exercises(5),(6)	6.5	Within three (3) months
Total Gross Proceeds	**788.0**	

Notes:

(1) *The aggregate cash consideration for the Development Rights Acquisition is RM3,785,820,000 ("**Landowners Consideration**"), which represents the aggregate market value of the Lands of RM3,785,820,000 as at the Initial Valuation Date as appraised by K&J. The breakdown of the consideration for the Development Rights Acquisition is as follows:*

Landowners	***Landowners Consideration / Market value of the Lands owned by the respective Landowners as at the Initial Valuation Date***
	RM 000
Eco Springs	*670,600*
Dedikasi Mesra	*115,520*
Eco Business Park 1	*597,700*
Eco Majestic	*950,000*
Eco Botanic	*725,800*
Eco Terraces	*61,300*
Eco Sky	*118,200*
Eco Business Park 2	*546,700*
	3,785,820

*Pursuant to the Development Rights Acquisition, the Landowners shall provide and make available all the Lands for the Developers to carry out and to continue with the development of the Lands ("**Development**"). Further, the Developers shall have the irrevocable right to determine all matters relating to the Development and shall be entitled to retain and enjoy all income derived and to be derived from the Development for their own benefit.*

*In accordance with the Development Rights Agreements, the Developers shall settle the Landowners Consideration after taking into consideration the obligation to repay the relevant bank borrowings obtained by the Landowners for the acquisition of the Lands ("**Land Loans**") ("**Net Landowners Consideration**"). After taking into consideration the Developers' obligation to repay the Land Loans and unpaid costs for the Lands of an aggregate of approximately RM1,907.6 million, the Net Landowners Consideration is approximately RM1,878.2 million.*

As at the LPD, approximately RM1,560.4 million of the Net Landowners Consideration was paid by the Developers to the Landowners, via a combination of bank borrowings and the entire proceeds raised from the Share Subscription. The balance of the Net Landowners Consideration of RM317.8 million shall be paid by the Developers to the Landowners within three (3) months from 8 January 2015, being the unconditional date of the Development Rights Acquisition, with the proceeds to be raised under the Rights Issue with Warrants.

Please refer to Section 1 of Appendix II of this Abridged Prospectus for details on the Lands to which we acquired the rights under the Development Rights Acquisition.

(2) *The short-term bank borrowings drawn down to part finance the Development Rights Acquisition and to finance the Eco Macalister Repayment Amount and EW Project Management Repayment Amount was a short-term loan facility provided by Malayan Banking Berhad. Pursuant to the said facility, the short-term borrowings shall be repaid within 12 months from the date of the first drawdown of the facility or from the proceeds raised from the Rights Issue with Warrants, whichever is earlier. The first drawdown of the facility to part finance the Development Rights Acquisition was on 23 May 2014.*

(3) *The Eco Macalister Repayment Amount and EW Project Management Amount have been fully settled by Eco Macalister and EW Project Management respectively to EW Sdn Bhd on 6 February 2015.*

(4) *The Total Reimbursable Sum is to be reimbursed by the Developers to the Landowners within three (3) months from 6 February 2015, being the date of completion of the Development Rights Acquisition in accordance with the Development Rights Agreements. The balance of the Total Reimbursable Sum which is not reimbursed using the proceeds to be raised from the Rights Issue with Warrants will be reimbursed using the proceeds to be raised from the Placement or bank borrowings which are to be drawn down and repaid via the proceeds to be raised from the Placement.*

(5) *Any balance not utilised shall be used for general working capital.*

(6) *The estimated expenses cannot be accurately segregated for each of the Corporate Exercises as certain fees such as professional fees and printing costs are charged on a collective basis for the Corporate Exercises. The estimated expenses for the Corporate Exercises include estimated professional fees of RM3.8 million, estimated underwriting commission of RM2.0 million for the Rights Issue with Warrants and estimated fees to the authorities, printing costs as well as other estimated incidental and miscellaneous expenses in relation to the Corporate Exercises amounting to an aggregate of RM0.7 million. The estimated expenses above do not include the estimated placement fees of RM9.0 million for the Placement which will be paid with the proceeds to be raised from the Placement.*

The gross proceeds to be raised from the exercise of the Warrants are dependent on the total number of Warrants exercised during the tenure of the Warrants. The gross proceeds to be raised from the exercise of Warrants of up to approximately RM1,092.8 million will be utilised to fund any future land acquisitions and investments and/or for working capital as and when required.

5. RISK FACTORS

You should carefully consider, in addition to other information contained in this Abridged Prospectus, the following risk factors (which may not be exhaustive) before subscribing for or investing in the Rights Issue with Warrants. There may be additional risk factors, which are not disclosed below, which are not presently known to us or which we currently deem to be less significant, which may materially and adversely affect our business, financial condition, operating results and prospects in the future and/or our Shares.

5.1 Risks relating to our business and industry

(i) Performance of the property development industry

All of our existing property development projects are located in Malaysia, and the success of our existing projects (including those projects that we acquired through the Acquisitions) heavily depends on the continued growth of the economy of Malaysia and the property market in Malaysia, particularly in the Klang Valley, Iskandar Malaysia and Pulau Pinang. Any adverse developments affecting the property markets such as the deterioration in property demand and the property rental market may have an adverse impact on our business operations and financial performance.

The performance of the property development industry in general is affected by economic and political uncertainties and changes in demographic trends, employment and income level, among other factors. Political and economic uncertainties include but are not limited to the risk of war, terrorism, riots, a switch in political leadership and/or changes in the Government's policies. In addition, the property industry is also affected by the regulatory environment such as regulations on interest rates, property tax assessments, licensing regulations and other statutory charges. Any changes in government policy, regulatory changes or any political instability in Malaysia may lead to price instability and an imbalance of between supply of, and demand for, properties in Malaysia.

The Government previously introduced measures to control and restrict speculative activities in the property industry such as through real property gain tax and a maximum loan-to-value ratio of 70% with regards to third home purchases. Any further introduction of cooling measures by the Government to control price levels of the property market may adversely impact our property development business.

(ii) Competition risks

Our Group has presence in all three (3) key development regions of Malaysia namely the Klang Valley, Iskandar Malaysia and Pulau Pinang. Our Group is subjected to competition from various property developers, including but not limited to the availability of strategically located and reasonably priced landbanks in those regions, supply of raw materials and labour and selling prices of property. The property development market is highly competitive and any oversupply of properties due to a mismatch in supply and demand for types of residential and commercial properties will intensify the level of competition which may, among others, affect pricing. There can be no assurance that buyers will purchase properties from our developments instead of our competitors', and this could have a material adverse effect on our business, financial condition and results of operations.

(iii) Delay in completion of property development projects against the scheduled completion and dependence on performance of third-party subcontractors

Property development typically requires substantial property development costs during the construction phase and can take many months before cash proceeds are generated, particularly when our projects are not fully pre-sold. The time taken and the costs involved in completing construction may increase substantially due to many factors, including shortages of construction materials, equipment or labour, adverse weather conditions, natural disaster, disputes with subcontractors, difficulties in obtaining necessary governmental or regulatory approvals, changes in government policies and other unforeseen circumstances. Any delay in the completion of our development projects may result in deferred recognition of revenue and profits.

Further, we outsource some of our construction work to third-party subcontractors and rely on these subcontractors to ensure timely completion of the respective building and infrastructure works as per their contractual timeline. There is also a risk that these third-party subcontractors may experience financial or other difficulties, which may affect their ability to carry out construction works with us.

In addition, we generally finance our property developments partly through pre-sales prior to completion, in line with the industry practice. In the event of failure, or delay beyond the contractually specified period in the delivery of our pre-sold properties to the purchasers, we may be liable to payment of late delivery damages which are claimable by the purchasers.

If any of the risks described above materialise, our return on investments may be lower than originally expected and our financial performance and reputation may be materially and adversely affected.

(iv) Fluctuation in operating and other expenses

Fluctuating costs are an inherent risk in the property development industry. Our operations and profitability are affected by any increase in expenses due to a number of factors, including prices of building materials and cost of labour charges, marketing and sales costs and changes of tax assessment such as the implementation of the GST which will take effect from 1 April 2015. The implementation of GST may impact the selling prices for developed properties and any increase in operating expenses may affect our profit margin where the selling prices of our properties are fixed. Even if we are able to increase the selling prices of our development properties, demand for our properties may in turn be adversely affected. Furthermore, if the cost of raw materials escalates after the sale of the properties to the purchasers, we are unable to factor such increase in our selling prices.

There can be no assurance that any change in the costs of our development projects will not have a material impact on our performance.

(v) Financing risk

In addition to the proceeds to be raised under the Rights Issue with Warrants and the Placement, we may be required to seek external financing to fund the working capital requirements or land acquisitions of our Group. Our Group's ability to arrange for external financing and the cost of such financing are dependent on numerous factors, including general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investors' confidence in our Group or any restrictions imposed by the Government. There can be no assurance that the necessary financing will be available in amounts and/or on terms acceptable to our Group.

(vi) Ownership risk

The timing of launches of property development projects is a key factor to ensure its success. In a case of an outright land acquisition: (i) the Landowners will have to cease all sale transactions and developments affecting the Lands in order to facilitate the eventual transfer of the Lands to the Developers; (ii) we will have to apply for fresh developer's licenses and advertising permits; and (iii) we may only commence sale of the Developments after we are registered as the proprietors of the Lands. In contrast, the Development Rights Acquisition allows the Developments to progress continuously and provides flexibility for us to work with the Landowners to launch the Developments as and when the right opportunity arises.

Pursuant to the Development Rights Acquisition, we acquired the beneficial interest of the Lands whilst the Landowners remain as registered proprietors of the Lands. Nonetheless, under the Development Rights Agreements, we have irrevocable and unfettered right to determine all matters relating to the developments of the Lands and the Landowners shall do all acts, matters and things as may be consistent with, necessary for or incidental to the foregoing, including the transfer of the individual titles to the units derived from the subdivision of the Lands to end-purchasers of the units or as directed by us. In addition, our rights to the Lands are adequately protected by the terms of the Development Rights Agreements and the power of attorney, which sets out our rights to the Lands and legal protection conferred by the Development Rights Agreements over such rights.

Accordingly, we are of the view that the risks of not having legal ownership of the Lands are minimal. The specific provisions of the Development Rights Agreements and the irrevocable power of attorney granted by the Landowners to the Developers, which include the right to transfer and to deal with the Lands in all aspects as though the Lands belong to the Developers effectively mitigate the risks of not having legal ownership of the Lands.

5.2 Risks relating to the Rights Issue with Warrants

(i) Delay in or abortion of the Rights Issue with Warrants

There is a risk that the Rights Issue with Warrants may be delayed or aborted if there is a material adverse change of events/circumstances which is beyond the control of our Company and our Joint Principal Advisers, arising during the implementation of the Rights Issue with Warrants.

There are also certain circumstances where any of the Joint Underwriter may terminate the Underwriting Agreement on the occurrence of any of the termination events set out in the Underwriting Agreement. These include, among others, the occurrence of certain circumstances which would result in a material adverse fluctuation or material adverse conditions in the securities market in Malaysia, or events which may materially or be likely prejudice the success of the Rights Issue with Warrants or the dealings in our Shares, or have or be likely to have a material adverse effect on the condition (financial or otherwise), business, prospects, results of operations, properties or assets of our Company or the Group as a whole or circumstances which would be commercially impracticable for the Joint Underwriters to proceed with the Rights Issue with Warrants on the terms and in the manner contemplated in the Documents and the Underwriting Agreement.

Notwithstanding the risks, our Company will exercise its best endeavours to ensure the successful implementation of the Rights Issue with Warrants. However, there can be no assurance that the abovementioned factors/events will not cause a delay in or abortion of the Rights Issue with Warrants. In the event that the Rights Issue with Warrants is aborted, the Company will repay without interest all monies received from the applicants in accordance with Section 243 of the CMSA.

(ii) Potential dilution

Entitled Shareholders who do not or are unable to accept their Rights Shares with Warrants provisionally allotted to them will have their proportionate ownership and voting interests in our Company reduced, and the percentage of our enlarged issued and paid-up share capital represented by their shareholdings in our Company will also be reduced accordingly.

(iii) No prior market for the Warrants

The Warrants will be detached from the Rights Shares immediately upon issue and will be traded separately on Bursa Securities.

As there is no prior market for the Warrants, there can be no assurance that there will be an active market for the Warrants upon or subsequent to its listing on Bursa Securities or, if developed, that such a market is sustainable or adequately liquid during the tenure of the Warrants. The Warrants will be traded on Bursa Securities at prices which are dependent upon market forces and beyond our control. In addition, there is no assurance that the Warrants will be "in-the-money" during the tenure of the Warrants.

5.3 Risks relating to our Shares

(i) Capital market risk

A variety of factors could cause the prices of our Shares to fluctuate, including large block trades of our Shares on the open market, announcements of developments relating to our Group's business, fluctuations in our operating/financial results or revenue levels and changes in regulatory requirements or market conditions.

There can be no assurance that the market price of our Shares (together with the Rights Shares and any new Shares issued from time to time pursuant to the exercise of the Warrants) will be traded above the TERP after the completion of the Rights Issue with Warrants.

(ii) Ability to pay dividend

We conduct all of our operations through our subsidiaries and associate companies. Accordingly, an important source of our income, and consequently an important factor in our ability to pay dividends on our Shares, are the dividends and other distributions received from our subsidiaries and associate companies. These companies' ability to pay dividends and make other distributions is subject to them having sufficient funds and distributable profits after setting aside funds required for their operations, other obligations or business plans and are subject to the laws and regulations in Malaysia and any restrictive loan covenant applicable to them such as the restriction to declare dividends in the event of any default on borrowings. In the event of a subsidiary's or associate's liquidation, there may not be sufficient assets for our Company to recoup our investment.

Dividend payments are not guaranteed and our Board may decide, at its sole and absolute discretion, at any time and for any reason, not to pay dividends. Our ability to pay dividends will also depends on the successful implementation of our strategies, general economic conditions, demand and selling prices of our products and other factors specific to the property market industry or specific projects, many which are beyond our control. Further, in the event we incur new borrowings, we may be subject to covenants restricting our ability to pay dividends. If we do not pay dividends, or pay dividends at levels lower than that anticipated by investors, the market price of our Shares may be negatively affected and the value of any investment in our Shares may be reduced.

(iii) Control by major shareholders

As disclosed in Section 3 of Appendix II of this Abridged Prospectus, EW Holdings, by virtue of its shareholding in our Company is able to exercise significant control of more than 33% of our Shares. Other than in respect of transactions which involve its interest, direct or indirect, as a related party which it must abstain from voting under the Listing Requirements, EW Holdings will have the ability to influence the election of our Directors, and the approval of any corporate proposals or transactions requiring the approval of our shareholders. No assurance can be given that EW Holdings' objective as shareholder will not conflict with the interests of other shareholders of our Company.

(iv) Future issues or sales of Shares could adversely affect our Share price

Any future issue or sale of Shares can have a downward pressure on the market price of our Shares. The sale of a substantial number of our Shares on Bursa Securities or the perception that such sales may occur, could materially and/or adversely affect the market price of our Shares. To the extent further new Shares are issued, there may be dilution to existing shareholders' shareholdings. This factor may also affect our ability to undertake future equity fund-raising.

(v) Public shareholding spread of our Shares

As at 10 February 2015, our public shareholding spread is approximately 17.02% which is not in compliance with Paragraph 8.02(1) of the Listing Requirements which requires our Company to ensure that at least 25% of our total listed Shares are in the hands of public shareholders ("**Public Spread Requirement**"). We intend to undertake the Placement after completion of the Rights Issue with Warrants which is expected to increase our public shareholding spread to approximately 30.85% (assuming the size of the Placement is 20% of our issued and paid-up share capital post completion of the Rights Issue with Warrants) and thereby enable our Company to comply with the Public Spread Requirement. The Placement is expected to be completed within six (6) months from 6 February 2015, being the date of completion of the Share Subscription but not earlier than the completion of the Rights Issue with Warrants. However, there can be no assurance that the Placement will be implemented successfully and hence, enable our Company to comply with the Public Spread Requirement.

5.4 Other risk

Forward looking statements are subject to uncertainties and contingencies

Certain statements in this Abridged Prospectus are based on historical information, which may not be reflective of the future results, and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements are based on forecasts and assumptions made by our Group and although believed to be reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, *inter alia*, the risk factors as set out in this section. In light of these and other uncertainties, the inclusion of forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

6. INDUSTRY OVERVIEW AND FUTURE PROSPECTS

6.1 Malaysian economy overview and outlook

The Malaysian economy registered a higher growth of 5.8% in the fourth quarter of 2014 (3Q 2014: 5.6%), driven mainly by stronger private sector spending. On the supply side, growth was sustained by the major economic sectors, supported by trade and domestic activities. On a quarter-on-quarter seasonally-adjusted basis, growth momentum increased to 2.0% (3Q 2014: 0.9%). For the year 2014, the Malaysian economy grew by 6.0%.

Domestic demand remained the anchor of growth in the fourth quarter, mainly on account of the improvement in private sector activity. Private investment expanded at a faster pace of 11.2% (3Q 2014: 6.8%), driven by capital spending in the manufacturing and services sectors. Private consumption registered a stronger growth of 7.8% (3Q 2014: 6.7%), supported by stable labour market conditions and continued wage growth. Public consumption expanded at a more moderate pace of 2.7% in the fourth quarter (3Q 2014: 5.3%), due to slower growth in both emoluments and supplies and services. Public investment, however, continued to decline, albeit at a slower pace of 2.1% (3Q 2014: -8.9%), following a smaller contraction in spending on fixed assets by the Federal Government.

On the supply side, growth in the fourth quarter was supported by major economic sectors. Growth in the services sector was underpinned by expansion across all subsectors. The construction sector remained strong, driven mainly by non-residential and residential sub sectors, while the mining sector registered a stronger growth due to higher crude oil production. The manufacturing sector continued to expand, supported mainly by the export-oriented industries. However, the agriculture sector recorded a contraction due to lower palm oil production caused by the floods in the eastern states of Peninsular Malaysia.

The Malaysian economy is expected to remain on a steady growth path. The gradual recovery in global growth will lend support to manufactured export performance, although overall export growth would likely remain modest amid lower commodity prices. Domestic demand is expected to remain favourable amidst the lower oil prices. Investment activity is projected to remain resilient, with broad-based capital spending by both the private and public sectors cushioning the lower oil and gas-related investment activity. While private consumption is expected to moderate, the steady rise in income and employment, and the additional disposable income from the lower oil prices would support household spending.

(Source: Economic and Financial Developments in Malaysia in the Fourth Quarter of 2014, Bank Negara Malaysia)

6.2 Malaysian property market overview and outlook

The Malaysian real estate segment grew 5.5% during the first six (6) months of 2014 (January – June 2013: 4%) following higher real estate transactions which rebounded by 3.3% to 193,430 (January – June 2013: -13.8%; 187,164) with transaction value recording a double-digit growth of 19% to RM82 billion (January – June 2013: -0.3%; RM69 billion). Despite property prices hovering at a high level, the various cooling measures introduced to curb rising property prices and speculative activities have started to gain traction. This was reflected in the slower increase in residential property prices at 8.1% while transactions fell 2.7% during the first half of 2014 (January – June 2013: 11%; 5.1%).

Growth in the non-residential subsector turned around sharply by 14% (January - June 2013: -1%) in line with healthy business activity during the first half of 2014. This was reflected by increased construction activities especially for commercial buildings with the incoming supply of shops increasing to 72,117 units (January - June 2013: 66,167 units). Industrial building grew significantly by 81.6% to 1,580 units (January - June 2013: 73.7%; 870 units), particularly in Johor, Selangor and Pulau Pinang. National occupancy rate of office buildings remained stable at 83.4% despite an additional 194,798 square metre space.

The residential subsector expanded strongly by 22.1% during the first half of 2014 (January - June 2013: 15.7%) supported by higher growth in incoming supply at 9.5% (January - June 2013: 15.3%). Meanwhile, new housing approvals increased significantly by 32.6% to 96,115 units (January - June 2013: 6.8%; 72,461 units). Despite the decline in housing by 5.3% to 70,346 units (January - June 2013: 21.1%; 74,270 units), residential activity is expected to remain stable.

The value of total property transactions increased to RM82 billion (January - June 2013: RM68.8 billion), with volume expanding 3.3% to 193,405 transactions during the first six months of 2014. Residential property transactions formed the bulk with a share of 63.5%. However, following several cooling measures imposed to curb speculative activity in the property sector, the number of residential property transactions decreased by 2.7% in the first half of 2014 (July - December 2013: 5.1%). During the same period, residential transactions declined in Kuala Lumpur (-4.8%) and Selangor (-2.1%), while Johor and Pulau Pinang registered positive growth of 17.5% and 2.7%, respectively. Meanwhile, the residential overhang declined 11.5% to 12,105 units during the first half of 2014 (January - June 2013: -15.1%; 13,673 units), with a total value of RM4.5 billion (January - June 2013: RM5 billion).

House prices in Malaysia continue to rise, albeit at a slower pace, and several measures to curb rising house prices since 2010. The increase in house prices was driven by strong demand following favourable labour market conditions and growing household income. The Malaysian House Price Index, which measures the change in prices paid for an average house, increased moderately by 6.6% in the second quarter of 2014, compared with 11.3% in the corresponding period in 2013. This was the lowest quarterly rate of increase since the third quarter of 2010. However, higher-than-average prices were recorded in Selangor (10.1%), Pulau Pinang (9.6%) and Kuala Lumpur (9.1%). The highest price increase was recorded for terrace houses, which grew 8.2% followed by high-rise units (7.9%), detached (2.5%) and semi-detached (2.4%) houses.

The residential subsector is expected to remain strong in view of the increased demand for housing, particularly from the middle-income group. Demand for affordable housing will remain favourable amid several Governments' initiatives such as 1Malaysia Housing Programme (PR1MA), *Rumah Idaman Rakyat* and *Rumah Mesra Rakyat*. The non-residential subsector is also expected to remain stable supported by encouraging demand for industrial and commercial buildings.

(Source: Economic Report 2014/2015, Ministry of Finance Malaysia)

In the Budget 2015, the Government also introduced the Youth Housing Scheme, a smart partnership between the Government, Bank Simpanan Nasional, the EPF and Cagamas; announced that more housing units will be built under PR1MA and extended the 50% stamp duty exemption until 31 December 2016 amongst measures to assist youths and first time home buyers.

*(Source: 2nd Half 2014 Real Estate Highlights, Knight Frank Research by Knight Frank Malaysia Sdn Bhd ("**Knight Frank Research**"))*

Outlook of the Klang Valley property market

Overall, the slew of macro prudential measures by the central bank has succeeded in cooling the property market. The market is anticipated to continue its lacklustre performance into 2015 amid uncertainties surrounding the implementation of the GST in April 2015. The recent plunge in crude oil prices and lower trade surplus could further undermine the country's economy and its property market especially if they are prolonged.

Ahead of the GST implementation in April 2015, more developers are expected to launch their projects in the coming months. In the high end condominium segment, demand continues to trail supply, and with an estimated 4,929 units anticipated to enter the market by the first half of 2015, coupled with the high level of existing supply in the market, the overall outlook is one of caution. Amid heightened competition and a challenging market environment, developers are expected to review their pricing and marketing strategies to ensure product differentiation in a move to improve the sales of their projects. More developers are also widening their target catchment by marketing overseas.

Malaysia is ranked 19th in the most desired destination for expatriates from 34 countries according to The Expat Explorer 2014 Survey commissioned by HSBC Expat while neighbouring ASEAN countries of Singapore and Thailand are ranked second and seventh respectively. Also, in the seventh Expat Explorer survey conducted by YouGov involving over 9,300 expatriates, Malaysia was placed 19th for quality of life, financial well-being and the ease of raising a family abroad with Switzerland, China and Singapore in the top three (3). The results of these surveys augur well for Malaysia in its effort to attract more foreign direct investments (FDI), expatriates and Malaysia My Second Home (MM2H) participants.

(Source: 2nd Half 2014 Real Estate Highlights, Knight Frank Research)

Outlook of the Iskandar Malaysia property market

Iskandar Malaysia continues to attract investments, both local and foreign. As of October 2014, the cumulative committed investment to the region stands at RM156.35 billion. In terms of foreign investment which accounts for approximately 37% of the total investments, Singapore topped the list with about RM12 billion, followed by the United States, Spain, Japan and China. To-date, RM77.17 billion or about 49% of the total investment has been realised. In a move to further encourage more positive investment opportunities in Iskandar Malaysia, the Prime Minister had in August 2014, announced that effective December, business visitors, foreign fund managers and investors are able to apply for a five-year multiple entry visa.

During the review period, absorption rates were noticeably slower, especially in the primary market impacted by the cooling measures effective January 2014. Although the residential sector continues to be the leading sub-sector in terms of transaction volume, launches of other property types such as office suites and industrial products by reputable developers have received good response with encouraging sales rates.

Despite the negative sentiments reported in both the local and Singapore media, the desire of Singaporeans to acquire homes in Iskandar Malaysia remains strong. The country is also in need to expand its manufacturing and productive sectors and Iskandar Malaysia appears to be the right choice due to its proximity, lower cost and business friendly environment. The impending construction of the High Speed Rail (HSR) and the Rapid Transit System (RTS) will further enhance and improve connectivity between the two (2) neighbours and this augurs well for the future growth of Iskandar Malaysia.

Going forward, the outlook for the Johor Bahru property market remains cautiously optimistic. The impact of the new GST to be implemented in first half of 2015 and the increase in toll rates on both sides of the causeway are being felt on all fronts of businesses.

(Source: 2nd Half 2014 Real Estate Highlights, Knight Frank Research)

Outlook of the Penang property market

The total proposed capital investments for Penang State from January to July 2014 stood at RM4.623 billion involving 95 projects. This is a significant improvement over the RM3.912 billion investment for 119 projects recorded for the whole of 2013.

With mounting inflationary measures and more cautious spending, the general outlook for the property market in Penang is not expected to be as robust as before. There was a slowdown in the primary market and residential property launches were reduced as developers are not as confident as before and some are adopting a "wait & see" attitude before committing to new launches. The secondary market, however, is relatively more active especially in the segment priced below RM500,000 per unit.

In the short term, the market for prime office buildings may still see moderate growth as occupancies are still at healthy levels.

(Source: 2nd Half 2014 Real Estate Highlights, Knight Frank Research)

6.3 Prospects of our Group

Since the start of 2014, we have entered into several major acquisitions, namely the Acquisitions, the Eco Sanctuary Land Acquisition and the Proposed Semenyih Land Acquisition, which will increase our Group's landbank by approximately 3,907.2 acres. Through these acquisitions, we are set to gain an immediate enlarged and active presence in the Klang Valley, Iskandar Malaysia and Penang with 10 projects in total and an expanded product range comprising affordable, upgrader and luxury homes, integrated high-rise developments and green business parks.

The table below sets out a brief summary of our projects pursuant to the said acquisitions:

Projects	Type of development	Location	Launch / Target launch	Estimated development period	Land area
					Acre
Ongoing projects:					
Eco Springs	Mixed commercial and residential development	Tebrau, Iskandar Malaysia	May 2014	6 to 8 years	613.8
Eco Botanic	Mixed commercial and residential development	Nusajaya, Iskandar Malaysia / Taman Pulai Indah, Johor Bahru	September 2013 / December 2014	6 years / 4 years	270.3/ 54.9
Eco Sky	Commercial development	Taman Wahyu, Kuala Lumpur	December 2013	4 years	9.6
Eco Majestic	Mixed commercial and residential development	Ulu Langat, Selangor	May 2014	10 to 12 years	1,073.1
Eco Business Park I	Mixed industrial, commercial and residential development	Tebrau, Iskandar Malaysia	May 2014	8 years	612.0
					2,633.7
Future projects:					
Eco Terraces	Residential development	Paya Terubong, Pulau Pinang	First half of 2015	4 years	12.8
Eco Business Park II	Mixed industrial and commercial development	Tebrau, Iskandar Malaysia	2016	6 years	383.6
Eco Meadows	Mixed commercial and residential development	Seberang Perai Selatan, Pulau Pinang	2016	6 years	75.7
Eco Sanctuary	Mixed commercial and residential development	Kota Kemuning, Selangor	Second half of 2015	8 years	308.7
Majestic Blossom	Mixed commercial and residential township	Semenyih, Selangor	2016	8 years	492.7
					1,273.5
Total					**3,907.2**

In addition, we had on 4 February 2015 entered into a subscription and shareholders' agreement with UDA Holdings Berhad ("**UDA**"), the EPF and BBCC Development Sdn Bhd ("**BBCC**") for the Proposed BBCC Share Subscription whereby together with UDA and EPF, we agreed to invest and fund BBCC as the vehicle to jointly develop the 18.4-acre of land located at the crossroads of Jalan Pudu and Jalan Hang Tuah ("**BBCC Land**") into a mixed residential and commercial hub to be known as the "Bukit Bintang City Centre" comprising, amongst others, a retail mall, an entertainment block, strata offices, office towers, a hotel and serviced residences ("**BBCC Development**").

For the year 2015, our new intended project launches will include Eco Sanctuary, a 308.72-acre development south of Kota Kemuning pursuant to the Eco Sanctuary Land Acquisition and Eco Terraces, a freehold 12.79-acre development located in Paya Terubong in Penang pursuant to the Development Rights Acquisitions. We will also be unveiling the new masterplans for Eco Tropics and Eco Business Park III in Iskandar Malaysia.

Eco Sanctuary will be our Group's flagship luxury project in the Klang Valley, showcasing the full spectrum of our eco-living concepts and development capabilities. It will offer landed homes incorporating intelligent and aesthetically pleasing designs with an emphasis on sustainability within gated and guarded residential enclaves. The development will also include commercial offerings situated in a beautifully-landscaped suburban sanctuary. Its accessibility via four (4) major highways in the Klang Valley is a strong point to draw buyers seeking a serene, safe and secure environment, away from the hustle and bustle of city life.

Eco Terraces, our maiden development in Penang will be a high-rise exclusive residential development with an existing natural waterfall on site. This gift of nature will serve as a focal point for the creation of visually arresting water features, complemented by a state-of-the-art clubhouse.

We also aim to introduce our revised master plan for Kota Masai in Pasir Gudang which will now comprise two (2) separate developments – a residential enclave named Eco Tropics as well as a green business park called Eco Business Park III. These projects will bring our Group's landed eco-living and green business park concepts to a new and upcoming development corridor, thereby further increasing our reach in the fast-growing Iskandar Malaysia economic region.

We believe that our Company is well positioned to face the property market given our established branding and experienced management team coupled with prime landbank in key growth areas focusing on residential township and industrial business park segments.

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7. EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

Where applicable, the proforma effects of the Placement in this Section are illustrated based on the following assumptions:

The number of Placement Shares to be issued is assumed to be 20% of our then issued and paid-up share capital as at the book-building date. Accordingly, based on our enlarged issued and paid-up share capital of 1,970,221,278 Shares (upon completion of the Rights Issue with Warrants), the total number of Placement Shares to be issued is assumed to be 394,044,255 Shares.

The Placement issue price is assumed to be RM1.70 for each Placement Share, representing a 10% discount to the TERP of our Shares of RM1.89 per Share based on the 5-day VWAMP of our Shares up to and including 16 February 2015, being the day before the Price-Fixing Date of RM2.23 per Share. Accordingly, the illustrative gross proceeds to be raised under the Placement are approximately RM669.9 million.

We wish to emphasise that the proforma effects for the Placement in this Section are based on the above assumptions which are strictly for illustration purposes only and should not be regarded as an indication or reference to the final issue price or size of the Placement, which will be determined by our Board and announced closer to the implementation of the Placement.

7.1 Issued and paid-up share capital

The Other Proposals will not have any effect on our issued and paid-up share capital.

The proforma effects of the Rights Issue with Warrants and Placement on our issued and paid-up share capital as at the LPD are set out below:

Issued and paid-up share capital	**Par value**	**No. of our ordinary shares**	**RM**
	RM		
As at the LPD	0.50	1,313,480,852	656,740,426
Add: Shares to be issued pursuant to the Rights Issue with Warrants	0.50	656,740,426	328,370,213
After the Rights Issue with Warrants	0.50	**1,970,221,278**	**985,110,639**
Add: Shares to be issued pursuant to the Placement	0.50	394,044,255	197,022,128
After the Placement	0.50	**2,364,265,533**	**1,182,132,767**
Add: Shares to be issued upon full exercise of the Warrants	0.50	525,392,340	262,696,170
Total enlarged issued and paid-up share capital	0.50	**2,889,657,873**	**1,444,828,937**

7.2 NA per share and gearing

The proforma effects of the Corporate Exercises, save for the Alteration and Increase in Authorised Share Capital, Amendments and MGO Exemption which do not have any effect on the NA and gearing of our Group, and the Other Proposals on the NA and gearing of our Group, prepared based on our latest audited consolidated statement of financial position as at 31 October 2014 and assuming that such exercises have been completed on 31 October 2014 is set out below:

		(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)
	Audited as at 31 October 2014	After the Eco Sanctuary Land Acquisition[1]	After (I) and the Share Split	After (II) and the Acquisitions and the Share Subscription	After (III) and the Rights Issue with Warrants	After (IV) and the Placement	After (V) and the Proposed Semenyih Land Acquisition[1]	After (VI) and the BBCC Land Proposals[1]	After (VII) and assuming full exercise of Warrants
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Share capital	253,317	253,317	253,317	656,740	985,110	1,182,132	1,182,132	1,182,132	1,444,828
Share premium	22	22	22	968,239	1,236,774[2]	1,700,584[3]	1,700,584	1,700,584	2,719,845
Warrant reserve	-	-	-	-	189,141[4]	189,141	189,141	189,141	-
Foreign currency translation reserve	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)
Retained earnings	72,530	72,050	72,050	72,227	67,771[5]	67,771	67,670	66,770	66,770
NA attributable to ordinary shareholders	325,863	325,383	325,383	1,697,200	2,478,790	3,139,622	3,139,521	3,138,621	4,231,437
Number of shares in issue (000)	253,317	253,317	506,634	1,313,481	1,970,221	2,364,266	2,364,266	2,364,266	2,889,658
Par value (RM)	1.00	1.00	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Consolidated NA per ordinary share (RM)	1.29	1.28	0.64	1.29	1.26	1.33	1.33	1.33	1.46
Cash and bank balances	43,423	28,423	28,423	213,973	213,973	767,801	760,646	759,746	1,852,562
Borrowings (RM 000)	240,675	664,282	664,282	2,011,477	1,226,905	1,119,901	1,322,699	1,430,699	1,430,699
Gearing (times)[6]	0.74	2.04	2.04	1.19	0.49	0.36	0.42	0.46	0.34

Notes:

(1) *Assuming the entire purchase consideration for the Eco Sanctuary Land Acquisition and Proposed Semenyih Land Acquisition and the BBCC Advances (as defined in Section 8.4 below) are funded by bank borrowings.*

(2) *After netting off share issuance expenses relating to the Corporate Exercises (save for placement fees under the Placement) amounting to RM2.0 million.*

(3) *After netting off placement fees under the Placement amounting to RM9.0 million.*

(4) *Based on fair value of Warrants of RM0.36 each.*

(5) *After netting off non-share issuance expenses relating to the Corporate Exercises amounting to RM4.5 million.*

(6) *Computed based on total borrowings divided by total NA attributable to ordinary shareholders.*

Please refer to the proforma consolidated statements of financial position of our Company as at 31 October 2014 together with the Reporting Accountants' letter in Appendix III of this Abridged Prospectus for further details on the proforma effects above.

7.3 Earnings and EPS

The proceeds to be raised from the Rights Issue with Warrants will be mainly utilised to partially finance and repay short-term borrowings undertaken by our Group to finance the Acquisitions and amounts payable pursuant to the Acquisitions (i.e. the Eco Macalister Repayment Amount, the EW Project Management Repayment Amount and the Total Reimbursable Sum). For the financial year ending 31 October 2015, our consolidated EPS will be diluted as a result of the increase in the number of Shares in issue upon completion of the Rights Issue with Warrants and Placement. Notwithstanding the above, the Rights Issue with Warrants is expected to contribute positively to our Group's future earnings when the expected profits from the developments of the Eco Macalister Lands and Lands pursuant to the Acquisitions are realised. The Placement is also expected to contribute positively to our Group's future earnings upon utilisation of the proceeds raised to fund our Group's business operations, business development and expansion activities.

There may be a further dilutive effect on our Company's consolidated EPS resulting from the future increase in the number of Shares in issue as and when the Warrants are exercised into new Shares pursuant to the Rights Issue with Warrants.

Nevertheless, any future proceeds to be received by our Company arising from the exercise of the Warrants will be utilised to fund any future land acquisitions and investment and/or working capital requirements as and when required by our Group and is expected to contribute positively to the future earnings of our Group.

The Other Proposals are expected to contribute positively to the future earnings and EPS of our Group.

8. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

8.1 Working capital

Our Board is of the opinion that after taking into consideration of the funds generated from our operations, banking facilities available, as well as the proceeds to be raised from the Rights Issue with Warrants and the Placement, our Group will have sufficient working capital available for a period of 12 months from the date of this Abridged Prospectus.

8.2 Borrowings

As at 31 December 2014, our Group had total outstanding borrowings of approximately RM295.7 million, all of which are interest-bearing, details of which are as follows:

	RM 000
Short term borrowings	
Secured:	
Term loans	99,493
Revolving credits	20,000
Sub total	**119,493**
Unsecured:	
Revolving credits	10,000
Sub total	**10,000**
Long term borrowings	
Secured:	
Term loans	166,178
Sub total	**166,178**
Total borrowings	**295,671**

Our Group has not defaulted on payments of either interest and/or principal sums in respect of any of our borrowings throughout the past 13-month financial period ended 31 October 2014 and the subsequent financial period up to the LPD.

8.3 Contingent liabilities

As at 31 December 2014, there are no contingent liabilities incurred or known to be incurred by our Group which may, upon becoming enforceable, have a material impact on financial position or the business of our Group's profits or NA.

8.4 Material commitments

As at 31 December 2014, save as disclosed below, there are no material commitments contracted or known to be contracted by our Group:

	RM 000
Contractual commitment to purchase development land	202,798[(1)]
Contractual commitment for the Development Rights Acquisition	1,789,424[(2)]
Contractual commitment for the Total Reimbursable Sum	211,687[(3)]
Contractual commitment for the Eco Macalister Acquisition and EW Project Management Acquisition	*[(4)]
Contractual commitment for acquisition of property, plant and equipment	13,856
Operating lease commitment	3,781
	2,221,546

Notes:

(1) *Represents the balance purchase considerations for the Proposed Semenyih Land Acquisition which is expected to be funded through a combination of internally-generated funds and/or bank borrowings.*

(2) *Represents the balance of the Net Landowners Consideration (as defined in Section 4.2 above) payable as at 31 December 2014.*

As at the LPD, approximately RM1,560.4 million of the Net Landowners Consideration was paid by the Developers to the Landowners. The balance of the Net Landowners Consideration of RM317.8 million shall be paid by the Developers to the Landowners within three (3) months from 8 January 2015, being the unconditional date of the Development Rights Acquisition with the proceeds to be raised from the Rights Issue with Warrants.

(3) *The Total Reimbursable Sum is to be reimbursed by the Developers to the Landowners within three (3) months from 6 February 2015, being the date of completion of the Development Rights Acquisition through a combination of bank borrowings, proceeds to be raised from the Rights Issue with Warrants and/or proceeds to be raised from the Placement.*

(4) *Represents RM4.00 which was settled by our Company to EW Sdn Bhd on 6 February 2015.*

Notwithstanding the above, subsequent to 4 February 2015, on which our Company had entered into a subscription and shareholders' agreement pursuant to the Proposed BBCC Share Subscription and joint development agreement pursuant to the Proposed Joint BBCC Development, our Company is required to advance an estimated aggregate sum of RM106.0 million to BBCC (as defined in Section 6.3 above) ("**BBCC Advances**") to finance the initial costs for the Proposed BBCC Share Subscription and the first payment to UDA (as defined in Section 6.3 above) for granting the developments rights of the BBCC Land (as defined in Section 6.3 above) to BBCC which is expected to be funded through a combination of internally-generated funds and/or bank borrowings. The said material commitments have not taken into consideration the second and final payments of an aggregate of RM305.4 million to UDA for granting such developments rights to BBCC as the actual mode of settlement for such amounts cannot be ascertained at this juncture.

9. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE/TRANSFER AND EXCESS APPLICATION

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS, APPLICATION AND PAYMENT FOR THE EXCESS RIGHTS SHARES AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEE(S) AND/OR TRANSFEREE(S) (IF APPLICABLE) WISH TO SELL/TRANSFER ALL OR ANY PART OF YOUR/THEIR ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE ACCOMPANYING RSF.

YOU AND/OR YOUR RENOUNCEE(S) AND/OR TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY. IN ACCORDANCE WITH THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THIS ABRIDGED PROSPECTUS.

9.1 General

The Provisional Allotments are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in such Provisional Allotments will be by book entries through CDS Accounts and will be governed by the SICDA, the Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository. As an Entitled Shareholder, you and/or your renouncee(s) and/or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making applications to subscribe for the Rights Shares and Warrants.

If you are an Entitled Shareholder, your CDS Account will be duly credited with the number of Provisional Allotments, which you are entitled to subscribe for in full or in part under the terms of the Rights Issue with Warrants.

If you are an Entitled Shareholder, you will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such Provisional Allotments into your CDS Account and the RSF to enable you to subscribe for such Rights Shares and Warrants provisionally allotted to you, as well as to apply for Excess Rights Shares if you choose to do so.

9.2 Last date and time for acceptance and payment

The last date and time for acceptance of and payment for the Provisional Allotments (whether in full or in part) is **20 March 2015** at **5.00 p.m.**, or such later date and time as our Board and the Joint Underwriters may, at their absolute discretion, decide and announce, but not less than two (2) Market Days before such stipulated date and time.

9.3 Procedures for acceptance and payment

ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS TO YOU AS AN ENTITLED SHAREHOLDER MUST BE MADE ON THE RSF ENCLOSED WITH THIS ABRIDGED PROSPECTUS AND MUST BE COMPLETED IN ACCORDANCE WITH THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. ACCEPTANCES WHICH DO NOT CONFORM TO THE TERMS OF THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN OR WHICH ARE ILLEGIBLE MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

If you wish to accept the Provisional Allotments, either in full or in part, please complete Parts I and II of the RSF in accordance with the notes and instructions provided therein, and despatch **BY ORDINARY POST, COURIER** or **DELIVERED BY HAND** (at your own risk) each completed RSF together with the relevant payment using the envelope provided (at your own risk) to our Share Registrar at the following address:

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Malaysia

Tel. no.: +603 2084 9000
Fax no.: +603 2094 9940/+603 2095 0292

so as to arrive **not later than 5.00 p.m. on 20 March 2015**, being the last time and date for acceptance and payment, or such later date and time as our Board and the Joint Underwriters may, at their absolute discretion, decide and announce, but not less than two (2) Market Days before such stipulated date and time.

One (1) RSF can only be used for acceptance of Provisional Allotments standing to the credit of one (1) CDS Account. Separate RSFs must be used for separate CDS Account(s). The Rights Shares and Warrants subscribed by you in accordance with the procedures set out in the RSF will be credited into the respective CDS Accounts where the Provisional Allotments are standing to the credit.

A reply envelope is enclosed in this Abridged Prospectus. In order to facilitate the processing of the RSF by our Share Registrar, you are advised to use one (1) reply envelope for each completed RSF.

You should take note that a trading board lot for the Rights Shares and Warrants will comprise of 100 Rights Shares and 100 Warrants each respectively. Successful applicants of the Rights Shares will be given Warrants on the basis of four (4) Warrants for every five (5) Rights Shares successfully subscribed for. The minimum number of Rights Shares that can be accepted is one (1) Rights Share. However, four (4) Warrants will be issued for every five (5) Rights Shares subscribed.

Each completed RSF must be accompanied by remittance in RM for the full and exact amount payable for the Rights Shares and Warrants accepted, in the form of banker's draft(s), cashier's order(s), money order(s) or postal order(s) drawn on a bank or post office in Malaysia crossed "**A/C Payee Only**" and made payable to "**ECO WORLD RIGHTS SHARES ACCOUNT**" and endorsed on the reverse side with the name, address and CDS Account of the applicant in block letters to be received by our Share Registrar.

If acceptance of and payment for the Provisional Allotments (whether in full or in part) is not received by our Share Registrar by 5.00 p.m. on 20 March 2015, being the last time and date for acceptance and payment, or such later date and time as our Board and the Joint Underwriters may, at their absolute discretion, decide and announce, but not less than two (2) Market Days before such stipulated date and time, you will be deemed to have declined the Provisional Allotments made to you and it will be cancelled. Such Rights Shares and Warrants not taken up will be allotted to the applicants applying for Excess Rights Shares, and subsequently, to the Joint Underwriters, if the Rights Shares and Warrants are not fully taken up by such applicants in the manner as set out in Section 9.6 of this Abridged Prospectus.

If you lose, misplace or for any other reasons require another copy of the Abridged Prospectus and/or the RSF, you may obtain additional copies from your stockbrokers, Bursa Securities' website, our Share Registrar at the address stated above or our Registered Office. **APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.**

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES AND WARRANTS, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND FORWARDED BY ORDINARY POST TO THEM AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL ALLOTMENTS OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

YOU SHOULD NOTE THAT THE RSFS SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

PROOF OF TIME OF POSTAGE SHALL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT OR TO ACCEPT IN PART ONLY ANY APPLICATION WITHOUT PROVIDING ANY REASONS.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

Notification on the outcome of your application for the Provisional Allotments will be despatched to you by ordinary post to the address as shown in Bursa Depository's record at your own risk within the timelines as follows:

(i) successful application – a notice of allotment will be despatched within eight (8) Market Days from the last day for acceptance of and payment for the Provisional Allotments; or

(ii) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last day for acceptance of and payment for the Provisional Allotments.

9.4 Procedures for sale or transfer of Provisional Allotments

As the Provisional Allotments are prescribed securities which will be traded on Bursa Securities commencing from 6 March 2015 to 5.00 p.m. on 12 March 2015, you may sell all or part of your entitlement to the Rights Shares and Warrants during such period. You may transfer all or part of your entitlement to the Rights Shares and Warrants from 6 March 2015 to 4.00 p.m. on 17 March 2015.

Should you wish to sell or transfer all or part of your entitlement to one (1) or more person(s), you may do so through your stockbrokers without first having to request for a split of the Provisional Allotments standing to the credit of your CDS Account. You may sell such entitlement on Bursa Securities or transfer to such persons as may be allowed pursuant to the Rules of Bursa Depository, both for the period up to the last date and time for the sale or transfer of the Provisional Allotments.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. IN SELLING OR TRANSFERRING ALL OR PART OF YOUR PROVISIONAL ALLOTMENTS, YOU NEED NOT DELIVER ANY DOCUMENT INCLUDING THE RSF, TO ANY STOCKBROKER. HOWEVER, YOU MUST ENSURE THAT THERE ARE SUFFICIENT PROVISIONAL ALLOTMENTS STANDING TO THE CREDIT OF YOUR CDS ACCOUNTS THAT ARE AVAILABLE FOR SETTLEMENT OF THE SALE OR TRANSFER.

If you have sold or transferred only part of the Provisional Allotments, you may still accept the balance of the Provisional Allotments by completing Parts I(A) and II of the RSF. Please refer to Section 9.3 of this Abridged Prospectus for the procedures for acceptance and payment.

9.5 Procedures for acceptance by renouncee(s) and/or transferee(s)

Renouncees or transferees who wish to accept the Provisional Allotments must obtain a copy of the RSF from their stockbrokers, Bursa Securities' website, our Share Registrar or our Registered Office.

Please complete the RSF in accordance with the notes and instructions printed therein and submit the same together with the remittance to our Share Registrar at the address as stated in Section 9.3 above.

As a renouncee or transferee, the procedures for acceptance, payment, selling and transferring of the Provisional Allotments are the same as that applicable to our Entitled Shareholders as set out in Sections 9.3 and 9.4 of this Abridged Prospectus.

RENOUNCEE(S) AND/OR TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND RSF CAREFULLY.

9.6 Procedures for application for Excess Rights Shares

If you are an Entitled Shareholder, you and/or your renouncee(s) and/or transferee(s) (if applicable) may apply for Excess Rights Shares in addition to your Provisional Allotments. If you wish to do so, please complete Part I(B) of the RSF (in addition to Parts I(A) and II) and forward it (together with a **separate remittance** for the full and exact amount payable in respect of the Excess Rights Shares applied for) using the envelope provided (at your own risk) to our Share Registrar at the address stated in Section 9.3 above, so as to arrive **not later than 5.00 p.m. on 20 March 2015**, being the last time and date for acceptance and payment, or such later date and time as our Board and the Joint Underwriters may, at their absolute discretion, decide and announce, but not less than two (2) Market Days before such stipulated date and time.

Payment for the Excess Rights Shares applied for should be made in the same manner as described in Section 9.3 above, except that the banker's draft(s), cashier's order(s), money order(s) or postal order(s) drawn on a bank or post office in Malaysia crossed "**A/C Payee Only**" should be made payable to "**ECO WORLD EXCESS RIGHTS SHARES ACCOUNT**" and endorsed on the reverse side with the name, address and CDS Account of the applicant in block letters to be received by our Share Registrar.

It is the intention of our Board to allot the Excess Rights Shares, if any, in a fair and equitable manner to our Entitled Shareholders and/or their renouncee(s) and/or transferee(s) who have applied for the Excess Rights Shares in the following priority:

(i) firstly, to minimise the incidence of odd lots;

(ii) secondly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares on a pro-rata basis and in board lot, calculated based on their respective shareholdings as per their CDS Account as at the Entitlement Date;

(iii) thirdly, for allocation to Entitled Shareholders who have applied for Excess Rights Shares on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights Shares applied for;

(iv) fourthly, for allocation to renouncee(s) and/or transferee(s) who have applied for Excess Rights Shares on a pro-rata basis and in board lot, calculated based on the quantum of Excess Rights Shares applied for;

(v) in the event of any Excess Rights Shares balance after the above allocations are completed, the balance will be allocated in the processes set out in (ii) to (iv) above; and

(vi) in the event that there are still unsubscribed Rights Shares after allocating all the Excess Rights Shares applied for, the remaining unsubscribed Rights Shares will be subscribed by the Joint Underwriters in accordance with the terms and conditions set out in the Underwriting Agreement.

Nevertheless, our Board reserves the right to allot the Excess Rights Shares applied for under Part I(B) of the RSF in such manner as our Board deems fit and expedient, and in the best interest of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board set out in (i) to (iv) above is achieved.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

PROOF OF TIME OF POSTAGE SHALL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR SHARE REGISTRAR. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT OR TO ACCEPT IN PART ONLY ANY APPLICATION WITHOUT PROVIDING ANY REASONS.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

Notification on the outcome of your application for the Excess Rights Shares will be despatched to you by ordinary post to the address as shown in Bursa Depository's records at your own risk within the timelines as follows:

(i) successful application – a notice of allotment will be despatched within eight (8) Market Days from the last day for application of and payment for the Excess Rights Shares; or

(ii) unsuccessful/partially successful application – the full amount or the surplus application monies, as the case may be, will be refunded without interest within 15 Market Days from the last day for application of and payment for the Excess Rights Shares.

9.7 Form of issuance

Bursa Securities has already prescribed our Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Bursa Securities has also approved the admission and listing of and quotation for the Warrants on Bursa Securities. Accordingly, the Rights Shares and Warrants are prescribed securities and as such, the SICDA, Securities Industry (Central Depositories) (Amendment) Act, 1998 and the Rules of Bursa Depository shall apply in respect of the dealings in the said securities.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS Account number may result in the application being rejected.

No physical share or warrant certificate shall be issued to you under the Rights Issue with Warrants. Instead, the Rights Shares and Warrants will be credited directly into your CDS Accounts.

Any person who intends to subscribe for the Rights Shares and Warrants as a renouncee(s) and/or transferee(s) by purchasing the Provisional Allotments from an Entitled Shareholder will have his Rights Shares and Warrants credited directly as prescribed securities into his CDS Account.

The Excess Rights Shares, if allotted to the successful applicant who applies for Excess Rights Shares, will be credited directly as prescribed securities into his CDS Account.

9.8 Laws of foreign jurisdictions

The Documents have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any jurisdiction other than Malaysia. The Rights Issue with Warrants to which the Documents relate is only available to Entitled Shareholders receiving the Documents electronically or otherwise within Malaysia.

The Documents are not intended to be (and will not be) issued, circulated or distributed, and the Rights Issue with Warrants will not be made or offered or deemed made or offered in any country or jurisdiction other than Malaysia or to persons who are or may be subject to the laws of any country or jurisdiction other than the laws of Malaysia. No action has been or will be taken to ensure that either the Rights Issue with Warrants or the Documents comply with the laws of any country or jurisdiction other than the laws of Malaysia.

Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so.

The Joint Principal Advisers, the Joint Underwriters, our Company and our Directors and officers (collectively, the "**Parties**") would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) are or may be subject. Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject. The Parties shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

Accordingly, the Documents will not be sent to the Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) may collect the Documents from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid Documents.

The Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we shall be entitled to be fully indemnified and held harmless by such Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. They will have no claims whatsoever against the Parties in respect of their rights and entitlements under the Rights Issue with Warrants. Such Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing any of the forms in the Documents, the Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) the Parties that:

(i) the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which those Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) are or may be subject to;

(ii) Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation;

(iii) Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdiction to which that person is or may be subject to;

(iv) Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) are aware that the Provisional Allotments can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;

(v) Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) have obtained a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the Parties and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares and Warrants; and

(vi) Foreign Addressed Shareholders and/or their renouncee(s) and/or transferee(s) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares and Warrants, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares and Warrants.

Persons receiving the Documents (including without limitation custodians, nominees and trustees) must not, in connection with the Rights Issue with Warrants, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations.

No person in any territory outside of Malaysia receiving this Abridged Prospectus and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for or acquire any Rights Shares and Warrants unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

We reserve the right, in our absolute discretion, to treat any acceptance as invalid, if we believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional Allotments relating to any acceptance which is treated as invalid will be included in the pool of Excess Rights Shares available for excess application by the other Entitled Shareholders. You and/or your renouncee(s) and/or transferee(s) (if applicable) will also have no claims whatsoever against the Parties in respect of your, and/or your renouncee(s)'s and/or transferee(s)'s entitlement under the Rights Issue with Warrants or to any net proceeds thereof.

10. TERMS AND CONDITIONS

The issuance of the Rights Shares and Warrants pursuant to the Rights Issue with Warrants is governed by the terms and conditions as set out in the Documents.

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11. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully
For and on behalf of the Board of
ECO WORLD DEVELOPMENT GROUP BERHAD

TAN SRI ABDUL RASHID BIN ABDUL MANAF
Non-Independent Non-Executive Chairman

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APPENDIX I

CERTIFIED TRUE COPY OF THE EXTRACT OF THE RESOLUTIONS PERTAINING TO THE CORPORATE EXERCISES PASSED AT OUR EGM HELD ON 12 DECEMBER 2014

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No. 17777-V)
(Incorporated in Malaysia)

EXTRACT OF MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT BALLROOM 3, LEVEL 2, INTERCONTINENTAL KUALA LUMPUR, 165, JALAN AMPANG, 50450 KUALA LUMPUR, WILAYAH PERSEKUTUAN ON FRIDAY, 12 DECEMBER 2014 AT 9:30 A.M.

1.0 ORDINARY RESOLUTION 4
- PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EACH OF THE EXISTING ORDINARY SHARES OF RM1.00 EACH IN EW BERHAD INTO TWO (2) ORDINARY SHARES OF RM0.50 EACH ("PROPOSED SHARE SPLIT")

Mr. Chairman informed the Meeting that the item 4 of the Agenda was to approve the Ordinary Resolution 4 for the Proposed Share Split.

Upon the proposal by Mr. Hon *(a shareholder)*, and seconded by Ms. Florence Yeo Bee Ee *(proxy for Ms. Tang Pei Eee)*, the Meeting *(on a show of hands)* unanimously **RESOLVED** that the following Ordinary Resolution 4 be **APPROVED**:-

ORDINARY RESOLUTION 4

PROPOSED SHARE SPLIT INVOLVING THE SUBDIVISION OF EACH OF THE EXISTING ORDINARY SHARES OF RM1.00 EACH IN EW BERHAD INTO TWO (2) ORDINARY SHARES OF RM0.50 EACH ("PROPOSED SHARE SPLIT")

THAT *subject to the passing of Ordinary Resolutions 1, 2, 3, 5, 6, 7, 8, 9 and Special Resolution 1, the approval of Bursa Malaysia Securities Berhad ("**Bursa Securities**") for the listing of and quotation for the new ordinary shares of RM0.50 each in the Company ("**EW Berhad Shares**") on the Main Market of Bursa Securities and the approvals of any other relevant authorities and/or parties (where required), approval be and is hereby given to the Board to subdivide each of the existing fully paid-up ordinary shares of RM1.00 each in the existing issued and paid-up share capital of the Company held by the registered shareholders of the Company whose names appear in the Record of Depositors of the Company at close of business on an entitlement date to be determined later by the Board, into two (2) ordinary shares of RM0.50 each credited as fully paid-up and that such new EW Berhad Shares, after the Proposed Share Split shall, upon allotment and issuance, rank pari passu in all respects with each other;*

AND THAT *the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Share Split.*

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(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

2.0 ORDINARY RESOLUTION 6
- PROPOSED RENOUNCEABLE RIGHTS ISSUE OF NEW EW BERHAD SHARES ("RIGHTS SHARES") TOGETHER WITH FREE DETACHABLE WARRANTS ("WARRANTS") TO RAISE GROSS PROCEEDS OF APPROXIMATELY RM788.0 MILLION ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

Mr. Chairman informed the Meeting that the next item on the Agenda was to approve the Ordinary Resolution 6 for the Proposed Rights Issue with Warrants.

Upon the proposal by Mr. Hon *(a shareholder)*, and seconded by Mr. Ong Wee Kuan *(a shareholder)*, the Meeting *(on a show of hands)* unanimously **RESOLVED** that the following Ordinary Resolution 6 be **APPROVED**:-

ORDINARY RESOLUTION 6

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF NEW EW BERHAD SHARES ("RIGHTS SHARES") TOGETHER WITH FREE DETACHABLE WARRANTS ("WARRANTS") TO RAISE GROSS PROCEEDS OF APPROXIMATELY RM788.0 MILLION ("PROPOSED RIGHTS ISSUE WITH WARRANTS")

THAT *subject to the passing of Ordinary Resolutions 1, 2, 3, 4, 5, 7, 8, 9 and Special Resolution 1, the approval of Bursa Securities for the admission of the Warrants to the Official List of Bursa Securities, as well as the listing of and quotation for the Warrants, Rights Shares and new EW Berhad Shares to be issued arising from the exercise of the Warrants and the approvals of any other relevant authorities and/or parties (where required), approval be and is hereby given to the Director of the Company to:*

*(i) provisionally allot and issue by way of a renounceable rights issue, such number of Rights Shares to be determined later, to raise gross proceeds of approximately RM788.0 million, to the entitled shareholders of the Company whose names shall appear in the Record of Depositors of the Company at a close of business on an entitlement date to be determined later by the Board ("**Entitled Shareholders**"), or their renouncee(s), to be credited as fully paid-up upon full payment, on the entitlement basis and at the issue price to be determined by the Board at a later date, which shall be a date after the completion of the Proposed Share Split and Proposed Share Subscription;*

(ii) allot and issue such number of Warrants to the Entitled Shareholders and/or their renouncee(s) who subscribed for the Rights Shares, at an exercise price and entitlement basis to be determined by the Board at a later date;

*(iii) constitute the Warrants upon the terms and conditions of a deed poll to be executed by the Company ("**Deed Poll**");*

*(iv) allot and issue such number of additional Warrants ("**Additional Warrants**") pursuant to the adjustments under the Deed Poll and to adjust from time to time the exercise price of the Warrants as may be required or permitted to be issued/adjusted as a result of any adjustments under the provisions of the Deed Poll and/or to effect such modifications, variations and/or amendments as may be imposed, required or permitted*

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by Bursa Securities and any other relevant authorities or parties or otherwise during the tenure of the Warrants; and

(v) allot and issue such number of new EW Berhad Shares arising from the exercise of Warrants and such number of new EW Berhad Shares arising from the exercise of the Additional Warrants during the tenure of the Warrants;

***THAT** any Rights Shares which are not taken up or not validly taken up shall be made available for excess applications by the Entitled Shareholders and/or their renouncee(s) and the Board be and is hereby authorised to allocate the excess Rights Shares in a fair and equitable manner on a basis to be determined by the Board in their absolute discretion;*

***THAT** the Board be and is hereby authorised to deal with all or any fractional entitlements under the Proposed Rights Issue with Warrants, in such manner as the Board in its absolute discretion deems fit and in the best interest of the Company;*

***THAT** the proceeds of the Proposed Rights Issue with Warrants be utilised for the purposes as set out in Section 2.6.3 of the circular to shareholders of the Company dated 20 November 2014 ("**Circular**"), and the Board be authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject to the approval of the relevant authorities, where required;*

***THAT** such Rights Shares and new EW Berhad Shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank pari passu in all respects with the then EW Berhad Shares, save and except that they shall not entitle the holders to any dividend, right, allotment and/or other distribution, that may be declared, made or paid prior to the date of allotment of the Rights Shares and new EW Berhad Shares to be issued arising from the exercise of the Warrants;*

***THAT** any one of the Directors of the Company be and is hereby authorised to enter into and execute the Deed Poll and to do all acts, deeds and things as he may deem fit or expedient in order to implement, finalise and give full effect to the aforesaid Deed Poll;*

***THAT** the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents (including underwriting agreement) as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Rights Issue with Warrants;*

***AND THAT** this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein which is made pursuant to an offer, agreement or option and shall continue in full force and effect until all the Rights Shares, Warrants and new EW Berhad Shares to be issued arising from the exercise of the Warrants have been duly allotted and issued in accordance with the terms of the Proposed Rights Issue with Warrants.*

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(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

3.0 ORDINARY RESOLUTION 7
- PROPOSED PRIVATE PLACEMENT OF NEW EW BERHAD SHARES, REPRESENTING UP TO 20% OF THE THEN ISSUED AND PAID-UP SHARE CAPITAL OF EW BERHAD ("PLACEMENT SHARES") ("PROPOSED PLACEMENT")

The Meeting noted that the next item on the Agenda was to approve the Ordinary Resolution 7 for the Proposed Placement.

Upon the proposal by Ms. Wong Shueu Yann *(a shareholder)*, and seconded by Ms. Yeo Chiou Yean *(proxy for Dato' Voon Tin Yow)*, the Meeting *(on a show of hands)* unanimously **RESOLVED** that the following Ordinary Resolution 7 be **APPROVED**:-

ORDINARY RESOLUTION 7

PROPOSED PRIVATE PLACEMENT OF NEW EW BERHAD SHARES, REPRESENTING UP TO 20% OF THE THEN ISSUED AND PAID-UP SHARE CAPITAL OF EW BERHAD ("PLACEMENT SHARES") ("PROPOSED PLACEMENT")

***THAT** subject to the passing of Ordinary Resolutions 1, 2, 3, 4, 5, 6, 8, 9 and Special Resolution 1, the approval of Bursa Securities for the listing of and quotation for the Placement Shares on the Main Market of Bursa Securities and the approvals of any other relevant authorities and/or parties (where required), approval be and is hereby given to the Directors of the Company to allot and issue up to 20% of the then issued and paid-up share capital of the Company after the completion of the Proposed Share Split, Proposed Share Subscription and Proposed Rights Issue with Warrants, to investors to be identified via a book-building exercise process and shall be fixed based on the higher of the following:*

(i) not more than 10% discount to the 5-day volume weighted average market price of the EW Berhad Shares immediately prior to the price fixing date of the Placement Shares; or

(ii) the par value of the EW Berhad Shares;

***THAT** the proceeds of the Proposed Placement be utilised for the purposes as set out in Section 2.7.3 of the Circular, and the Board be authorised with full powers to vary the manner and/or purpose of utilisation of such proceeds in such manner as the Board may deem fit, necessary and/or expedient, subject to the approval of the relevant authorities, where required;*

***THAT** the Placement Shares shall, upon allotment and issuance, rank pari passu in all respects with the then EW Berhad Shares, save and except that the Placement Shares shall not entitle their holders to any dividend, right, allotment and/or other distribution, that may be declared, made or paid prior to the date of allotment of the Placement Shares;*

***AND THAT** the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner*

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as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Placement.

4.0 ORDINARY RESOLUTION 8
- PROPOSED ALTERATION AND INCREASE IN THE AUTHORISED SHARE CAPITAL OF EW BERHAD ("PROPOSED ALTERATION AND INCREASE IN AUTHORISED SHARE CAPITAL")

Mr. Chairman informed the Meeting that the next item on the Agenda was to approve the Ordinary Resolution 8 for the Proposed Alteration and Increase in Authorised Share Capital.

Upon the proposal by Ms. Chen Sue Ann *(proxy for Datuk Ong Kek Seng)*, and seconded by Mr. Hon *(a shareholder)*, the Meeting *(on a show of hands)* unanimously **RESOLVED** that the following Ordinary Resolution 8 be **APPROVED**:-

ORDINARY RESOLUTION 8

PROPOSED ALTERATION AND INCREASE IN THE AUTHORISED SHARE CAPITAL OF EW BERHAD ("PROPOSED ALTERATION AND INCREASE IN AUTHORISED SHARE CAPITAL")

THAT *subject to the passing of Ordinary Resolutions 1, 2, 3, 4, 5, 6, 7, 9 and Special Resolution 1, and approvals being obtained from all relevant authorities and/or parties (where required), the authorised share capital of the Company which is RM300,000,000 divided into 300,000,000 ordinary shares of RM1.00 each be altered by subdividing the 300,000,000 ordinary shares of RM1.00 each into 600,000,000 ordinary shares of RM0.50 each and be further increased from RM300,000,000 comprising 600,000,000 ordinary shares of RM0.50 each to RM2,000,000,000 comprising 4,000,000,000 ordinary shares of RM0.50 each by the creation of additional 3,400,000,000 new ordinary shares of RM0.50 each and such new ordinary shares shall rank pari passu in all respects with the existing issued and paid-up ordinary shares in the capital of the Company;*

AND THAT *the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Alteration And Increase In Authorised Share Capital.*

5.0 SPECIAL RESOLUTION 1
- PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF EW BERHAD ("PROPOSED AMENDMENTS")

Mr. Chairman further informed the Meeting that the next item on the Agenda was to approve the Special Resolution 1 for the Proposed Amendments.

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(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

Upon the proposal by Mr. Hon *(a shareholder)*, and seconded by Mr. Aaron Loh Kuok Chern *(proxy for Mr. Ngu Poi Shu)*, the Meeting *(on a show of hands)* unanimously **RESOLVED** that the following Special Resolution 1 be **APPROVED**:-

SPECIAL RESOLUTION 1

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF EW BERHAD ("PROPOSED AMENDMENTS")

THAT *subject to the passing of Ordinary Resolutions 1, 2, 3, 4, 5, 6, 7, 8 and 9, and approvals being obtained from all relevant authorities and/or parties (where required), the Memorandum and Articles of Association of the Company be amended as follows to facilitate the Proposed Alteration And Increase In Authorised Share Capital:*

Existing clause/Article no.	***Existing provision***	***Proposed Amendments***
Clause 6 of the Memorandum of Association	*The authorised share capital of the Company at the date of adoption of this Memorandum of Association is Malaysian Ringgit Three Hundred Million (RM300,000,000.00) divided into 300,000,000 shares of Malaysian Ringgit One (RM1/-) each.*	*The authorised share capital of the Company is RM2,000,000,000.00 divided into 4,000,000,000 ordinary shares of RM0.50 each.*
Article 3 of the Articles of Association	*The authorised capital of the Company at the date of the adoption of these Articles is Malaysian Ringgit Three Hundred Million (RM300,000,000.00) divided into 300,000,000 shares of Malaysian Ringgit One (RM1/-) each.*	*The authorised share capital of the Company is RM2,000,000,000.00 divided into 4,000,000,000 ordinary shares of RM0.50 each.*

AND THAT *the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Amendments.*

The Meeting then proceeded to vote on items 1, 2, 3, 5 and 9 of the Agenda which were to be voted by way of poll. The Meeting noted that Article 66 of the Articles of Association of the Company provides among other things that if a poll is to be conducted, it shall be taken in such manner as the Chairman directs.

The Company Secretary then briefed the Meeting on the polling process before Mr. Chairman called the Meeting to vote on Ordinary Resolutions 1, 2, 3, 5 and 9 by way of poll.

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(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

After the briefing, the Meeting proceeded with the voting. The representatives of the Scrutineers and the Share Registrar then collected the poll forms for counting in an adjacent room.

Mr. Chairman then adjourned the Meeting and all present were invited to proceed to the foyer for a coffee break while waiting for the Scrutineers to complete the counting and tabulating of votes.

The Meeting resumed at 11:00 a.m. and Mr. Chairman called the Meeting to order at 11:00 a.m. for the announcement of the polling results for items 1, 2, 3, 5 and 9 of the Agenda.

The Scrutineers was invited to announce the results of the poll. The results were as follows:-

6.0 ORDINARY RESOLUTION 1
- PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN ECO MACALISTER DEVELOPMENT SDN. BHD. (FORMERLY KNOWN AS BINTANG DEDIKASI SDN. BHD.) ("ECO MACALISTER") ("PROPOSED ECO MACALISTER ACQUISITION")

Results of the poll:-

	No. of Shares Voted		No. of Shareholders Voted	
	No. of Shares	**%**	**No. of Shareholders**	**%**
IN FAVOUR	34,432,529	99.35	107	98.16
AGAINST	225,200	0.647	1	0.92
ABSTAINED	-	-	-	-
SPOILT	1,000	0.003	1	0.92
TOTAL	34,658,729	100	109	100

Based on the poll results, the Chairman informed that the Ordinary Resolution 1 was carried with 34,432,529 shares in number representing 99.35% of the vote cast by shareholders and proxy holders present and voting.

The Meeting *(on a poll)* **RESOLVED** that the following Ordinary Resolution 1 be **CARRIED**:-

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(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

ORDINARY RESOLUTION 1

PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN ECO MACALISTER DEVELOPMENT SDN BHD (FORMERLY KNOWN AS BINTANG DEDIKASI SDN BHD) ("ECO MACALISTER") ("PROPOSED ECO MACALISTER ACQUISITION")

THAT *subject to the passing of Ordinary Resolutions 2, 3, 4, 5, 6, 7, 8, 9 and Special Resolution 1, and approvals and consents being obtained from all relevant authorities and/or parties (where applicable), approval be and is hereby given to the Company to acquire two (2) ordinary shares of RM1.00 each in Eco Macalister, representing 100% equity interest in Eco Macalister, from Eco World Development Sdn Bhd ("**EW Sdn Bhd**") for a cash consideration of RM2.00, subject to and upon the terms and conditions set out in the conditional share sale and purchase agreement dated 25 April 2014 entered into between EW Sdn Bhd and the Company in relation to the Proposed Eco Macalister Acquisition;*

AND THAT *the Board of Directors of the Company ("**Board**") be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Eco Macalister Acquisition.*

7.0 ORDINARY RESOLUTION 2
- PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN ECO WORLD PROJECT MANAGEMENT SDN. BHD. ("EW PROJECT MANAGEMENT") ("PROPOSED EW PROJECT MANAGEMENT ACQUISITION")

Results of the poll:-

	No. of Shares Voted		No. of Shareholders Voted	
	No. of Shares	**%**	**No. of Shareholders**	**%**
IN FAVOUR	34,432,529	99.35	107	98.16
AGAINST	225,200	0.647	1	0.92
ABSTAINED	-	-	-	-
SPOILT	1,000	0.003	1	0.92
TOTAL	34,658,729	100	109	100

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Based on the poll results, the Chairman informed that the Ordinary Resolution 2 was carried with 34,432,529 shares in number representing 99.35% of the vote cast by shareholders and proxy holders present and voting.

The Meeting *(on a poll)* **RESOLVED** that the following Ordinary Resolution 2 be **CARRIED**:-

ORDINARY RESOLUTION 2

PROPOSED ACQUISITION OF 100% EQUITY INTEREST IN ECO WORLD PROJECT MANAGEMENT SDN BHD ("EW PROJECT MANAGEMENT") ("PROPOSED EW PROJECT MANAGEMENT ACQUISITION")

THAT *subject to the passing of Ordinary Resolutions 1, 3, 4, 5, 6, 7, 8, 9 and Special Resolution 1, and approvals and consents being obtained from all relevant authorities and/or parties (where applicable), approval be and is hereby given to the Company to acquire two (2) ordinary shares of RM1.00 each in EW Project Management, representing 100% equity interest in EW Project Management, from EW Sdn Bhd for a cash consideration of RM2.00, subject to and upon the terms and conditions set out in the conditional share sale and purchase agreement dated 25 April 2014 entered into between EW Sdn Bhd and the Company in relation to the Proposed EW Project Management Acquisition;*

AND THAT *the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed EW Project Management Acquisition.*

8.0 ORDINARY RESOLUTION 3
- PROPOSED ACQUISITION OF DEVELOPMENT RIGHTS FROM CERTAIN SUBSIDIARIES OF EW SDN. BHD. ("PROPOSED DEVELOPMENT RIGHTS ACQUISITION")

Results of the poll:-

	No. of Shares Voted		No. of Shareholders Voted	
	No. of Shares	**%**	**No. of Shareholders**	**%**
IN FAVOUR	34,432,529	99.35	107	98.16
AGAINST	225,200	0.647	1	0.92
ABSTAINED	-	-	-	-

ECO WORLD DEVELOPMENT GROUP BERHAD
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(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

SPOILT	1,000	0.003	1	0.92
TOTAL	34,658,729	100	109	100

Based on the poll results, the Chairman informed that the Ordinary Resolution 3 was carried with 34,432,529 shares in number representing 99.35% of the vote cast by shareholders and proxy holders present and voting.

The Meeting *(on a poll)* **RESOLVED** that the following Ordinary Resolution 3 be **CARRIED**:-

ORDINARY RESOLUTION 3

PROPOSED ACQUISITION OF DEVELOPMENT RIGHTS FROM CERTAIN SUBSIDIARIES OF EW SDN BHD ("PROPOSED DEVELOPMENT RIGHTS ACQUISITION")

***THAT** subject to the passing of Ordinary Resolutions 1, 2, 4, 5, 6, 7, 8, 9 and Special Resolution 1, and approvals and consents being obtained from all relevant authorities and/or parties (where applicable), approval be and is hereby given to the following wholly-owned subsidiaries of the Company ("**Developers**") to acquire the development rights for all the lands held or to be held by the following respective wholly-owned subsidiaries of EW Sdn Bhd ("**Landowners**") for an aggregate cash consideration of RM3,785,820,000, subject to and upon the terms and conditions set out in the respective conditional development rights agreements, all dated 25 April 2014 entered into among the Landowners, the Developers and the Company in relation to the Proposed Development Rights Acquisition:*

No.	***Developers***	***Landowners***
1.	*Evergreen Upstream Sdn Bhd*	*Eco Springs Development Sdn Bhd*
2.	*Eco Meadows Sdn Bhd (formerly known as Cangkat Juara Sdn Bhd)*	*Dedikasi Mesra Sdn Bhd*
3.	*Eco Business Park 1 Sdn Bhd (formerly known as Gaya Setara Sdn Bhd)*	*Eco Business Park 1 Development Sdn Bhd*
4.	*Majestic Blossom Sdn Bhd*	*Eco Majestic Sdn Bhd (formerly known as Riverside Hills Sdn Bhd)*
5.	*Trinity Lake Sdn Bhd*	*Eco Botanic Development Sdn Bhd*
6.	*Eco Terraces Sdn Bhd (formerly known as Maha Meridian Sdn Bhd)*	*Eco Terraces Development Sdn Bhd (formerly known as Gama Citra Sdn Bhd)*
7.	*Eco Sky Sdn Bhd (formerly known as Crystal Cypress Sdn Bhd)*	*Eco Sky Development Sdn Bhd*
8.	*Eco Business Park 2 Sdn Bhd (formerly known as Velvet Rhythm Sdn Bhd)*	*Eco Business Park 2 Development Sdn Bhd*

ECO WORLD DEVELOPMENT GROUP BERHAD
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(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

AND THAT *the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Development Rights Acquisition.*

9.0 ORDINARY RESOLUTION 5
- PROPOSED SUBSCRIPTION OF EW BERHAD SHARES BY THE SHAREHOLDERS OF EW SDN BHD FOR AN AGGREGATE CASH CONSIDERATION OF RM1,371,639,648.40 ("PROPOSED SHARE SUBSCRIPTION")

Results of the poll:-

	No. of Shares Voted		No. of Shareholders Voted	
	No. of Shares	**%**	**No. of Shareholders**	**%**
IN FAVOUR	34,147,329	98.52	105	96.40
AGAINST	510,400	1.477	3	2.70
ABSTAINED	-	-	-	-
SPOILT	1,000	0.003	1	0.90
TOTAL	34,658,729	100	109	100

Based on the poll results, the Chairman informed that the Ordinary Resolution 5 was carried with 34,147,329 shares in number representing 98.52% of the vote cast by shareholders and proxy holders present and voting.

The Meeting *(on a poll)* **RESOLVED** that the following Ordinary Resolution 5 be **CARRIED**:-

ORDINARY RESOLUTION 5

PROPOSED SUBSCRIPTION OF EW BERHAD SHARES BY THE SHAREHOLDERS OF EW SDN BHD FOR AN AGGREGATE CASH CONSIDERATION OF RM1,371,639,648.40 ("PROPOSED SHARE SUBSCRIPTION")

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(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

THAT *subject to the passing of Ordinary Resolutions 1, 2, 3, 4, 6, 7, 8, 9 and Special Resolution 1, the approval of Bursa Securities for the listing of and quotation for the new EW Berhad Shares to be issued pursuant to the Proposed Share Subscription on the Main Market of Bursa Securities and the approvals of any other relevant authorities and/or parties (where required), approval be and is hereby given to the Directors of the Company pursuant to Section 132D of the Companies Act, 1965 to issue and allot an aggregate of 806,846,852 new EW Berhad Shares ("**Subscription Shares**") to Eco World Development Holdings Sdn Bhd ("**EW Holdings**") and Sinarmas Harta Sdn Bhd (collectively referred to as "**the Subscribers**") based on their respective shareholdings in EW Sdn Bhd for an aggregate cash consideration of RM1,371,639,648.40 at an issue price of RM1.70 for each Subscription Share, subject to and upon the terms and conditions set out in the conditional share subscription agreement dated 25 April 2014 entered into between the Company and the Subscribers;*

THAT *the proceeds of the Proposed Share Subscription be utilised by the Company to part finance the Proposed Development Rights Acquisition;*

THAT *the Subscription Shares shall, upon allotment and issuance, rank pari passu in all respects with the then EW Berhad Shares, save and except that the Subscription Shares shall not entitle their holders to any dividend, right, allotment and/or other distribution, that may be declared, made or paid prior to the date of allotment of the Subscription Shares;*

AND THAT *the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Share Subscription.*

10.0 ORDINARY RESOLUTION 9
- PROPOSED EXEMPTION FOR ECO WORLD DEVELOPMENT HOLDINGS SDN. BHD. ("EW HOLDINGS") FROM HAVING TO UNDERTAKE A MANDATORY TAKE-OVER OFFER FOR THE THEN REMAINING VOTING SHARES IN ECO WORLD DEVELOPMENT GROUP BERHAD (FORMERLY KNOWN AS FOCAL AIMS HOLDINGS BERHAD) ("EW BERHAD") ("EW BERHAD SHARES") NOT ALREADY HELD BY EW HOLDINGS AND ITS PERSONS ACTING IN CONCERT UPON THE PROPOSED SHARE SUBSCRIPTION BECOMING UNCONDITIONAL, IN ACCORDANCE WITH PARAGRAPH 16.1 OF PRACTICE NOTE 9 OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 2010 ("PROPOSED MGO EXEMPTION")

Results of the poll:-

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No. 17777-V)
(Incorporated in Malaysia)

(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

	No. of Shares Voted		No. of Shareholders Voted	
	No. of Shares	**%**	**No. of Shareholders**	**%**
FOR	34,432,529	99.35	107	98.16
AGAINST	225,200	0.647	1	0.92
ABSTAIN	-	-	-	-
SPOILT	1,000	0.003	1	0.92
TOTAL	34,658,729	100	109	100

Based on the poll results, the Chairman informed that the Ordinary Resolution 9 was passed by 34,432,529 shares in number representing 99.35% of the vote cast by shareholders and proxy holders present and voting.

The Meeting *(on a poll)* **RESOLVED** that the following Ordinary Resolution 9 be **CARRIED**:-

ORDINARY RESOLUTION 9

PROPOSED EXEMPTION FOR EW HOLDINGS FROM HAVING TO UNDERTAKE A MANDATORY TAKE-OVER OFFER FOR THE THEN REMAINING EW BERHAD SHARES NOT ALREADY HELD BY EW HOLDINGS AND ITS PERSONS ACTING IN CONCERT UPON THE PROPOSED SHARE SUBSCRIPTION BECOMING UNCONDITIONAL, IN ACCORDANCE WITH PARAGRAPH 16.1 OF PRACTICE NOTE 9 OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 2010 ("PROPOSED MGO EXEMPTION")

THAT *subject to the passing of Ordinary Resolutions 1, 2, 3, 4, 5, 6, 7, 8 and Special Resolution 1, the approval of the Securities Commission Malaysia and the approvals of any other relevant authorities (where required), approval be and is hereby given to EW Holdings to be exempted from the obligation to undertake a mandatory take-over offer for the then remaining EW Berhad Shares not already held by EW Holdings and its persons acting in concert upon the proposed share subscription by EW Holdings and Sinarmas Harta Sdn. Bhd. of EW Berhad Shares for an aggregate cash consideration of RM1,371,639,648.40 ("**Proposed Share Subscription**") becoming unconditional in accordance with Paragraph 16.1 of Practice Note 9 of the Malaysian Code on Take-Overs and Mergers, 2010;*

APPENDIX I

ECO WORLD DEVELOPMENT GROUP BERHAD
(Company No. 17777-V)
(Incorporated in Malaysia)

(Extract of the Minutes of the Extraordinary General Meeting held on 12 December 2014 - cont'd)

AND THAT *the Board be and is hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient or in the best interest of the Company with full power to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed MGO Exemption.*

CERTIFIED TRUE COPY

DIRECTOR
LIEW TIAN XIONG

COMPANY SECRETARY
MAK CHOOI PENG
(MAICSA 7017931)
(PRACTITIONER)

Dated: 11 February 2015

INFORMATION ON OUR COMPANY

1. HISTORY AND BUSINESS

We were incorporated in Malaysia under the Act on 8 March 1974 as a private limited company under the name of Sanda Plastics Industries Sendirian Berhad. On 31 January 1991, we were converted into a public limited company and assumed the name, Sanda Plastics Industries Berhad. On 22 August 1997, we changed our name to Sanda Industries Berhad and subsequently on 21 June 2000, we changed our name to Focal Aims Holdings Berhad. On 18 December 2013, we adopted our present name.

We were 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 were subsequently transferred to the Main Board of KLSE (*now known as Main Market of Bursa Securities*) on 2 January 2002.

On 17 September 2013, EW Holdings and Liew Tian Xiong (collectively referred to as the "**Offerors**") collectively acquired 164,775,701 ordinary shares of RM1.00 each in our Company, representing 65.05% of the issued and paid-up share capital of our Company from certain of our then shareholders pursuant to a conditional share sale agreement. Upon the share sale agreement becoming unconditional on 1 October 2013, we received a notice of take-over offer from CIMB on behalf of the Offerors of their mandatory obligation to acquire all the remaining shares not already held by them for a cash offer price of RM1.40 per share. The take-over offer closed on 12 November 2013.

Our principal activity is investment holding whilst our subsidiaries are principally involved in property development, property investment holding, property investment and project management. The principal activities of our subsidiaries and associate companies are set out in Section 5 of Appendix II of this Abridged Prospectus.

Prior to the completion of the Acquisitions, we have approximately 991.6 acres of land in Mukim of Plentong, District of Johor Bahru, Johor Darul Ta'zim, namely the Eco Tropics Lands, which is located about five (5) kilometres to the north-east of Pasir Gudang Town. The Eco Tropics Lands have been approved for the development of residential units, light industrial factories, shops, golf resort and town centre. We have an ongoing project on the Eco Tropics Lands, namely the Eco Tropics township which was launched in March 2014. As at 31 December 2014, we have launched an aggregate of 153 units of single-story cluster homes and 2-storey shops. Following the launch of the Eco Tropics township, we have revised the masterplan for such township which will now comprise two (2) separate developments – the residential development named Eco Tropics as well as a green business park named Eco Business Park III.

We also completed the Saujana Glenmarie project located in Section U1, Shah Alam, Selangor facing the Federal Highway and adjacent to Temasya Industrial Area and Temasya Glenmarie covering a total land area of approximately 25 acres divided into three (3) phases. The Saujana Glenmarie project was launched in September 2006 over three (3) phases with 137 units of 2½ and 3-storey detached houses and it was completed in April 2013.

In line with our Group's strategy to seek opportunities to replenish our landbank in strategic growth corridors, we recently completed the Acquisitions and are in the midst of completing/undertaking the Eco Sanctuary Land Acquisition, Proposed Semenyih Land Acquisition and BBCC Land Proposals. Through the Eco Macalister Acquisition and Development Rights Acquisition, we acquired the Eco Macalister Lands and development rights to the Lands measuring in aggregate, approximately 3,106 acres located in three (3) key development regions of Malaysia namely, Klang Valley, Iskandar Malaysia and Pulau Pinang. The Eco Macalister Lands and Lands are meant for a combination of residential, commercial and industrial development.

APPENDIX II

Details of the Eco Macalister Lands and Lands are as follows:

Landowners	Title particulars	Category of land	Existing use	Tenure	Land area	Encumbrances	Market value as at 31 May 2014[1]
					Acre		RM
Eco Macalister	Comprise three (3) parcels of adjoining lands held under Geran 12736 for Lot 22, Geran 34356 for Lot 23 and Geran 34357 for Lot 24 (inclusive), all in Section 12, Bandar George Town, North-East District, Pulau Pinang	"Tiada"	Vacant with a heritage building built on part of the Eco Macalister Lands	Freehold	1.11	Charged to a bank to secure bank borrowings to part finance the purchase consideration of the said lands	48,000,000
Eco Springs	Comprise two (2) parcels of lands held under H.S.(D) 534903 for Lot PTD 177113 and H.S.(D) 534910 for Lot PTD 177640, all in the Mukim of Tebrau, District of Johor Bahru, Johor Darul Ta'zim	Agricultural	Ongoing development	Freehold	613.79	Charged to a bank to secure bank borrowings to part finance the purchase consideration of the said lands	671,500,000
Dedikasi Mesra	Comprise 24 parcels of lands held under Geran 40224, Geran Mukim 422, 380, 381, 428, 254, 255, 127, 130 to 136 (inclusive), GM181, GM182, GM184 to GM189 (inclusive) and Geran 58109 for Lots 730, 133, 184, 186, 187, 340, 341, 731, 735 to 741 (inclusive), 811, 812, 816 to 821 (inclusive) and 5511 all in Mukim 14, District of Seberang Perai Selatan, Pulau Pinang; and	Building and "Tiada"	Vacant	Freehold	58.18	Charged to a bank to secure bank borrowings to part finance the purchase consideration for the said lands	101,000,000
	Geran 10580 for Lot 980, Mukim 9, District of Seberang Perai Selatan, Pulau Pinang	"Tiada"	Vacant	Freehold	17.54	Charged to a bank to secure bank borrowings to part finance the purchase consideration for the said lands	14,520,000
Eco Business Park 1	Comprise three (3) parcels of lands held under H.S.(D) 535608 for Lot PTD 177642, H.S.(D) 535609 for Lot PTD 177643 and H.S.(D) 535610 for Lot PTD 177644 (inclusive), all in the Mukim of Tebrau, District of Johor Bahru, Johor Darul Ta'zim	Agriculture	Ongoing development	Freehold	611.98	Charged to a bank to secure bank borrowings to part finance the purchase consideration of the said lands	559,700,000

Landowners	Title particulars	Category of land	Existing use	Tenure	Land area	Encumbrances	Market value as at 31 May 2014[1]
					Acre		
Eco Majestic	Comprise three (3) parcels of lands held under Geran 47936 for Lot 35, Geran 47935 for Lot 1252 and Geran 313661 for Lot 42195, all in the Mukim of Beranang, District of Ulu Langat, Selangor Darul Ehsan	"Tiada"	Ongoing development	Freehold	1,073.12[2]	Charged to a bank to secure bank borrowings to part finance the purchase consideration of the said lands	1,000,000,000
Eco Botanic	H.S.(D) 527054, H.S.(D) 527055, H.S.(D) 527056, H.S.(D) 527057, H.S.(D) 527058, H.S.(D) 527059, H.S.(D) 527136, H.S.(D) 527060 to H.S.(D) 527135 (inclusive) and H.S.(D) 527137 to H.S.(D) 527260 (inclusive) for Lots PTD 189415, PTD 189420, PTD 189421, PTD 189424, PTD 189425, PTD 189431, PTD 189511, PTD 189435 to PTD 189510 (inclusive) and PTD 189515 to PTD 189638 (inclusive), all in Mukim of Pulai, District of Johor Bahru, Johor Darul Ta'zim; and	Building	Ongoing development	Freehold	270.29	Charged to a bank to secure bank borrowings to part finance the purchase consideration of the said lands	753,000,000
	HS(M) 3475 to HS(M) 3483, HS(M) 3506 to HS(M) 3550, HS(M) 3551 to HS(M) 3596, HS(M) 3266 to HS(M) 3410, HS(M) 3411 to HS(M) 3474, HS(M) 3484 to HS(M) 3505, HS(M) 3597 to HS(M) 3767, HS(M) 3768 to HS(M) 3847 for Lots PTD 189859 to PTD 189867, PTD 189890 to PTD 189934, PTD 189938 to PTD 189983, PTD 189639 to PTD 189783, PTD 189795 to PTD 189858, PTD 189868 to PTD 189889, PTD 189984 to PTD 190154, PTD 190165 to PTD 190244, off the Skudai-Pontian Highway, all in Mukim of Pulai, District of Johor Bahru, Johor Darul Ta'zim	Building	Ongoing development	Freehold	54.86	Nil	25,000,000

Landowners	Title particulars	Category of land	Existing use	Tenure	Land area	Encumbrances	Market value as at 31 May 2014[(1)]
					Acre		
Eco Terraces	Comprise two (2) parcels of lands held under H.S.(D) 14747 for Lot PT 2509 and H.S.(D) 14749 for Lot PT 2511, all in Mukim 13, North-East District, Pulau Pinang	"Tiada"	Vacant	Freehold	12.79	Charged to a bank to secure bank borrowings to part finance the purchase consideration of the said lands	61,300,000
Eco Sky	Comprise two (2) parcels of lands held under Geran 33295 for Lot 3972 and Geran 25096 for Lot 4189, all in the Mukim of Batu, District of Kuala Lumpur Wilayah Persekutuan, Kuala Lumpur	"Tidak Dinyatakan"	Ongoing development	Freehold	9.60	Charged to a bank to secure bank borrowings to part finance the purchase consideration of the said lands	96,800,000
Eco Business Park 2	H.S.(D) 531350 for Lot PTD 175299 in the Mukim of Tebrau, District of Johor Bahru, Johor Darul Ta'zim	Agriculture	Vacant	Freehold	383.56	Charged to a bank to secure bank borrowings to part finance the purchase consideration of the said lands	546,700,000
							3,877,520,000[(3)]

Notes:

(1) *As appraised by K&J.*

(2) *Exclusive of the Tenaga Nasional Berhad's wayleave in accordance to the second supplementary sale and purchase agreement.*

(3) *Our Board had appointed K&J to perform an updated valuation as at the Latest Valuation Date (i.e. 31 May 2014) to comply with Paragraph 10.04(3)(b) of the Listing Requirements for the purpose of seeking our shareholders' approval for the Corporate Exercises, which was obtained on 12 December 2014. The aggregate Landowners Consideration for the Development Rights Acquisition of RM3,785.8 million is lower than the aggregate market value of the Lands as at the Latest Valuation Date of RM3,829.5 million. The updated market value of the Lands did not have any effect on the consideration for the Development Rights Acquisition.*

APPENDIX II

Development projects have been launched on certain of the Lands, details of which are as follows:

(i) Eco Springs

The lands held by Eco Springs are located to the north of Setia Eco Cascadia, off the north side of Jalan Seri Austin 1, Taman Seri Austin, in the Mukim of Tebrau, District of Johor Bahru, Johor Darul Ta'zim and have been approved to be developed into a mixed commercial and residential development comprising five (5) "Holiday Home Resort" plots, two (2) serviced apartment plots, four (4) commercial plots, public and community housings, affordable homes and single-storey low-medium cost shops to be named Eco Spring and Eco Summer. The Holiday Home Resort Plot 1 and Plot 5 were launched in May 2014. As at 31 December 2014, Eco Springs has launched an aggregate of 842 units of 2-storey terrace, cluster and semi-detached houses.

(ii) Eco Business Park 1

The lands held by Eco Business Park 1 are located along the south side of the Senai-Desaru Highway, off the east side of Jalan Seelong and to the north-western side of the Setia Business Park II. The lands are separated into three (3) clusters identified as "Cluster 1", "Cluster 2" and "Cluster 3". The parent lots of the said lands are approved for a mixed industrial, commercial and residential development to be named Eco Business Park 1, comprising 119 detached factories, 188 semi-detached factories and 600 cluster factories, along with 64 units of 3-storey shop lots, a block of serviced apartments and a block of apartments (collectively referred to as the "**Eco Business Park 1 Project**"). The first phase of the Eco Business Park 1 Project was launched in May 2014. As at 31 December 2014, Eco Business Park 1 has launched an aggregate of 187 units of cluster factories and semi-detached factories.

(iii) Eco Majestic

The lands held by Eco Majestic straddle along the Kajang-Seremban (LEKAS) Highway and is situated at about 43 kilometres south-east of the city centre of Kuala Lumpur. The lands have been approved for commercial and residential development to be named Eco Majestic comprising 2,468 units of 2-storey or 3-storey terrace houses, 475 units of semi-detached houses, 667 units of cluster linked houses, 332 units of 2-storey or 3-storey detached houses, 4,960 units of low-cost, low medium-cost, medium-cost apartments and apartments, 326 units of 3-storey terrace shops/offices, 66 units of low-cost shops, 20 parcels of commercial plots and two (2) petrol station sites (collectively referred to as the "**Eco Majestic Project**").

The first phase of the Eco Majestic Project was launched in May 2014. As at 31 December 2014, Eco Majestic has launched an aggregate of 1,370 units of bungalow lots, 2-storey terrace houses, 2-storey cluster houses and 2-storey semi-detached houses.

(iv) Eco Botanic

Eco Botanic holds among others, 270.29 acres of lands located to the immediate north-east of EduCity, Bandar Nusajaya and is sited along the Malaysia-Singapore Second Link Expressway ("**Bandar Nusajaya Land**"). The Bandar Nusajaya Land has been approved for development involving a Holiday Home Resort Plot 1 comprising 108 units of cluster houses, 386 units of semi-detached houses and 82 units of detached houses, Holiday Home Resort Plot 2 comprising 126 units of 2-storey semi-detached houses and 498 units of 2-storey cluster houses, Eco Nest comprising three (3) blocks of 35-storey serviced apartments, having a total of 472 units of serviced apartments and 18 units of retail shops, Eco Nest 2 comprising two (2) blocks of 35-storey serviced apartments, having a total of 511 serviced apartments and 30 retail units, Eco Boulevard comprising 200 units of 3-storey shops/offices, two (2) commercial plots, a club house and a plot for private university.

The Holiday Home Resort Plot 2, Eco Nest and Eco Boulevard were launched in September 2013, December 2013 and January 2014 respectively. As at 31 December 2014, Eco Botanic has launched an aggregate of 1,093 units of cluster and 2-storey semi-detached houses, serviced apartments as well as 3-storey shops.

(v) Eco Sky

The lands held by Eco Sky are located within Taman Wahyu and lies at about eight (8) kilometres north-west of the city centre of Kuala Lumpur. The lands have been approved for a commercial development comprising three (3) blocks of 32-storey, 33-storey and 35-storey serviced apartments (consisting 975 units) and facilities atop a common 8-storey car park podium, 35 4-storey stratified shop offices (consisting 140 units) and a stratified retail pod (consisting four (4) units) with a 3-level carpark podium (a ground level and two (2) basement levels). Two (2) out of three (3) blocks of the aforementioned serviced apartments blocks and the 4-storey shop offices were launched in December 2013. Subsequently, the third block of serviced apartments was launched in January 2014.

2. SHARE CAPITAL

2.1 Authorised, issued and paid-up share capital

Our authorised and issued and paid-up share capital as at the LPD is as follows:

	No. of Shares	Par value RM	Total RM
Authorised share capital	4,000,000,000	0.50	2,000,000,000
Issued and paid-up share capital	1,313,480,852	0.50	656,740,426

2.2 Changes in authorised, issued and paid-up share capital

Our authorised share capital was altered from RM300,000,000 comprising 300,000,000 ordinary shares of RM1.00 each to RM2,000,000,000 comprising 4,000,000,000 Shares on 22 January 2015. Save as disclosed above, there had been no change in our authorised share capital for the past three (3) years preceding the date of this Abridged Prospectus.

The changes in our issued and paid-up share capital for the past three (3) years preceding the date of this Abridged Prospectus are as follows:

(i) on 22 January 2015, we subdivided each issued and paid-up ordinary share of RM1.00 each in our Company into two (2) ordinary shares of RM0.50 each resulting in our then issued and paid-up share capital of RM253,317,000 to comprise 506,634,000 ordinary shares of RM0.50 each; and

(ii) on 6 February 2015, we allotted and issued an aggregate of 806,846,852 Shares to EW Holdings and Sinarmas Harta pursuant to the Share Subscription resulting in our issued and paid-up share capital to increase to RM656,740,426 comprising 1,313,480,852 Shares.

3. SUBSTANTIAL SHAREHOLDERS

The proforma effects of the Rights Issue with Warrants and Placement on our substantial shareholders' shareholdings in our Company as at the LPD are set out below:

					(I)				(II)				(III)			
	As at the LPD				After Rights Issue with Warrants*				After (I) and the Placement				After (II) and assuming full exercise of Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%
EW Holdings	505,443,626	38.48	-	-	758,165,439	38.48	-	-	758,165,439	32.07	-	-	960,342,889	33.23	-	-
Liew Tian Xiong	177,561,202	13.52	-	-	266,341,803	13.52	-	-	266,341,803	11.27	-	-	337,366,283	11.67	-	-
Sinarmas Harta	403,423,426	30.71	-	-	605,135,139	30.71	-	-	605,135,139	25.60	-	-	766,504,509	26.53	-	-
Syabas Tropikal	-	-	403,423,426[(1)]	30.71	-	-	605,135,139[(1)]	30.71	-	-	605,135,139[(1)]	25.60	-	-	766,504,509[(1)]	26.53
Tan Sri Abdul Rashid bin Abdul Manaf	-	-	505,443,626[(2)]	38.48	-	-	758,165,439[(2)]	38.48	-	-	758,165,439[(2)]	32.07	-	-	960,342,889[(2)]	33.23
Dato' Leong Kok Wah	-	-	908,867,052[(3)]	69.19	-	-	1,363,300,578[(3)]	69.19	-	-	1,363,300,578[(3)]	57.67	-	-	1,726,847,398[(3)]	59.76

Notes:

* *Assuming all Entitled Shareholders subscribe for their respective entitlements in full under the Rights Issue with Warrants.*

(1) *Deemed interest by virtue of its interest in Sinarmas Harta pursuant to Section 6A of the Act.*

(2) *Deemed interest by virtue of his interest in EW Holdings pursuant to Section 6A of the Act.*

(3) *Deemed interest by virtue of his interests in EW Holdings and Syabas Tropikal pursuant to Section 6A of the Act.*

4. BOARD OF DIRECTORS OF OUR COMPANY

4.1 Particulars of Directors

The details of our Directors, all of whom are Malaysian, as at the LPD are as follows:

Name	Address	Profession	Age
Tan Sri Abdul Rashid bin Abdul Manaf *(Non-Independent Non-Executive Chairman)*	No. 5, Jalan Dungun Damansara Heights 50490 Kuala Lumpur Wilayah Persekutuan	Company Director	68
Dato' Leong Kok Wah *(Non-Independent Non-Executive Deputy Chairman)*	No. 9, Lorong Taman Pantai 5 Bukit Pantai 59100 Kuala Lumpur Wilayah Persekutuan	Company Director	61
Dato' Chang Khim Wah *(President and Chief Executive Officer)*	No. 5, Jalan USJ Heights 2/1A USJ Heights 47610 Subang Jaya Selangor Darul Ehsan	Company Director	50
Datuk Heah Kok Boon *(Executive Director and Chief Financial Officer)*	No. 20, Jalan Setiabakti 9 Bukit Damansara 50490 Kuala Lumpur Wilayah Persekutuan	Company Director	47
Liew Tian Xiong *(Executive Director)*	No. 12, Jalan Changkat Desa Taman Desa 58100 Kuala Lumpur Wilayah Persekutuan	Company Director	23
Tan Sri Dato' Sri Liew Kee Sin *(Non-Independent Non-Executive Director)*	10-2, Faber Ria Taman Desa Off Jalan Klang Lama 58100 Kuala Lumpur Wilayah Persekutuan	Company Director	56
Tan Sri Lee Lam Thye *(Non-Independent Non-Executive Director)*	No. 12, Jalan Perkasa Empat Taman Maluri 55100 Kuala Lumpur Wilayah Persekutuan	Company Director	68
Tang Kin Kheong *(Senior Independent Non-Executive Director)*	No. 94, Jalan 33/70A Desa Sri Hartamas 50480 Kuala Lumpur Wilayah Persekutuan	Chartered Accountant	59
Dato' Idrose bin Mohamed *(Independent Non-Executive Director)*	No. 10, Changkat Datuk Sulaiman 2 Taman Tun Dr Ismail 60000 Kuala Lumpur Wilayah Persekutuan	Company Director	58
Dato' Haji Obet bin Tawil *(Independent Non-Executive Director)*	Lot 7120, Jalan Bakri Bakri Batu 4 84000 Muar Johor Darul Takzim	Company Director	60

4.2 Directors' shareholdings

The proforma effects of the Rights Issue with Warrants and Placement on our Directors' shareholdings in our Company as at the LPD are set out below:

	As at the LPD				(I) After Rights Issue with Warrants[1]				(II) After (I) and the Placement				(III) After (II) and assuming full exercise of Warrants			
	Direct		Indirect		Direct		Indirect		Direct		Indirect		Direct		Indirect	
	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%	No. of EW Berhad Shares	%
Tan Sri Abdul Rashid bin Abdul Manaf	-	-	505,443,626[2]	38.48	-	-	758,165,439[2]	38.48	-	-	758,165,439[2]	32.07	-	-	960,342,889[2]	33.23
Dato' Leong Kok Wah	-	-	908,867,052[3]	69.19	-	-	1,363,300,578[3]	69.19	-	-	1,363,300,578[3]	57.67	-	-	1,726,847,398[3]	59.76
Dato' Chang Khim Wah	3,060,000	0.23	-	-	4,590,000	0.23	-	-	4,590,000	0.19	-	-	5,814,000	0.20	-	-
Datuk Heah Kok Boon	382,500	*	-	-	573,750	*	-	-	573,750	*	-	-	726,750	*	-	
Liew Tian Xiong	177,561,202	13.52	-	-	266,341,803	13.52	-	-	266,341,803	11.27	-	-	337,366,283	11.67	-	
Tan Sri Dato' Sri Liew Kee Sin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tan Sri Lee Lam Thye	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tang Kin Kheong	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dato' Idrose bin Mohamed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dato' Haji Obet bin Tawil	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Notes:

* *Less than 0.05%.*

(1) *Assuming all Entitled Shareholders subscribe for their respective entitlements in full under the Rights Issue with Warrants.*

(2) *Deemed interest by virtue of his interest in EW Holdings pursuant to Section 6A of the Act.*

(3) *Deemed interest by virtue of his interests in EW Holdings and Syabas Tropikal pursuant to Section 6A of the Act.*

5. SUBSIDIARIES AND ASSOCIATE COMPANIES

The subsidiaries and associate companies of our Company as at the LPD are as follows:

Company	Date / Place of incorporation	Issued and paid-up share capital RM (unless stated otherwise)	Effective equity interest	Principal activities
			%	
Directly held by our Company				
Focal Aims Land Sdn Bhd	11.10.1994 / Malaysia	2,500,000	100	Property development
Focal Aims Properties Sdn Bhd	30.10.1998 / Malaysia	250,000	100	Investment holdings
Eco World Ukay Sdn Bhd (*formerly known as Maple Kingdom Sdn Bhd*)	03.01.2014 / Malaysia	750,000	100	Project management, building and construction services
Eco Sanctuary Sdn Bhd (*formerly known as Prominent Stream Sdn Bhd*)	06.01.2014 / Malaysia	5,000,000	100	Property development and property investment holding
Teraju Pasifik Sdn Bhd	03.03.2014 / Malaysia	2.00	100	Dormant
Majestic Blossom	28.01.2014 / Malaysia	2.00	100	Property development and property investment holding
Eco Sky Sdn Bhd (*formerly known as Crystal Cypress*)	28.01.2014 / Malaysia	2.00	100	Property development and property investment holding
Trinity Lake	21.10.2013 / Malaysia	2.00	100	Property development and property investment holding
Eco Terraces Sdn Bhd (*formerly known as Maha Meridian*)	03.01.2014 / Malaysia	2.00	100	Property development and property investment holding
Eco Business Park 2 Sdn Bhd (*formerly known as Velvet Rhythm*)	23.01.2014 / Malaysia	2.00	100	Property development and property investment holding
Eco Meadows Sdn Bhd (*formerly known as Cangkat Juara*)	08.04.2014 / Malaysia	2.00	100	Property development and property investment holding

APPENDIX II

Company	**Date / Place of incorporation**	**Issued and paid-up share capital RM (unless stated otherwise)**	**Effective equity interest**	**Principal activities**
			%	
Evergreen Upstream	03.01.2014 / Malaysia	2.00	100	Property development and property investment holding
Eco Business Park 1 Sdn Bhd (*formerly known as Gaya Setara*)	08.04.2014 / Malaysia	2.00	100	Property development and property investment holding
Pingat Stabil Sdn Bhd	16.04.2014 / Malaysia	2.00	100	Dormant
Eco World Development (S) Pte Ltd	13.06.2014 / Singapore	Singapore Dollar 1.00	100	Promotion, marketing and other activities related to property management
Rentas Prestasi Sdn Bhd	11.06.2014 / Malaysia	2.00	100	Dormant
Sendi Prestasi Sdn Bhd	06.06.2014 / Malaysia	2.00	100	Dormant
Arah Selasih Sdn Bhd	03.06.2014 / Malaysia	2.00	100	Dormant
Eco World Trading Sdn Bhd (*formerly known as Eco World Marketing Sdn Bhd*)	24.03.2014 / Malaysia	2,000,000	100	Supplying of building materials
Eco World IBS Sdn Bhd	01.04.2014 / Malaysia	2.00	100	Traders and manufacturers of prefabricated and precast components.
Eco Macalister	01.10.2013 / Malaysia	2.00	100	Property investment holding
EW Project Management	17.02.2012 / Malaysia	2.00	100	Property development and project management
Jasa Hektar Sdn Bhd	18.06.2014 / Malaysia	2.00	100	Dormant
Melia Spring Sdn Bhd	28.05.2014 / Malaysia	2.00	100	Dormant
Paragon Pinnacle Sdn Bhd	18.06.2014 / Malaysia	2.00	100	Dormant
Matlamat Bakat Sdn Bhd	08.04.2014 / Malaysia	2.00	100	Dormant
Meridian Insight Sdn Bhd	28.04.2014 / Malaysia	2.00	100	Dormant

Company	Date / Place of incorporation	Issued and paid-up share capital RM (unless stated otherwise)	Effective equity interest %	Principal activities
Subsidiary of Focal Aims Properties Sdn Bhd				
Eco Tropics Development Sdn Bhd (*formerly known as Focal Aims Sdn Bhd*)	17.9.1994 / Malaysia	2,750,000[(1)]	100	Property development and property investment holding
Subsidiaries of Eco Tropics Development Sdn Bhd (*formerly known as Focal Aims Sdn Bhd*)				
Focal Aims Realty Sdn Bhd	21.8.1990 / Malaysia	500,000	100	Dormant
Focal Aims Development Sdn Bhd	20.1.1997 / Malaysia	10	100	Dormant
Focal Aims Resort (M) Sdn Bhd	10.12.1998 / Malaysia	2	100	Dormant
Our Associate Companies				
Natural Esplanade Sdn Bhd	08.04.2014 / Malaysia	30	40	Dormant
BBCC Development Sdn Bhd	26.01.2015 / Malaysia	30	40	Property development and property investment holding

Note:

(1) Comprising 250,000 ordinary shares of RM1.00 each and 2,500,000 preference shares of RM1.00 each.

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6. PROFIT AND DIVIDEND RECORD

Our profit and dividend records based on our audited consolidated financial statements for the past two (2) financial years ended 30 September 2012 and 30 September 2013, as well as for the 13-month financial period ended ("**FPE**") 31 October 2014 are set out below.

	FYE 30 September		13-month FPE 31 October[(1)]
	2012	**2013**	**2014**
	RM 000	**RM 000**	**RM 000**
Revenue	65,286	156,325	148,395
Cost of sales	(43,299)	(108,034)	(106,078)
Gross profit	21,987	48,291	42,317
Other income	705	1,016	1,891
Selling and marketing expenses	-	(3,941)	(11,462)
Administrative expenses	(11,788)[(2)]	(11,865)	(17,681)
Finance costs	(2,809)	(3,898)	(2,973)
Profit before taxation	8,095	29,603	12,092
Income tax expense	(893)	(5,336)	(4,914)
Profit for the financial year/period ("PAT")	**7,202**	**24,268**	**7,178**
Attributable to:			
Owners of our Company	7,202	24,268	7,181
Non-controlling interests	-	-	(3)
	7,202	24,268	7,178
Earnings before interest, taxation, depreciation and amortisation	11,200	33,746	15,521
Number of EW Berhad Shares in issue (000)	253,317	253,317	253,317
EPS (sen)	2.84	9.58	2.83
Dividend per share (net) (sen)	0.75[(3)]	1.00[(3)]	-
Gross profit margin (%)	**33.68**	**30.89**	**28.52**
Net profit margin (%)	**11.03**	**15.52**	**4.84**

Notes:

(1) *We changed our financial year end from 30 September to 31 October.*

(2) *The administrative expenses for the FYE 30 September 2012 include among others, selling and market expenses amounting to RM2.79 million.*

(3) *Represents dividend declared for the respective financial years.*

Commentary on Financial Performance

FYE 30 September 2012

Our revenue increased by 17.24% or RM9.6 million from RM55.7 million for the FYE 30 September 2011 to RM65.3 million for the FYE 30 September 2012. The increase in revenue was mainly due to higher average selling prices of our properties sold under the Eco Tropics project in Iskandar Malaysia and Saujana Glenmarie project in Klang Valley.

Due to the higher average selling price and a decrease in cost of sales and administrative expenses in the FYE 30 September 2012, our Group recorded PAT of RM7.2 million for the FYE 30 September 2012 as compared to a loss of RM2.1 million for the FYE 30 September 2011.

FYE 30 September 2013

Our revenue increased by more than 100.00% or RM91.0 million from RM65.3 million for the FYE 30 September 2012 to RM156.3 million for the FYE 30 September 2013. The increase in revenue was mainly due to higher sales from the Eco Tropics project as well as higher progressive recognition of revenue from both the Eco Tropics project in Iskandar Malaysia and Saujana Glenmarie project in Klang Valley. The continued favourable response to properties in Eco Tropics township was a result of improved accessibility and enhanced awareness of its location within Iskandar Malaysia.

Our Group recorded a PAT of RM24.3 million for the FYE 30 September 2013, representing an increase of more than 100.00% from a PAT of RM7.2 million for the FYE 30 September 2012 due to the substantial increase in revenue while there was only a slight increase in selling and marketing expenses, administrative and finance expenses during the FYE 30 September 2013.

13-month FPE 31 October 2014

Our revenue decreased by approximately 5.05% or RM7.9 million from RM156.3 million for the FYE 30 September 2013 to RM148.4 million for the 13-month FPE 31 October 2014. The decrease in revenue was attributable to the completion of the Saujana Glenmarie project in the first quarter of the 13-month FPE 31 October 2014 as well as the absence of any sizeable launches under the Eco Tropics township. There were no sizeable launches under the Eco Tropics township during the 13-month FPE 31 October 2014 as we had submitted revised site layout plans for the Eco Tropics township during the said period to the relevant authorities to create two (2) separate developments, namely the Eco Tropics residential development project and Eco Business Park III commercial development project, the approvals of which were only obtained in February 2015 and September 2014, respectively.

With a decrease in revenue and an increase in administrative and selling and marketing costs, our PAT decreased by approximately 70.37%, with our Group recording a PAT of RM7.2 million for the 13-month FPE 31 October 2014 as compared to RM24.3 million recorded for the FYE 30 September 2013. The higher administrative expenses for the 13-month FPE 31 October 2014 was attributable to higher business operation expenses incurred. In addition, our Group incurred additional selling and marketing expenses for the 13-month FPE 31 October 2014 pursuant to marketing cost incurred for the Eco Tropics township to promote sales of on-going phases as well as to introduce the Eco Tropics residential development project and Eco Business Park III commercial development project to be launched after obtaining the approval for the revised site layout plans for the Eco Tropics township.

7. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of our Shares as traded on Bursa Securities for the past 12 months from March 2014 to February 2015 are as follows:

	High[(1)]	Low[(1)]
	RM	RM
2014		
March	2.41	2.28
April	2.91	2.25
May	2.57	2.20
June	2.73	2.48
July	2.68	2.51
August	2.59	2.30
September	2.42	2.23
October	2.33	1.92
November	2.25	2.10
December	2.15	1.87
2015		
January	2.38	1.92
February	2.52	2.18
Last transacted market price of our Shares on 23 April 2014, being the last trading day before the date of announcement of among others, the Rights Issue with Warrants		2.675[(1)]
Last transacted market price of our Shares as at the LPD		2.30
Last transacted market price of our Shares on 2 March 2015, being the last trading day before the ex-date for the Rights Issue with Warrants		2.53

(Source: Bloomberg Finance L.P.)

Note:

(1) *The prices for our Shares have been adjusted to reflect the Share Split which was completed on 23 January 2015.*

PROFORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR COMPANY AS AT 31 OCTOBER 2014 TOGETHER WITH THE REPORTING ACCOUNTANTS' LETTER

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Chartered Accountants
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REPORTING ACCOUNTANTS' REPORT ON THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF ECO WORLD DEVELOPMENT GROUP BERHAD AS AT 31 OCTOBER 2014 (PREPARED FOR INCLUSION IN THE ABRIDGED PROSPECTUS OF ECO WORLD DEVELOPMENT GROUP BERHAD TO BE DATED 5 MARCH 2015)

24 February 2015

The Board of Directors
Eco World Development Group Berhad
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

Dear Sirs

ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 OCTOBER 2014

(I) ACQUISITION OF PARCELS OF LEASEHOLD LAND FOR A PURCHASE CONSIDERATION OF RM470.67 MILLION ("ECO SANCTUARY LAND ACQUISITION");

(II) SHARE SPLIT INVOLVING THE SUBDIVISION OF EACH OF THE EXISTING ORDINARY SHARES OF RM1.00 EACH IN EW BERHAD INTO TWO (2) ORDINARY SHARES OF RM0.50 EACH ("EW BERHAD SHARE") ("SHARE SPLIT");

(III) ACQUISITION OF ECO MACALISTER DEVELOPMENT SDN BHD *(FORMERLY KNOWN AS BINTANG DEDIKASI SDN BHD)* ("ECO MACALISTER"), A WHOLLY-OWNED SUBSIDIARY OF ECO WORLD DEVELOPMENT SDN BHD ("EW SDN BHD") ("ECO MACALISTER ACQUISITION");

(IV) ACQUISITION OF ECO WORLD PROJECT MANAGEMENT SDN BHD ("EW PROJECT MANAGEMENT"), A WHOLLY-OWNED SUBSIDIARY OF EW SDN BHD ("EW PROJECT MANAGEMENT ACQUISITION");

(V) ACQUISITION OF DEVELOPMENT RIGHTS FROM CERTAIN SUBSIDIARIES OF EW SDN BHD ("DEVELOPMENT RIGHTS ACQUISITION");

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(VI) SHARE SUBSCRIPTION BY ECO WORLD DEVELOPMENT HOLDINGS SDN BHD AND SINARMAS HARTA SDN BHD FOR AN AGGREGATE CASH CONSIDERATION OF RM1,371.6 MILLION ("SHARE SUBSCRIPTION");

(VII) RENOUNCEABLE RIGHTS ISSUE OF NEW EW BERHAD SHARES TOGETHER WITH FREE DETACHABLE WARRANTS TO RAISE GROSS PROCEEDS OF APPROXIMATELY RM788.0 MILLION ("RIGHTS ISSUE WITH WARRANTS");

(VIII) PRIVATE PLACEMENT OF NEW EW BERHAD SHARES, REPRESENTING UP TO 20% OF THE THEN ISSUED AND PAID-UP SHARE CAPITAL OF EW BERHAD TO INVESTORS TO BE IDENTIFIED ("PLACEMENT");

(IX) PROPOSED ACQUISITION OF 7 PIECES OF FREEHOLD AGRICULTURAL LAND FOR A PURCHASE CONSIDERATION OF RM225.33 MILLION ("PROPOSED SEMENYIH LAND ACQUISITION"); AND

(X) PROPOSED SUBSCRIPTION BY EW BERHAD OF 1,999,998 NEW ORDINARY SHARES OF RM1.00 EACH IN BBCC DEVELOPMENT SDN BHD ("BBCC") REPRESENTING 40% OF THE ENLARGED ISSUED AND PAID-UP SHARE CAPITAL OF BBCC AND PROPOSED JOINT DEVELOPMENT BETWEEN BBCC AND UDA HOLDINGS BERHAD TO DEVELOP A PIECE OF MIXED DEVELOPMENT LAND ("PROPOSED SHARE SUBSCRIPTION AND JOINT DEVELOPMENT OF BBCC").

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

We have completed our assurance engagement to report on the compilation of pro forma consolidated statements of financial position of EW Berhad as at 31 October 2014 prepared by the Directors of the Company in connection with the Proposals. The applicable criteria on the basis of which the Directors have compiled the pro forma consolidated statements of financial position are described in Appendix II of our letter, which is included in the Abridged Prospectus of EW Berhad for the Rights Issue with Warrants to be dated 5 March 2015 (the "Abridged Prospectus").

The pro forma consolidated statements of financial position of EW Berhad have been compiled by the Directors to illustrate the impact of the Proposals on the Company's consolidated statement of financial position as at 31 October 2014 as if the Proposals had taken place on 31 October 2014.

As part of this process, information about the financial position has been extracted by the Directors from the consolidated financial statements of EW Berhad for the financial period ended 31 October 2014, on which an audit report has been published.

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The Directors' Responsibility for the Pro Forma Consolidated Statements of Financial Position

The Directors are responsible for compiling the pro forma consolidated statements of financial position on the basis of the applicable criteria.

Our Responsibilities

Our responsibility is to express an opinion, about whether the pro forma consolidated statements of financial position have been compiled, in all material respects, by the Directors of the Company on the basis of the applicable criteria.

We conducted our engagement in accordance with the Malaysian Approved 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 Malaysian Institute of Accountants. This standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the pro forma consolidated statements of financial position on the basis of the applicable criteria.

For the purpose 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 statements of financial position, 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 statements of financial position.

The purpose of pro forma consolidated statements of financial position included in the Abridged Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated statements of financial position have 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 in the compilation of pro forma consolidated statements of financial position 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 statements of financial position reflect the proper application of those adjustments to the unadjusted financial information.

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Our Responsibilities (contd.)

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the event or transaction in respect of which the pro forma consolidated statements of financial position have been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated statements of financial position.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma consolidated statements of financial position have been compiled, in all material respects, on the basis of the applicable criteria.

Other Matters

This report has been prepared for inclusion in the Abridged Prospectus of EW Berhad in connection with the Proposals. Our work had been carried out in accordance with Malaysian Approved Standards on Assurance Engagements and accordingly should not be relied upon as if it had been carried out in accordance with standards and practices in other jurisdictions. Therefore, this report is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Proposals described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this letter in connection with any type of transaction, including the sale of securities other than for the Proposals.

Yours faithfully

Ernst & Young
AF: 0039
Chartered Accountants

Kua Choo Kai
2030/03/16(J)
Chartered Accountant

Company No. 17777-V

APPENDIX III

ECO WORLD DEVELOPMENT GROUP BERHAD
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 OCTOBER 2014

	Audited as at 31 October 2014 RM '000	Pro forma adjustment 1 RM '000	Pro forma 1 Eco Sanctuary Land Acquisition RM '000	Pro forma adjustment 2 RM '000	Pro forma 2 Share Split RM '000	Pro forma adjustment 3 RM '000	Pro forma 3 Acquisitions and the Share Subscription RM '000
ASSETS							
Non-current assets							
Property, plant and equipment	4,195		4,195		4,195	34,149	38,344
Investment properties	-		-		-	63,248	63,248
Land held for property development	303,052	485,194	788,246		788,246	3,124,704	3,912,950
Investment in a joint venture	-		-		-		-
Deferred tax assets	147		147		147	345	492
Goodwill on acquisition	-		-		-	1,231	1,231
	307,394		792,588		792,588		4,016,265
Current assets							
Property development costs	40,250		40,250		40,250	1,095,876	1,136,126
Gross amount due from customers	3,961		3,961		3,961		3,961
Inventories	49,562		49,562		49,562		49,562
Trade and other receivables	45,481		45,481		45,481	120,503	165,984
Advances to a joint venture	-		-		-		-
Other current assets	186,490	(47,067)	139,423		139,423	(88,425)	50,998
Tax recoverable	10,295		10,295		10,295	35	10,330
Cash and bank balances	43,423	(15,000)	28,423		28,423	185,550	213,973
	379,462		317,395		317,395		1,630,934
TOTAL ASSETS	**686,856**		**1,109,983**		**1,109,983**		**5,647,199**
EQUITY AND LIABILITIES							
Current liabilities							
Trade and other payables	33,247		33,247		33,247	683,846	717,093
Loans and borrowings	99,321		99,321		99,321	855,677	954,998
Other liabilities	15,697		15,697		15,697	62,769	78,466
	148,265		148,265		148,265		1,750,557
Net current assets/(liabilities)	**231,197**		**169,130**		**169,130**		**(119,623)**
Non-current liabilities							
Other liabilities	16,659		16,659		16,659		16,659
Other payables			-		-	1,070,988	1,070,988
Loans and borrowings	141,354	423,607	564,961		564,961	491,518	1,056,479
Deferred taxation	54,718		54,718		54,718	601	55,319
	212,731		636,338		636,338		2,199,445
Total liabilities	**360,996**		**784,603**		**784,603**		**3,950,002**
Equity attributable to equity holders of the Company							
Share capital	253,317		253,317		253,317	403,423	656,740
Share premium	22		22		22	968,217	968,239
Warrants reserve	-		-		-		-
Foreign currency translation reserve	(6)		(6)		(6)		(6)
Retained earnings	72,530	(480)	72,050		72,050	177	72,227
	325,863		325,383		325,383		1,697,200
Non-controlling interests	(3)		(3)		(3)		(3)
Total equity	**325,860**		**325,380**		**325,380**		**1,697,197**
TOTAL EQUITY AND LIABILITIES	**686,856**		**1,109,983**		**1,109,983**		**5,647,199**
	-		-		-		-

	Audited as at 31 October 2014	Pro forma 1	Pro forma 2	Pro forma 3
Number of ordinary shares in issue ('000)	253,317	253,317	506,634	1,313,481
Par value of ordinary shares (RM)	1.00	1.00	0.50	0.50
Total cash and bank balances (RM '000)	43,423	28,423	28,423	213,973
Total borrowings (RM '000)	240,675	664,282	664,282	2,011,477
Net debts (RM '000)	197,252	635,859	635,859	1,797,504
Net assets per share * (RM)	1.29	1.28	0.64	1.29
Gross gearing * (times)	0.74	2.04	2.04	1.19
Net gearing * (times)	0.61	1.95	1.95	1.06

* These ratios are computed using net assets or equity attributable to equity holders of the Company

Company No. 17777-V

APPENDIX III

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APPENDIX I

Pro forma adjustment 4 RM '000	Pro forma 4 Rights Issue with Warrants RM '000	Pro forma adjustment 5 RM '000	Pro forma 5 Placement RM '000	Pro forma adjustment 6 RM '000	Pro forma 6 Proposed Semenyih Land Acquisition RM '000	Pro forma adjustment 7 RM '000	Pro forma 7 Proposed Share Subscription and Joint Development of BBCC RM '000	Pro forma adjustment 8 RM '000	Pro forma 8 Full exercise of warrants RM '000
	38,344		38,344		38,344		38,344		38,344
	63,248		63,248		63,248		63,248		63,248
	3,912,950		3,912,950	232,385	4,145,335		4,145,335		4,145,335
	-		-		-	2,000	2,000		2,000
	492		492		492		492		492
	1,231		1,231		1,231		1,231		1,231
	4,016,265		4,016,265		4,248,650		4,250,650		4,250,650
	1,136,126		1,136,126		1,136,126		1,136,126		1,136,126
	3,961		3,961		3,961		3,961		3,961
	49,562		49,562		49,562		49,562		49,562
	165,984		165,984		165,984		165,984		165,984
	-		-		-	106,000	106,000		106,000
(2,982)	48,016		48,016	(22,533)	25,483		25,483		25,483
	10,330		10,330		10,330		10,330		10,330
	213,973	553,828	767,801	(7,155)	760,646	(900)	759,746	1,092,816	1,852,562
	1,627,952		2,181,780		2,152,092		2,257,192		3,350,008
	5,644,217		6,198,045		6,400,742		6,507,842		7,600,658
	717,093		717,093		717,093		717,093		717,093
(784,572)	170,426	(107,004)	63,422		63,422		63,422		63,422
	78,466		78,466		78,466		78,466		78,466
	965,985		858,981		858,981		858,981		858,981
	661,967		1,322,799		1,293,111		1,398,211		2,491,027
	16,659		16,659		16,659		16,659		16,659
	1,070,988		1,070,988		1,070,988		1,070,988		1,070,988
	1,056,479		1,056,479	202,798	1,259,277	108,000	1,367,277		1,367,277
	55,319		55,319		55,319		55,319		55,319
	2,199,445		2,199,445		2,402,243		2,510,243		2,510,243
	3,165,430		3,058,426		3,261,224		3,369,224		3,369,224
328,370	985,110	197,022	1,182,132		1,182,132		1,182,132	262,696	1,444,828
268,535	1,236,774	463,810	1,700,584		1,700,584		1,700,584	1,019,261	2,719,845
189,141	189,141		189,141		189,141		189,141	(189,141)	-
	(6)		(6)		(6)		(6)		(6)
(4,456)	67,771		67,771	(101)	67,670	(900)	66,770		66,770
	2,478,790		3,139,622		3,139,521		3,138,621		4,231,437
	(3)		(3)		(3)		(3)		(3)
	2,478,787		3,139,619		3,139,518		3,138,618		4,231,434
	5,644,217		6,198,045		6,400,742		6,507,842		7,600,658
	-		-		-		-		-
	1,970,221		2,364,266		2,364,266		2,364,266		2,889,658
	0.50		0.50		0.50		0.50		0.50
	213,973		767,801		760,646		759,746		1,852,562
	1,226,905		1,119,901		1,322,699		1,430,699		1,430,699
	1,012,932		352,100		562,053		670,953		(421,863)
	1.26		1.33		1.33		1.33		1.46
	0.49		0.36		0.42		0.46		0.34
	0.41		0.11		0.18		0.21		(0.10)

ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY") NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2014

1. Basis of preparation

The Pro forma Consolidated Statements of Financial Position, for which the Directors are solely responsible, have been prepared for illustrative purposes only, to illustrate the impact of the following events or transactions on EW Berhad's financial position as at 31 October 2014 as if the events or transactions had taken place on 31 October 2014:

(a) Acquisition of parcels of leasehold land for a purchase consideration of RM470.67 million (**"Eco Sanctuary Land Acquisition"**);

(b) Share split involving the subdivision of each of the existing ordinary shares of RM1.00 each in EW Berhad into two (2) ordinary shares of RM0.50 each (**"EW Berhad Share"**) (**"Share Split"**);

(c) Acquisition of Eco Macalister Development Sdn Bhd (formerly known as Bintang Dedikasi Sdn Bhd) (**"Eco Macalister"**), a wholly-owned subsidiary of Eco World Development Sdn Bhd (**"EW Sdn Bhd"**) (**"Eco Macalister Acquisition"**);

(d) Acquisition of Eco World Project Management Sdn Bhd (**"EW Project Management"**), a wholly-owned subsidiary of EW Sdn Bhd (**"EW Project Management Acquisition"**);

(e) Acquisition of development rights from certain subsidiaries of EW Sdn Bhd (**"Development Rights Acquisition"**);

(f) Share subscription by Eco World Development Holdings Sdn Bhd (**"EW Holdings"**) and Sinarmas Harta Sdn Bhd (**"Sinarmas Harta"**) for an aggregate cash consideration of RM1,371.6 million (**"Share Subscription"**);

(g) Renounceable rights issue of new EW Berhad shares together with free detachable warrants to raise gross proceeds of approximately RM788.0 million (**"Rights Issue with Warrants"**);

(h) Private placement of new EW Berhad shares, representing up to 20% of the then issued and paid-up share capital of EW Berhad to investors to be identified (**"Placement"**);

(i) Proposed acquisition of 7 pieces of freehold agricultural land for a purchase consideration of RM225.33 million (**"Proposed Semenyih Land Acquisition"**); and

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ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
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1. **Basis of preparation (contd.)**

(j) Proposed subscription by EW Berhad of 1,999,998 new ordinary shares of RM1.00 each in BBCC Development Sdn Bhd ("**BBCC**") representing 40% of the enlarged issued and paid-up share capital of BBCC and proposed joint development between BBCC and UDA Holdings Berhad ("**UDA**") to develop a piece of mixed development land ("**Proposed Share Subscription and Joint Development of BBCC**").

(Collectively referred to as the "**Proposals**")

The Pro Forma Consolidated Statements of Financial Position have been prepared in a manner consistent with both the format of the consolidated statement of financial position and accounting policies using the audited financial statements of EW Berhad for the period ended 31 October 2014.

The financial statements of EW Berhad for the period ended 31 October 2014 were prepared in accordance with Financial Reporting Standards in Malaysia.

In illustrating the effects of the Eco Macalister Acquisition, EW Project Management Acquisition and Development Rights Acquisition (collectively known as the "**Acquisitions**") on the financial position of EW Berhad as at 31 October 2014, the Directors of EW Berhad have compiled the financial information using the financial statements of the related subsidiaries of EW Sdn Bhd for the financial period ended 31 December 2014. Other than Eco Macalister Development Sdn Bhd and Eco Terraces Development Sdn Bhd, the financial statements of the other subsidiaries of EW Sdn Bhd were audited by a firm other than Ernst & Young and have been prepared in accordance with Malaysian Financial Reporting Standards and Financial Reporting Standards in Malaysia.

2. **Pro forma 1**

Pro forma 1 incorporates the effects of the acquisition of parcels of leasehold land measuring approximately 308.72 acres in Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor for a purchase consideration of RM470.67 million. The Eco Sanctuary Land Acquisition was announced by EW Berhad on 19 March 2014 and it became unconditional on 5 December 2014.

As at 31 October 2014, EW Berhad had paid a deposit of RM47.07 million. For illustration purposes, Pro forma 1 is illustrated assuming that the balance of the purchase consideration of RM423.60 million is entirely funded by the bank borrowings.

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2. Pro forma 1 (contd.)

The estimated expenses relating to the Eco Sanctuary Land Acquisition are RM15.00 million, of which RM14.52 million will be capitalised as these expenses are directly attributable to the acquisition of the said parcels of land. The estimated expenses are settled in cash.

3. Pro forma 2

Pro forma 2 incorporates Pro forma 1 and the effects of the Share Split. The Share Split which involves the subdivision of each of the existing ordinary shares of RM1.00 each in EW Berhad into two (2) ordinary shares of RM0.50 each will not give rise to any financial effects other than increasing the number of ordinary shares in issue. The Share Split has been completed following the listing of and quotation for 506,634,000 ordinary shares of RM0.50 each in EW Berhad on the Main Market of Bursa Malaysia Securities Berhad on 23 January 2015. Accordingly, the issued and paid-up share capital of EW Berhad upon completion of the Share Split is RM253.32 million comprising 506,634,000 ordinary shares of RM0.50 each.

4. Pro forma 3

Pro forma 3 incorporates Pro forma 2 and the effects of the following events or transactions:

(i) Eco Macalister Acquisition

Acquisition by the Company of two (2) ordinary shares of RM1.00 each in Eco Macalister, representing 100% equity interest in Eco Macalister from EW Sdn Bhd for an aggregate cash consideration of RM2.00 pursuant to a conditional share sale and purchase agreement dated 25 April 2014 entered into between the Company and EW Sdn Bhd for the Eco Macalister Acquisition ("**Eco Macalister SPA**").

The Company had on 6 February 2015 paid the purchase consideration and outstanding advances owing to EW Sdn Bhd amounting to RM2 and RM24.98 million, respectively. Accordingly, the Eco Macalister Acquisition was completed on 6 February 2015. Nonetheless, for illustration purposes, the outstanding advances owing by Eco Macalister to EW Sdn Bhd included in the pro forma consolidated statements of financial position as at 31 December 2014 is RM21.84 million.

ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
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4. Pro forma 3 (contd.)

(ii) EW Project Management Acquisition

Acquisition by the Company of two (2) ordinary shares of RM1.00 each in EW Project Management, representing 100% equity interest in EW Project Management from EW Sdn Bhd for an aggregate cash consideration of RM2.00 pursuant to a conditional share sale and purchase agreement dated 25 April 2014 entered into between the Company and EW Sdn Bhd for the EW Project Management Acquisition ("**EW Project Management SPA**").

The Company had on 6 February 2015 paid the purchase consideration and outstanding advances owing to EW Sdn Bhd amounting to RM2 and RM157.16 million respectively. Accordingly, the EW Project Management Acquisition has been completed on 6 February 2015. Nonetheless, for illustration purposes, the outstanding advances owing by EW Project Management Acquisition to EW Sdn Bhd included in the pro forma consolidated statements of financial position as at 31 December 2014 is RM151.46 million.

(iii) Development Rights Acquisition

Acquisition of development rights by certain subsidiaries of EW Berhad ("**Developers**") from certain subsidiaries of EW Sdn Bhd ("**Landowners**") for an aggregate cash consideration of RM3,785.82 million ("**Landowners Consideration**") pursuant to a conditional development rights agreements dated 25 April 2014 entered into among the Landowners, the Developers and the Company for the Proposed Development Rights Acquisition ("**Development Rights Agreements**"). In accordance with the Development Rights Agreements, the Developers shall settle the Landowners Consideration after taking into consideration the obligation to repay any outstanding land loans obtained by the Landowners for the acquisition of the relevant lands and bank guarantees for any unpaid land cost ("**Loans and Guarantees**") ("**Net Landowners Consideration**").

**ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 OCTOBER 2014**

4. **Pro forma 3 (contd.)**

(iii) Development Rights Acquisition (contd.)

The Net Landowners Consideration is RM1,878.23 million which was computed based on the outstanding land loans and bank guarantees for unpaid land cost as at 31 December 2014. The Developers have paid the first and second stages of payments of the Net Landowners Consideration of RM35.52 million and RM53.29 million on 30 April 2014 and 26 May 2014 respectively, via short-term bank borrowings. The Development Rights Acquisition was completed on 6 February 2015 following the payment of RM1,471.64 million by the Developers to the Landowners, being a partial payment of the third stage payment of the Net Landowners Consideration, via short-term bank borrowings. For illustration purpose, the remaining unpaid amount of the Net Landowners Consideration of RM317.78 million is assumed to be paid by the Developers to the Landowners within three (3) months from 6 February 2015, via short-term bank borrowings which is to be repaid via the proceeds to be raised from the Rights Issue with Warrants.

In addition, the Developers shall pay to the Landowners certain development expenditures incurred by the Landowners in accordance with the Development Rights Agreement ("**Total Reimbursable Sum**"). As at 31 December 2014, the Total Reimbursable sum amounts to RM211.69 million which is to be paid within 3 months from 6 February 2015, being the date of completion of the Development Rights Acquisition.

In illustrating the effects of the Acquisitions on the financial position of EW Berhad as at 31 October 2014, the Directors of EW Berhad have compiled the financial information using the financial statements of the related subsidiaries of EW Sdn Bhd for the financial period ended 31 December 2014.

The exercise to allocate the cost of acquisition to the assets acquired and liabilities assumed will be performed at a later stage and hence the identification and measurement of all the various components of the Acquisitions could be materially different from the amounts shown in the pro forma consolidated statements of financial position.

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ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY") NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2014

4. Pro forma 3 (contd.)

(iv) Share Subscription

Share subscription by EW Holdings and Sinarmas Harta of ordinary shares of RM0.50 each in the Company ("**Subscription Shares**") at an issue price of RM1.70 for each subscription share as follows pursuant to a conditional share subscription agreement dated 25 April 2014 entered into among the Company, EW Holdings and Sinarmas Harta for the Share Subscription:

Name	No. of Subscription Shares	Subscription value
		RM
EW Holdings	403,423,426	685,819,824.20
Sinarmas Harta	403,423,426	685,819,824.20
	806,846,852	1,371,639,648.40

The Subscription Shares were allotted and issued to EW Holdings and Sinarmas Harta on 6 February 2015 pursuant to the Share Subscription and commenced listing on the Main Market of Bursa Malaysia Securities Berhad on 9 February 2015.

The Share Subscription was undertaken to raise equity to part finance the Development Rights Acquisition.

Pursuant to the Share Subscription, a total of 806,846,852 ordinary shares of RM0.50 each in the Company has been issued at RM1.70 each, resulting in a premium of RM968.22 million.

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4. Pro forma 3 (contd.)

The fair values of the identifiable assets acquired and liabilities assumed in respect of the Acquisitions and the resulting effects are assumed to be as follows:

	Eco Macalister	EW Project Management	Development rights	Inter-company elimination	Total
	RM '000	RM '000	RM '000	RM '000	RM '000
Non-current assets					
Property, plant and equipment	67	23,919	10,163	-	34,149
Investment properties	63,248	-	-	-	63,248
Land held for property development	-	-	3,124,704	-	3,124,704
Deferred tax assets	345	-	-	-	345
Current assets					
Property development costs	-	-	1,095,876	-	1,095,876
Trade and other receivables	-	126,306	111,021	(116,824)	120,503
Other current assets	384	-	-	-	384
Tax recoverable	-	35	-	-	35
Cash and bank balances	25	9,027	186,661	-	195,713
Current liabilities					
Trade and other payables	(24,500)	(158,509)	(790,958)	116,824	(857,143)
Other liabilities	-	-	(62,769)	-	(62,769)
Loans and borrowings	-	-	(52,910)	-	(52,910)
Non-current liabilities					
Other payables	-	-	(1,070,988)	-	(1,070,988)
Deferred tax liabilities	-	(601)	-	-	(601)
Loans and borrowings	(40,800)	-	(450,718)	-	(491,518)
Fair value of assets acquired and liabilities assumed	(1,231)	177	2,100,082	-	2,099,028
Less: Purchase consideration	*	*	(2,100,082)	-	(2,100,082)
(Goodwill) / Negative goodwill	(1,231)	177	-	-	(1,054)

* Represent RM2

ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2014

4. **Pro forma 3 (contd.)**

The effect of the above Acquisitions on cash flows is as follows:

	RM '000
Amount payable pursuant to the Acquisitions	
Net Landowners Consideration	1,878,232
Advances owing by Eco Macalister and EW Project Management to EW Sdn Bhd (Note a)	173,297
Total Reimbursable Sum	211,687
Acquisition of property, plant and equipment from Landowners	10,163
Total amount payable	2,273,379
Financed by (Note b):	
Proceeds raised from the Share Subscription	1,371,640
Short term bank borrowings	891,576
Cash and bank balances	10,163
	2,273,379
The effect of the Acquisitions on cash flow is as follows:	
Cash and bank balances paid	(10,163)
Less: Cash and bank balances acquired	195,713
Net cash inflow on the Acquisitions	185,550

Note a

The balances of advances owing by Eco Macalister and EW Project Management to EW Sdn Bhd as at 31 December 2014 are RM21.84 million and RM151.46 million respectively have been included for illustration purposes in the pro forma consolidated statements of financial position. The actual amount of shareholders advances which was repaid by Eco Macalister and EW Project Management as at 6 February 2015 (being the date of completion of the Eco Macalister Acquisition and EW Project Management Acquisitions) in accordance with the Eco Macalister SPA and EW Project Management SPA, amounted to RM24.98 million and RM157.16 million respectively.

Note b

The purchase considerations for the Eco Macalister Acquisition and EW Project Management Acquisition of an aggregate of RM4.00 have been fully paid via internally generated cash. In addition, the Company have paid the advances owing by Eco Macalister and EW Project Management to EW Sdn Bhd via short-term bank borrowings, which is to be repaid via the proceeds to be raised from the Rights Issue with Warrants.

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ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
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4. **Pro forma 3 (contd.)**

Note b (contd.)

An aggregate of RM1,460.45 million of the Net Landowners Consideration of RM1,878.23 million have been paid by the Developers to the Landowners via a combination of the entire proceeds raised from the Share Subscription of RM1,371.64 million and short-term bank borrowings of RM88.81 million, which is to be repaid via the proceeds to be raised from the Rights Issue with Warrants. For illustration purposes, the remaining unpaid amount of the Net Landowners Consideration of RM417.78 million is assumed to be paid by the Developers to the Landowners via short-term bank borrowings, which is to be repaid via the proceeds to be raised from the Rights Issue with Warrants.

The Total Reimbursable Sum of RM211.69 million as at 31 December 2014 is assumed to be paid by the Developers to the Landowners via short-term bank borrowings (which the Company intends to repay via proceeds to be raised from the Rights Issue with Warrants and the Placement).

A summary of the total short-term bank borrowings drawn down/to be drawn down to partially finance the amount payable pursuant to the Acquisitions subsequent to the 13-month financial period ended 31 October 2014 is as follows:

	RM '000
Short term bank borrowings:	
Partially finance the Development Rights Acquisition (Note c)	417,783
Repayment of shareholders advances owing by Eco Macalister and EW Project Management to EW Sdn Bhd (Note a)	173,297
Finance the Total Reimbursable Sum	211,687
Total short term bank borrowings	802,767

Note c

This represents the total amount of purchase consideration for the Development Rights Acquisition assumed to be funded via bank borrowings of RM506.59 million less bank borrowings drawn down during the 13-month financial period ended 31 October 2014 of RM88.81 million to finance the first two (2) payments for the Development Rights Acquisition in accordance with the Development Rights Agreements. Such borrowings of RM88.81 million, which is to be repaid via the proceeds to be raised from the Rights Issue with Warrants, are currently reflected in the consolidated statement of financial position of EW Berhad group for the 13-month financial period ended 31 October 2014.

**ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
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5. Pro forma 4

Pro forma 4 incorporates Pro forma 3 and the effects arising from the Rights Issue with Warrants.

EW Berhad intends to raise approximately RM788.09 million from the Rights Issue with Warrants. On 17 February 2015, the Board of Directors of the Company has fixed the issue price for each new EW Berhad Shares to be issued pursuant to the Rights Issue with Warrants (**"Rights Share"**) at RM1.20 at an entitlement basis of 1 Rights Share for every 2 existing EW Berhad Shares held by the entitled shareholders.

In addition, the exercise price for each warrant has been fixed at RM2.08 for each warrant at an entitlement basis of 4 warrants for every 5 Rights Shares subscribed for by the entitled shareholders.

The fair value of each warrant is estimated to be RM0.36 per warrant and accordingly, the total fair value of the warrants is RM189.14 million. The fair value is estimated using the Black-Scholes model.

The effects arising from the Rights Issue with Warrants are as follows:

	RM '000
Proceeds from Rights Issue and Warrants	788,089
Less: Par value of ordinary shares subscribed by all entitled shareholders	(328,370)
Less: Total fair value consideration for warrants	(189,141)
Share premium	270,578
Proposed utilisation:	
Repayment of short term bank borrowings for the following:	
Partially finance the Development Rights Acquisition (Note c)	506,592
Repayment of shareholders advances owing by Eco Macalister and EW Project Management to EW Sdn Bhd (Note a)	173,297
Partially finance the Total Reimbursable Sum	104,683
	784,572
Settlement of shares issuance expenses (Note d)	2,043
Settlement of expenses (Note d)	4,456
Less: Prepaid expenses	(2,982)
	788,089

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ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
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5. **Pro forma 4 (contd.)**

Note d

The estimated expenses cannot be accurately segregated for each of the Proposals as certain fees such as professional fees and printing costs are charged on a collective basis for the Proposals. The estimated expenses for the Proposals includes estimated professional fees of RM3.84 million, underwriting fee of RM2.04 million and estimated fees to the authorities, printing costs as well as other estimated incidental and miscellaneous expenses in relation to the Proposals amounting to an aggregate of RM0.62 million. The estimated expenses above do not include the estimated placement fees for the Placement (please refer to Pro forma 5 below for the estimated placement fees for the Placement).

The shares issuance expenses are charged against the share premium account and the other expenses are charged to the profit or loss account.

6. **Pro forma 5**

Pro forma 5 incorporates Pro forma 4 and the effects of the Placement.

The Placement will involve the placement of such number of new ordinary shares of EW Berhad representing up to 20% of the issued and paid-up share capital of EW Berhad post completion of the Share Split, Share Subscription and Rights Issue with Warrants at an issue price to be determined at a later stage.

For illustration purposes, EW Berhad is proposing to undertake a private placement which entails the issuance of up to 394,044,255 new ordinary shares of RM0.50 each, representing 20% of the then issued and paid-up share capital of EW Berhad, at an indicative issue price of RM1.70 per ordinary share.

**ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
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6. Pro forma 5 (contd.)

The effects arising from the Placement are as follows:

	RM '000
Proceeds from the Placement	669,875
Less: Repayment of short-term borrowings to finance the Total Reimbursable Sum	(107,004)
Less: Settlement of shares issuance expenses	(9,043)
Net cash inflow to the Company	553,828
Proposed utilisation:	
Repayment of borrowings to finance the Total Reimbursable Sum	107,004
Working capital	553,828
Settlement of shares issuance expenses	9,043
	669,875

The shares issuance expenses are charged against the share premium account.

7. Pro forma 6

Pro forma 6 incorporates Pro forma 5 and the effects of the proposed acquisition of 7 pieces of freehold agricultural land in Mukim Beranang, Daerah Ulu Langat, State of Selangor for a purchase consideration of RM225.33 million. The Proposed Semenyih Land Acquisition was announced by EW Berhad on 2 July 2014.

As at 31 October 2014, EW Berhad had paid a deposit of RM22.53 million. For illustration purposes, Pro forma 6 is illustrated assuming that the balance of the purchase consideration of RM202.80 million is entirely funded by the bank borrowings.

The estimated expenses relating to the Proposed Semenyih Land Acquisition are RM7.15 million, of which RM7.05 million is capitalised as these expenses are directly attributable to the acquisition of the said parcels of land. The estimated expenses are settled in cash.

**ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY")
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 OCTOBER 2014**

8. Pro forma 7

Pro forma 7 incorporates Pro forma 6 and the effects of the Proposed Share Subscription and Joint Development of BBCC.

EW Berhad has, on 4 February 2015, entered into a subscription and shareholders' agreement (**"Shareholders' Agreement"**) with UDA, the Employees Provident Fund Board (**"EPF"**) and BBCC, whereby EW Berhad, UDA and EPF agree to invest and fund BBCC as the vehicle to undertake a joint development of a piece of land into a mixed residential and commercial development comprising, amongst others, a retail mall, an entertainment block, strata offices, office towers, a hotel and serviced residences.

EW Berhad will subscribe for 1,999,988 new ordinary shares of BBCC, representing 40% of the enlarged issued and paid-up share capital of BBCC for a total cash consideration of approximately RM2.00 million. The subscription of such ordinary shares will be settled in cash. The terms of the Shareholder's Agreement provides for a joint control arrangement between EW Berhad, UDA and EPF. Accordingly, EW Berhad's investment in BBCC will be classified and presented as an investment in a joint venture.

In addition, EW Berhad will advance an estimated sum of RM106.00 million to BBCC to finance the initial costs of the proposed joint development and the first payment to UDA for granting the development rights to BBCC. For illustration purposes, Pro forma 7 is illustrated assuming that the advances of RM106.00 million are entirely funded by the bank borrowings.

The estimated expenses relating to the Proposed Share Subscription and Joint Development of BBCC are RM0.90 million. The estimated expenses will be charged to the profit or loss accounts and will be settled in cash.

9. Pro forma 8

Pro forma 8 incorporates Pro forma 7 and the effects arising from the full exercise of all warrants issued under the Rights Issue with Warrants (as described in Pro forma 4). The number of warrants issued is 525,392,340 and the exercise price is RM2.08 per warrant, resulting in a premium of RM830.12 million.

Upon the full exercise of all warrants, the warrants reserve of RM189.14 million is transferred to the share premium account.

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ACCOUNTANTS' REPORT
(Prepared for inclusion in the Abridged Prospectus of Eco World Development Group Berhad to be dated 5 March 2015 ("Abridged Prospectus"))

24 February 2015

The Board of Directors
Eco World Development Group Berhad
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

Dear Sirs:

ECO WORLD DEVELOPMENT GROUP BERHAD ("EW BERHAD" OR THE "COMPANY") ACCOUNTANTS' REPORT

1.0 Introduction

This report has been prepared by Messrs. Ernst & Young, an approved company auditor, for inclusion in the Abridged Prospectus of EW Berhad in connection with, amongst others, the proposed acquisitions by EW Berhad of Eco Macalister Development Sdn Bhd (formerly known as Bintang Dedikasi Sdn Bhd) and Eco World Project Management Sdn Bhd, both of which are wholly-owned subsidiaries of Eco World Development Sdn Bhd, for a total consideration as set out in the respective conditional share sale and purchase agreements dated 25 April 2014 (hereinafter referred to as the " Acquisition").

Details of the Acquisition are described in Note 3.2 of this report.

This report is issued for the sole purpose of complying with the Prospectus Guidelines – Abridged Prospectus issued by the Securities Commission Malaysia ("Securities Commission") in connection with the Acquisition and should not be relied upon for any other purposes. Therefore, this report is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the Acquisition described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any type of transaction, including the sale of securities other than pursuant to the Acquisition.

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2.0 Abbreviation

Unless the context otherwise requires, the following definition shall apply throughout this report:

EW Berhad	Eco World Development Group Berhad (formerly known as Focal Aims Holdings Berhad)
Eco Macalister	Eco Macalister Development Sdn Bhd (formerly known as Bintang Dedikasi Sdn Bhd)
EW Project Management	Eco World Project Management Sdn Bhd
EW Sdn Bhd	Eco World Development Sdn Bhd
EY	Ernst & Young

3.0 General information

3.1 Background

Eco Macalister and EW Project Management are private limited liability companies, incorporated and domiciled in Malaysia.

Eco Macalister was incorporated on 1 October 2013. The principal activity of Eco Macalister is property investment holding.

EW Project Management was incorporated on 17 February 2012. The principal activity of EW Project Management is the provision of property development project management services.

The holding company of Eco Macalister and EW Project Management is EW Sdn Bhd, which is incorporated in Malaysia.

3.2 Details of the Acquisition

On 25 April 2014, EW Berhad and EW Sdn Bhd entered into a conditional share sale and purchase agreement for the acquisition by EW Berhad of two (2) ordinary shares of RM1.00 each in Eco Macalister ("Eco Macalister Sale Shares"), representing 100% equity interest in Eco Macalister, from EW Sdn Bhd for a total consideration as set out in the said agreement.

On the same date, EW Berhad and EW Sdn Bhd also entered into another conditional share sale and purchase agreement for the acquisition by EW Berhad of two (2) ordinary shares of RM1.00 each in EW Project Management ("EW Project Management Sale Shares), representing 100% equity interest in EW Project Management, from EW Sdn Bhd for a total consideration as set out in the said agreement.

The Acquisition was completed on 6 February 2015 following the payment of the consideration for the Acquisition by EW Berhad to EW Sdn Bhd. Eco Macalister and EW Project Management became wholly-owned subsidiaries of EW Berhad upon completion of the Acquisition.

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4.0 Auditors and audited financial statements

The financial period/year end of Eco Macalister and EW Project Management falls on 31 October 2013. The financial statements of Eco Macalister were audited by EY in respect of the financial period ended 31 October 2013. The financial statements of EW Project Management were audited by another firm of auditors in respect of the financial period ended 31 October 2012 and the financial year ended 31 October 2013.

The auditors' reports of the respective audited financial statements for the respective financial period/year under review were not subject to any qualification or modification.

5.0 Dividend

Eco Macalister and EW Project Management have not paid or declared any dividend since the date of incorporation.

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6.0 Eco Macalister

6.1 Statement of comprehensive income

	Note	1 October 2013 (date of incorporation) to 31 October 2013 RM
Administrative expenses		(5,000)
Finance cost		(5,530)
Loss before tax	6.7.1	(10,530)
Income tax expense	6.7.2	-
Loss net of tax, representing total comprehensive loss for the period		(10,530)

6.2 Statement of financial position

	Note	2013 RM
Assets		
Current assets		
Other receivable	6.7.3	1,200,000
Cash in hand		2
Total current assets		1,200,002
Total assets		1,200,002
Equity and liabilities		
Equity attributable to owners of the entity		
Share capital	6.7.4	2
Accumulated losses		(10,530)
Total equity		(10,528)
Current liabilities		
Other payables	6.7.5	1,210,530
Total liabilities		1,210,530
Total equity and liabilities		1,200,002

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6.3 Statement of changes in equity

	Share capital RM	Accumulated losses RM	Total RM
At 1 October 2013 (date of incorporation)	2	-	2
Total comprehensive loss for the financial year	-	(10,530)	(10,530)
At 31 October 2013	2	(10,530)	(10,528)

6.4 Statement of cash flows

	1 October 2013 (date of incorporation) to 31 October 2013 RM
Cash flows from operating activities	
Loss before tax	(10,530)
Adjustment for:	
Finance cost	5,530
Operating loss before working capital changes	(5,000)
Changes in working capital:	
Other payables	5,000
Net cash from operating activities	-
Net change in cash and cash equivalents	-
Cash and cash equivalents at date of incorporation	2
Cash and cash equivalents at end of the period	2

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6.5 Summary of significant accounting policies

6.5.1 Basis of preparation

The financial statements of Eco Macalister have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act,1965 in Malaysia.

The financial statements of Eco Macalister have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of Eco Macalister.

6.5.2 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the financial statements are disclosed below. Eco Macalister intends to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)	To be announced
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)	To be announced
MFRS 9 Financial Instruments: Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139	To be announced

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6.5.2 Standards issued but not yet effective (contd.)

The directors of Eco Macalister expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

MFRS 9: Financial Instruments

MFRS 9 reflects the first phase of work on the replacement of MFRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures, issued in March 2012, moved the mandatory effective date to 1 January 2015. Subsequently, on 14 February 2014, it was announced that the new effective date will be decided when the project is closer to completion. The adoption of the first phase of MFRS 9 will have an effect on the classification and measurement of the financial assets, but will not have an impact on classification and measurements of the financial liabilities. Eco Macalister will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

6.5.3 Financial assets

Financial assets are recognised in the statement of financial position when, and only when, Eco Macalister becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Eco Macalister determines the classification of their financial assets at initial recognition. Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. All financial assets of Eco Macalister are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

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6.5.4 Impairment of financial assets

Eco Macalister assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, Eco Macalister considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include Eco Macalister's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

6.5.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand which is subject to an insignificant risk of changes in value.

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6.5.6 Provisions

Provisions are recognised when Eco Macalister has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

6.5.7 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, Eco Macalister becomes a party to the contractual provisions of the financial instrument.

Eco Macalister's financial liabilities include other payables. Other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

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6.5.8 Income tax

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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6.5.9 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of Eco Macalister after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

6.6 Significant accounting estimates and judgements

(a) Judgements made in applying accounting policies

There were no judgements made by management in applying the accounting policies of Eco Macalister which have significant effects on the amounts recognised in the financial statements.

(b) Key sources of estimation

There were no key sources of estimation which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

6.7 Notes to the financial statements

6.7.1 Loss before tax

The following amount has been included in arriving at loss before tax:

	1 October 2013 (date of incorporation) to 31 October 2013 RM
Auditors' remuneration	5,000

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6.7.2 Income tax expense

There is no tax expense in the current period in view that Eco Macalister is in a tax loss position.

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the year. The domestic statutory tax rate will be reduced to 24% from the current year's rate of 25% with effect from the year of assessment 2016.

The reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the period ended 31 October 2013 are as follows:

	1 October 2013 (date of incorporation) to 31 October 2013 RM
Loss before tax	(10,530)
Taxation at Malaysian statutory tax rate of 25%	(2,633)
Non-deductible expenses	2,633
Income tax expense recognised in profit or loss	-

6.7.3 Other receivable

	2013 RM
Deposit	1,200,000
Add: Cash in hand	2
Total loans and receivables	1,200,002

The deposit of RM1,200,000 represents earnest deposit paid on behalf by the holding company for the purchase of three parcels of land.

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6.7.4 Share capital

	Ordinary shares of RM1 each	
	2013 Number of shares	2013 RM
Authorised		
At date of incorporation/end of financial period	400,000	400,000
Issued and fully paid		
At date of incorporation/end of financial period	2	2

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meetings of Eco Macalister. All ordinary shares rank equally with regard to Eco Macalister's residual assets.

6.7.5 Other payables

	2013 RM
Amount due to holding company	1,205,530
Accrual	5,000
Total financial liabilities carried at amortised cost	1,210,530

The amount due to holding company is unsecured, bears interest at 5.53% per annum and has no fixed term of repayment.

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6.7.6 Related party disclosures

(a) Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between Eco Macalister and related parties took place at terms agreed between the parties during the financial period:

	1 October 2013 (date of incorporation) to 31 October 2013 RM
Interest expense payable to holding company	5,530

(b) Compensation of key management personnel

Eco Macalister regards its directors as the key management personnel and they did not receive any remuneration for their services rendered during the financial period.

6.7.7 Financial risk management objectives and policies

Eco Macalister is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk.

The Board of Directors of Eco Macalister reviews and agrees policies and procedures for the management of these risks, which are executed by the management.

It is, and has been throughout the financial period, Eco Macalister's policy that no derivatives shall be undertaken.

The following sections provide details regarding Eco Macalister's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Eco Macalister's exposure to credit risk arises primarily from other receivable.

At the reporting date, Eco Macalister's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

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6.7.7 Financial risk management objectives and policies (contd.)

(b) Liquidity risk

Liquidity risk is the risk that Eco Macalister will encounter difficulty in meeting financial obligations due to shortage of funds. Eco Macalister's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. Eco Macalister's objective is to maintain sufficient levels of cash and cash convertible investments to meet its working capital requirements.

The table below summarises the maturity profile of Eco Macalister's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM
2013	
Financial liabilities:	
Other payables, representing total undiscounted financial liabilities	1,210,530

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of Eco Macalister's financial instruments will fluctuate because of changes in market interest rates.

Eco Macalister's exposure to interest rate risk arises primarily from amount due to holding company at fixed interest rate.

6.7.8 Fair value of financial instruments

The carrying amounts of Eco Macalister's financial assets and liabilities are reasonable approximation of fair values due to the short-term nature of these financial instruments.

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6.7.9 Capital management

The primary objective of Eco Macalister's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

Eco Macalister manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, Eco Macalister may adjust the dividend payment to its shareholder, return capital to its shareholder or issue new shares. No changes were made in the objectives, policies or processes during the period ended 31 October 2013.

Eco Macalister is not subject to any externally imposed capital requirements.

6.7.10 Event subsequent to reporting date

On 20 December 2013, Eco Macalister entered into a sale and purchase agreement for the acquisition of three parcels of land for a total purchase consideration of RM60,000,000.

6.7.11 Authorisation of financial statements for issue

The financial statements for the period ended 31 October 2013 were authorised for issue in accordance with a resolution of the directors of Eco Macalister on 19 March 2014.

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7.0 EW Project Management

7.1 Statement of comprehensive income

	Note	1 November 2012 to 31 October 2013 RM	17 February 2012 (date of incorporation) to 31 October 2012 RM
Revenue	7.7.1	6,171,536	-
Cost of sales		(23,699,539)	-
Gross loss		(17,528,003)	-
Administrative expenses		(174,793)	(545,031)
Loss before tax	7.7.2	(17,702,796)	(545,031)
Income tax expense	7.7.3	-	-
Loss net of tax, representing total comprehensive loss for the year/period		(17,702,796)	(545,031)

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7.2 Statement of financial position

	Note	2013 RM	2012 RM
Assets			
Non-current asset			
Property, plant and equipment	7.7.4	5,940,261	259,731
Current assets			
Deposits		240,674	-
Amounts owing from related companies	7.7.5	6,171,536	-
Cash and bank balances		1,324,696	60,542
Total current assets representing total loans and receivables		7,736,906	60,542
Total assets		13,677,167	320,273
Equity and liabilities			
Equity attributable to owners of the entity			
Share capital	7.7.6	2	2
Accumulated losses		(18,247,827)	(545,031)
Total equity		(18,247,825)	(545,029)
Current liabilities			
Other payables	7.7.7	10,303,204	1,900
Amount owing to the holding company	7.7.8	21,621,788	863,402
Total liabilities, representing total financial liabilities carried at amortised cost		31,924,992	865,302
Total equity and liabilities		13,677,167	320,273

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7.3 Statement of changes in equity

	Share capital RM	Accumulated losses RM	Total RM
At date of incorporation	2	-	2
Total comprehensive loss for the financial period	-	(545,031)	(545,031)
At 31 October 2012	2	(545,031)	(545,029)
Total comprehensive loss for the financial year	-	(17,702,796)	(17,702,796)
At 31 October 2013	2	(18,247,827)	(18,247,825)

7.4 Statement of cash flows

	1 November 2012 to 31 October 2013 RM	17 February 2012 (date of incorporation) to 31 October 2012 RM
Cash flows from operating activities		
Loss before tax	(17,702,796)	(545,031)
Adjustments for:		
Depreciation	1,067,623	48,720
Property, plant and equipment written off	3,680	-
	(16,631,493)	(496,311)
Changes in working capital:		
Receivables	(240,674)	-
Payables	10,301,304	1,900
Related companies	(6,171,536)	-
Holding company	20,758,386	863,402
Net cash inflows from operating activities	8,015,987	368,991
Cash flows from investing activity		
Purchase of property, plant and equipment, representing net cash outflows from investing activity	(6,751,833)	(308,451)
Net increase in cash and cash equivalents	1,264,154	60,540
Cash and cash equivalents at beginning of the year/at date of incorporation	60,542	2
Cash and cash equivalents at end of the year/period	1,324,696	60,542

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7.5 Summary of significant accounting policies

7.5.1 Basis of preparation

The financial statements of EW Project Management have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act,1965 in Malaysia.

The financial statements of EW Project Management have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements of EW Project Management for the financial year ended 31 October 2013 are the first set of financial statements prepared in accordance with MFRSs, including MFRS 1 First-time Adoption of MFRSs. In the previous financial period, the financial statements of EW Project Management were prepared in accordance with the Financial Reporting Standards ("FRSs") in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of EW Project Management.

7.5.2 Explanation of transition to MFRSs

In conjunction with the planned convergence of FRSs with IFRSs as issued by the International Accounting Standards Board ("IASB") on 1 January 2012, the Malaysian Accounting Standards Board ("MASB") had on 19 November 2011 issued a new MASB approved accounting standards, MFRSs ("MFRSs Framework") for application in its annual periods beginning on or after 1 January 2012.

The MFRSs Framework is mandatory for adoption by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for the Construction of Real Estate ("Transitioning Entities"). The Transitioning Entities are given an option to defer the adoption of MFRSs Framework to financial periods beginning on or after 1 January 2015. Transitioning Entities also include those entities that consolidate or equity account or proportionately consolidate another entity that has chosen to continue to apply the FRSs framework for annual periods beginning on or after 1 January 2012.

Accordingly, EW Project Management which is not the Transitioning Entities has adopted the MFRSs Framework including MFRS 1 First-time Adoption of MFRSs for the financial year ended 31 October 2013.

MFRS 1 requires comparative information to be restated as if the requirements of MFRSs effective for annual periods beginning on or after 1 January 2012 have always been applied, except when MFRS 1 allows certain elective exemptions from such full retrospective application or prohibits retrospective application of some aspects of MFRSs.

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7.5.2 Explanation of transition to MFRSs (contd.)

EW Project Management has consistently applied the same accounting policies in its opening MFRSs statement of financial position as at 1 November 2011 (date of transition) and throughout all periods presented, as if these policies had always been in effect.

As at 31 October 2012, all FRSs issued under the existing FRSs framework are equivalent to the MFRSs issued under MFRSs Framework except for differences in relation to the transitional provisions, the adoption of MFRS 141 Agriculture and IC Interpretation 15 Agreements for the Construction of Real Estate as well as differences in effective dates contained in certain of the existing FRSs.

The adoption of the MFRSs for the financial year ended 31 October 2013 did not result in any changes in accounting policies and material adjustments to the statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows which are reported in accordance with the previous FRSs.

7.5.3 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the financial statements are disclosed below. EW Project Management intends to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)	1 January 2013
MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)	1 January 2013
MFRS 10 Consolidated Financial Statements	1 January 2013
MFRS 11 Joint Arrangements	1 January 2013
MFRS 12 Disclosure of interests in Other Entities	1 January 2013
MFRS 13 Fair Value Measurement	1 January 2013
MFRS 119 Employee Benefits	1 January 2013
MFRS 127 Separate Financial Statements	1 January 2013
MFRS 128 Investments in Associates and Joint Ventures	1 January 2013
MFRS 127 Consolidated and Separate Financial Statements	1 January 2013
Amendments to IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to MFRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013

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7.5.3 Standards issued but not yet effective (contd.)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 1: First-time adoption of Malaysian Financial Reporting Standards - Government Loans	1 January 2013
Amendments to MFRS 1: First-time adoption of Malaysian Financial Reporting Standards - Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 134: Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)	1 January 2013
Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to MFRS 11: Joint Arrangements: Transition Guidance	1 January 2013
Amendments to MFRS 12: Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)	To be announced
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)	To be announced
MFRS 9 Financial Instruments: Hedge Accounting and amendments to MFRS 9, MFRS 7 and MFRS 139	To be announced

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7.5.3 Standards issued but not yet effective (contd.)

The directors of EW Project Management expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

MFRS 9: Financial Instruments

MFRS 9 reflects the first phase of work on the replacement of MFRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in MFRS 139. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to MFRS 9: Mandatory Effective Date of MFRS 9 and Transition Disclosures, issued in March 2012, moved the mandatory effective date to 1 January 2015. Subsequently, on 14 February 2014, it was announced that the new effective date will be decided when the project is closer to completion. The adoption of the first phase of MFRS 9 will have an effect on the classification and measurement of the financial assets, but will not have an impact on classification and measurements of the financial liabilities. EW Project Management will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

MFRS 13: Fair Value Measurement

MFRS 13 defines fair value and sets out a framework for measuring fair value, and the disclosure requirements about fair value. This standard is intended to address the inconsistencies in the requirements for measuring fair value across different accounting standards. As defined in this standard, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

7.5.4 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to EW Project Management and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, EW Project Management recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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7.5.4 Property, plant and equipment (contd.)

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Motor vehicles	16%
Computer equipment	20%
Office equipment	20%
Telecommunication equipment	20%
Renovation	20%
Furniture and fittings	20%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

7.5.5 Impairment of non-financial assets

EW Project Management assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, EW Project Management makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss in the period in which it arises.

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7.5.5 Impairment of non-financial assets (contd.)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss. Impairment loss on goodwill is not reversed in a subsequent period.

7.5.6 Financial assets

Financial assets are recognised in the statement of financial position when, and only when, EW Project Management becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

EW Project Management determines the classification of their financial assets at initial recognition. Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. All financial assets of EW Project Management are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

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7.5.7 Impairment of financial assets

EW Project Management assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, EW Project Management considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include EW Project Management's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

7.5.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank which is subject to an insignificant risk of changes in value.

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7.5.9 Provisions

Provisions are recognised when EW Project Management has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

7.5.10 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, EW Project Management becomes a party to the contractual provisions of the financial instrument.

EW Project Management's financial liabilities include payables. Payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

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7.5.11 Income tax

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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7.5.12 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of EW Project Management after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

7.5.13 Revenue

Revenue is recognised upon services rendered and when the outcome of the transaction can be estimated reliably.

7.5.14 Employee benefits

(a) Short term employee benefits

Wages, salaries, social security contributions, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by the employees.

(b) Post-employment benefits

EW Project Management contributes to Employees' Provident Fund, the national defined contribution plan. The contributions are charged to profit or loss in the period in which they are related. Once the contributions have been paid, EW Project Management has no further payment obligations.

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7.6 Significant accounting estimates and judgements

(a) Judgements made in applying accounting policies

There were no judgements made by management in applying the accounting policies of EW Project Management which have significant effects on the amounts recognised in the financial statements.

(b) Key sources of estimation

The key assumption concerning the future and other key sources of 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 year are as stated below:

Depreciation of property, plant and equipment

EW Project Management estimates the useful lives of property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets.

In addition, the estimation of the useful lives of property, plant and equipment are based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property, plant and equipment would increase the recorded expenses and decrease the non-current assets.

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7.7 Notes to the financial statements

7.7.1 Revenue

	1 November 2012 to 31 October 2013 RM	17 February 2012 (date of incorporation) to 31 October 2012 RM
Project management fee	2,646,310	-
Sale, marketing, administration and accounting fee	3,525,226	-
	6,171,536	-

7.7.2 Loss before tax

The following amounts have been included in arriving at loss before tax:

	1 November 2012 to 31 October 2013 RM	17 February 2012 (date of incorporation) to 31 October 2012 RM
Auditors' remuneration		
- Current period	5,000	1,900
- Under accrual in prior period	600	-
Depreciation	1,067,623	48,720
Property, plant and equipment written off	3,680	-
Rental of premises	310,700	-
Staff costs		
- Salaries, wages, allowances and bonuses	16,449,906	258,876
- Employees' Provident Fund	1,973,422	85,257
- SOCSO	29,904	1,371

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7.7.3 Income tax expense

There is no tax expense in the current and previous periods in view that EW Project Management is in a tax loss position.

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the year. The domestic statutory tax rate will be reduced to 24% from the current year's rate of 25% with effect from the year of assessment 2016.

The reconciliation between income tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the year/period ended 31 October 2013 and 31 October 2012 are as follows:

	1 November 2012 to 31 October 2013 RM	17 February 2012 (date of incorporation) to 31 October 2012 RM
Loss before tax	(17,702,796)	(545,031)
Taxation at Malaysian statutory tax rate of 25%	(4,425,699)	(136,258)
Non-deductible expenses	161,500	2,187
Deferred tax assets not recognised	4,264,199	134,071
Income tax expense recognised in profit or loss	-	-

Deferred tax assets have not been recognised in respect of the following items:

	2013 RM	2012 RM
Unutilised tax losses	16,864,456	496,311
Unutilised capital allowances	728,624	39.973
	17,593,080	536,284

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7.7.4 Property, plant and equipment

	Motor vehicles RM	Furniture and fittings RM	Renovation RM	Office equipment RM	Tele - communication equipment RM	Computer equipment RM	Computer equipment under installation RM	Total RM
2013								
Cost								
At 1 November 2012	308,451	-	-	-	-	-	-	308,451
Additions	2,374,264	392,170	996,668	382,966	43,260	1,380,565	1,181,940	6,751,833
Written off	-	-	-	-	-	(3,680)	-	(3,680)
At 31 October 2013	2,682,715	392,170	996,668	382,966	43,260	1,376,885	1,181,940	7,056,604
Accumulated depreciation								
At 1 November 2012	48,720	-	-	-	-	-	-	48,720
Charge for the year	429,234	78,434	199,333	76,593	8,652	275,377	-	1,067,623
At 31 October 2013	477,954	78,434	199,333	76,593	8,652	275,377	-	1,116,343
Carrying amount at 31 October 2013	2,204,761	313,736	797,335	306,373	34,608	1,101,508	1,181,940	5,940,261
2012								
Cost								
At date of incorporation	-	-	-	-	-	-	-	-
Additions	308,451	-	-	-	-	-	-	308,451
At 31 October 2012	308,451	-	-	-	-	-	-	308,451
Accumulated depreciation								
At date of incorporation	-	-	-	-	-	-	-	-
Charge for the period	48,720	-	-	-	-	-	-	48,720
At 31 October 2013	48,720	-	-	-	-	-	-	48,720
Carrying amount at 31 October 2012	259,731	-	-	-	-	-	-	259,731

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7.7.5 Amounts owing from related companies

The amounts owing from related companies are unsecured, interest free and are repayable on demand.

7.7.6 Share capital

	Ordinary shares of RM1 each			
	2013 Number of shares	2013 RM	2012 Number of shares	2012 RM
Authorised				
At date of incorporation/beginning/ end of the financial year/period	100,000	100,000	100,000	100,000
Issued and fully paid				
At date of incorporation/beginning/ end of the financial year/period	2	2	2	2

7.7.7 Other payables

	2013 RM	2012 RM
Sundry payables	399,678	-
Accruals	9,903,526	1,900
	10,303,204	1,900

7.7.8 Amount owing to holding company

The amount owing to holding company is unsecured, interest free and is repayable on demand.

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7.7.9 Related party disclosures

(a) Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between EW Project Management and related parties took place at terms agreed between the parties during the financial period:

	1 November 2012 to 31 October 2013 RM	17 February 2012 (date of incorporation) to 31 October 2012 RM
Project management fee	2,646,310	-
Sale, marketing, administration and accounting fee	3,525,226	-
	6,171,536	-

(b) Compensation of key management personnel

EW Project Management regards its directors as the key management personnel and they did not receive any remuneration for their services rendered during the financial period.

7.7.10 Financial risk management objectives and policies

EW Project Management is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk.

The Board of Directors of EW Project Management reviews and agrees policies and procedures for the management of these risks, which are executed by the management.

It is, and has been throughout the financial period, EW Project Management's policy that no derivatives shall be undertaken.

The following sections provide details regarding EW Project Management's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

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7.7.10 Financial risk management objectives and policies (contd.)

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. EW Project Management 's exposure to credit risk arises primarily from amounts owing from related companies.

At the reporting date, EW Project Management's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

(b) Liquidity risk

Liquidity risk is the risk that EW Project Management will encounter difficulty in meeting financial obligations due to shortage of funds. EW Project Management 's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. EW Project Management 's objective is to maintain sufficient levels of cash and cash convertible investments to meet its working capital requirements. EW Project Management relies on its holding company to provide adequate funds for the entity to meet its liabilities as and when they fall due.

The table below summarises the maturity profile of EW Project Management's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM
2013	
Financial liabilities:	
Other payables	10,303,204
Amount owing to holding company	21,621,788
	31,924,992
2012	
Financial liabilities:	
Other payables	1,900
Amount owing to holding company	863,402
	865,302

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7.7.10 Financial risk management objectives and policies (contd.)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of EW Project Management's financial instruments will fluctuate because of changes in market interest rates.

EW Project Management is not exposed to interest rate risk as it does not have any interest bearing asset or liability.

7.7.11 Fair value of financial instruments

The carrying amounts of EW Project Management's financial assets and liabilities are reasonable approximation of fair values due to the short-term nature of these financial instruments.

7.7.12 Capital management

The primary objective of EW Project Management's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholder value.

EW Project Management manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, EW Project Management may adjust the dividend payment to its shareholder, return capital to its shareholder or issue new shares. No changes were made in the objectives, policies or processes during the year/period ended 31 October 2013 and 31 October 2012. EW Project Management relies on its holding company to provide adequate funds for the entity to meet its liabilities as and when they fall due.

EW Project Management is not subject to any externally imposed capital requirements.

7.7.13 Capital commitment

	2013 RM	2012 RM
Capital expenditure approved and contracted for		
Computer equipment	197,660	-

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7.7.14 Authorisation of financial statements for issue

The financial statements for the period ended 31 October 2013 were authorised for issue in accordance with a resolution of the directors of EW Project Management on 19 March 2014.

Yours faithfully

Ernst & Young
AF: 0039
Chartered Accountants

Kua Choo Kai
No. 2030/03/16(J)
Chartered Accountant

Company No. 17777-V

APPENDIX V

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR COMPANY FOR THE 13-MONTH FINANCIAL PERIOD ENDED 31 OCTOBER 2014 TOGETHER WITH THE AUDITORS' REPORT THEREON

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ECO WORLD DEVELOPMENT GROUP BERHAD

(formerly known as Focal Aims Holdings Berhad)
(17777 V)
(Incorporated in Malaysia)

Directors' Report and Audited Financial Statements
31 October 2014

17777 V

Eco World Development Group Berhad
(formerly known as Focal Aims Holdings Berhad)
(Incorporated in Malaysia)

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Eco World Development Group Berhad
(formerly known as Focal Aims Holdings Berhad)
(Incorporated in Malaysia)

Directors' report

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial period ended 31 October 2014.

Change of name

With effect from 18 December 2013, the Company changed its name from Focal Aims Holdings Berhad to Eco World Development Group Berhad.

Principal activities

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are disclosed in Note 16 to the financial statements.

There have been no significant changes in the nature of the principal activities during the financial period except for the introduction of construction activity undertaken by the Group.

Change of financial year end

The financial year end of the Company was changed from 30 September to 31 October so as to be coterminous with the financial year end of Eco World Development Holdings Sdn. Bhd., being the major shareholder of the Company. Accordingly, comparative amounts for the statements of comprehensive income, statements of changes in equity, statements of cash flows and the related notes are not entirely comparable.

Results

	Group RM	Company RM
Profit net of tax	7,178,010	1,613,996
Profit attributable to:		
Owners of the Company	7,180,872	1,613,996
Non-controlling interests	(2,862)	-
	7,178,010	1,613,996

There were no material transfers to or from reserves or provisions during the financial period other than as disclosed in the financial statements.

Eco World Development Group Berhad
(formerly known as Focal Aims Holdings Berhad)
(Incorporated in Malaysia)

Results (contd.)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature.

Dividends

The amounts of dividends paid by the Company since 30 September 2013 were as follows:

	RM
In respect of the financial year ended 30 September 2013 as reported in the directors' report of that year:	
First and final single tier dividend of 1% on 253,317,000 ordinary shares approved on 27 February 2014 and paid on 23 April 2014	2,533,170

The directors do not recommend the payment of any dividend in respect of the financial period ended 31 October 2014.

Directors

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Dato' Chang Khim Wah	
Datuk Heah Kok Boon	
Tan Sri Abdul Rashid bin Abdul Manaf	(Appointed on 29 November 2013)
Dato' Leong Kok Wah	(Appointed on 29 November 2013)
Liew Tian Xiong	(Appointed on 29 November 2013)
Tang Kin Kheong	(Appointed on 29 November 2013)
Tan Sri Lee Lam Thye	(Appointed on 29 November 2013)
Dato' Idrose bin Mohamed	(Appointed on 29 November 2013)
Tan Sri Dato' Sri Liew Kee Sin	(Appointed on 5 May 2014)
Dato' Haji Obet bin Tawil	(Appointed on 21 August 2014)
Tan Sri Datuk Mohd Razali Bin Abdul Rahman	(Resigned on 29 November 2013)
E. Seng Kiw @ Yee Oy Chong	(Resigned on 29 November 2013)
Yee Yok Sen	(Resigned on 29 November 2013)
Wan Mustapha Bin Wan Ismail	(Resigned on 29 November 2013)
Phang Piow @ Pang Choo Ing	(Resigned on 29 November 2013)
Pang Tin @ Pang Yon Tin	(Resigned on 29 November 2013)

Eco World Development Group Berhad
(formerly known as Focal Aims Holdings Berhad)
(Incorporated in Malaysia)

Directors' benefits

Neither at the end of the financial period, nor at any time during that period, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown in Note 10 to the financial statements) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, other than as disclosed in Note 30 to the financial statements.

Directors' interests

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial period in shares in the Company and its related corporations during the financial period were as follows:

	Number of ordinary shares of RM1 each			
	Date of appointment/ 1 October 2013	Acquired	Sold	31 October 2014
Eco World Development Group Berhad *(formerly known as Focal Aims Holdings Berhad)*				
Direct interests				
Liew Tian Xiong	-	88,780,601	-	88,780,601
Dato' Chang Khim Wah	-	1,530,000	-	1,530,000
Datuk Heah Kok Boon	-	191,250	-	191,250
Deemed interests				
Tan Sri Abdul Rashid bin Abdul Manaf *	76,010,000	-	(25,000,000)	51,010,000
Dato' Leong Kok Wah *	76,010,000	-	(25,000,000)	51,010,000

* Deemed interest by virtue of Section 6A of the Companies Act, 1965 held through Eco World Development Holdings Sdn. Bhd.

Eco World Development Group Berhad
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Directors' interests (contd.)

By virtue of Tan Sri Abdul Rashid bin Abdul Manaf, Dato' Leong Kok Wah and Liew Tian Xiong's substantial interest in the Company, they are deemed to have interest in the shares of all the subsidiaries to the extent the Company has an interest.

The other directors in office at the end of the financial period had no interest in shares in the Company or its related corporations during the financial period.

Other statutory information

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:

  (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that no allowance for doubtful debts was necessary; and

  (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the directors are not aware of any circumstances which would render:

  (i) it necessary to write off any bad debts or to make any allowance for doubtful debts in respect of the financial statements of the Group and of the Company; and

  (ii) the values attributed to current assets in the financial statements of the Group and of the Company misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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Eco World Development Group Berhad
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Other statutory information (contd.)

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial period which secures the liabilities of any other person; or

(ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial period.

(f) In the opinion of the directors:

(i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and

(ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

Significant events

Details of significant events are disclosed in Note 35 to the financial statements.

Subsequent events

Details of subsequent events are disclosed in Note 36 to the financial statements.

Signed on behalf of the Board in accordance with a resolution of the directors dated 10 December 2014.

Dato' Chang Khim Wah

Datuk Heah Kok Boon

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Eco World Development Group Berhad
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Statement by directors
Pursuant to Section 169(15) of the Companies Act, 1965

We, Dato' Chang Khim Wah and Datuk Heah Kok Boon, being two of the directors of Eco World Development Group Berhad *(formerly known as Focal Aims Holdings Berhad)*, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 10 to 79 are drawn up in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 October 2014 and of their financial performance and cash flows for the period then ended.

The information set out in Note 39 on page 80 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 10 December 2014.

Dato' Chang Khim Wah

Datuk Heah Kok Boon

Statutory declaration
Pursuant to Section 169(16) of the Companies Act, 1965

I, Datuk Heah Kok Boon, being the director primarily responsible for the financial management of Eco World Development Group Berhad *(formerly known as Focal Aims Holdings Berhad)*, do solemnly and sincerely declare that the accompanying financial statements set out on pages 10 to 80 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Datuk Heah Kok Boon at SHAH ALAM in the State of Selangor Darul Ehsan on 10 December 2014

Datuk Heah Kok Boon

Before me,

PESURUHJAYA SUMPAH
B 308
NACHATAR SINGH
MALAYSIA

6-3-2 Jalan Setia Prima Q U/13/Q
Bandar Setia Alam
40170 Shah Alam,
Selangor D.E. Malaysia.

EY
Building a better working world

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Independent auditors' report to the members of Eco World Development Group Berhad *(formerly known as Focal Aims Holdings Berhad)* (Incorporated in Malaysia)

Report on the financial statements

We have audited the financial statements of Eco World Development Group Berhad *(formerly known as Focal Aims Holdings Berhad)*, which comprise the statements of financial position as at 31 October 2014 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the period then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 10 to 79.

Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Independent auditors' report to the members of
Eco World Development Group Berhad (contd.)
(formerly known as Focal Aims Holdings Berhad)
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Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 October 2014 and of their financial performance and cash flows for the period then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in Note 16 to the financial statements, being financial statements that have been included in the consolidated financial statements.

(c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

(d) The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment required to be made under Section 174(3) of the Act.

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Independent auditors' report to the members of
Eco World Development Group Berhad (contd.)
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Other reporting responsibilities

The supplementary information set out in Note 39 on page 80 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Kua Choo Kai
2030/03/16 (J)
Chartered Accountant

Kuala Lumpur, Malaysia
10 December 2014

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Eco World Development Group Berhad
(formerly known as Focal Aims Holdings Berhad)
(Incorporated in Malaysia)

Statements of comprehensive income
For the financial period ended 31 October 2014

		Group		Company	
	Note	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Revenue	4	148,395,395	156,325,502	8,600,000	2,000,000
Cost of sales	5	(106,078,676)	(108,034,011)	-	-
Gross profit		42,316,719	48,291,491	8,600,000	2,000,000
Other income	6	1,890,699	1,015,731	6,385,449	4,261,117
Selling and marketing expenses		(11,461,865)	(3,941,120)	-	-
Administrative expenses		(17,681,281)	(11,864,552)	(7,777,846)	(714,692)
Profit from operations		15,064,272	33,501,550	7,207,603	5,546,425
Finance costs	7	(2,972,560)	(3,898,225)	(5,592,541)	-
Profit before tax	8	12,091,712	29,603,325	1,615,062	5,546,425
Income tax expense	11	(4,913,702)	(5,335,512)	(1,066)	(23,333)
Profit net of tax		7,178,010	24,267,813	1,613,996	5,523,092
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):					
Exchange differences on translation of foreign operation		(5,967)	-	-	-
Total comprehensive income for the period/year		7,172,043	24,267,813	1,613,996	5,523,092
Profit net of tax attributable to:					
Owners of the Company		7,180,872	24,267,813	1,613,996	5,523,092
Non-controlling interests		(2,862)	-	-	-
		7,178,010	24,267,813	1,613,996	5,523,092
Total comprehensive income attributable to:					
Owners of the Company		7,174,905	24,267,813	1,613,996	5,523,092
Non-controlling interests		(2,862)	-	-	-
		7,172,043	24,267,813	1,613,996	5,523,092
Earnings per share attributable to owners of the Company:					
- Basic (sen)	12	2.83	9.58		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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Eco World Development Group Berhad
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(Incorporated in Malaysia)

Statements of financial position
As at 31 October 2014

		Group		Company	
		2014	2013	2014	2013
	Note	RM	RM	RM	RM
Assets					
Non-current assets					
Plant and equipment	14	4,195,370	1,160,827	386,959	-
Land held for property development	15(a)	303,051,882	301,534,966	-	-
Investment in subsidiaries	16	-	-	170,767,046	170,017,000
Deferred tax assets	28	146,979	-	-	-
		307,394,231	302,695,793	171,154,005	170,017,000
Current assets					
Property development costs	15(b)	40,249,832	82,211,800	-	-
Gross amount due from customers	17	3,961,610	-	-	-
Inventories	18	49,561,521	39,570,490	-	-
Trade and other receivables	19	45,481,249	29,097,538	263,775,281	55,689,218
Other current assets	20	186,490,211	10,409,802	14,890,461	53
Tax recoverable		10,294,855	-	160,126	160,126
Cash and bank balances	21	43,422,787	25,243,908	15,871,364	22,380
		379,462,065	186,533,538	294,697,232	55,871,777
Total assets		686,856,296	489,229,331	465,851,237	225,888,777
Equity and liabilities					
Current liabilities					
Trade and other payables	22	33,247,386	29,214,204	2,422,607	2,215,287
Loans and borrowings	23	99,320,598	47,460,154	99,320,598	-
Other liabilities	24	15,696,579	10,730,704	-	-
Tax payable		-	3,699,336	-	-
		148,264,563	91,104,398	101,743,205	2,215,287
Net current assets		231,197,502	95,429,140	192,954,027	53,656,490
Non-current liabilities					
Other liabilities	24	16,658,875	15,330,425	-	-
Loans and borrowings	23	141,353,716	4,687,500	141,353,716	-
Deferred tax liabilities	28	54,718,257	56,885,014	-	-
		212,730,848	76,902,939	141,353,716	-
Total liabilities		360,995,411	168,007,337	243,096,921	2,215,287

Eco World Development Group Berhad
(formerly known as Focal Aims Holdings Berhad)
(Incorporated in Malaysia)

Statements of financial position
As at 31 October 2014 (contd.)

		Group		Company	
		2014	**2013**	**2014**	**2013**
	Note	**RM**	**RM**	**RM**	**RM**
Equity attributable to owners of the Company					
Share capital	25	253,317,000	253,317,000	253,317,000	253,317,000
Share premium	26	22,343	22,343	22,343	22,343
Foreign currency translation reserve	26	(5,967)	-	-	-
Retained earnings/ (accumulated losses)		72,530,353	65,382,651	(30,585,027)	(29,665,853)
		325,863,729	318,721,994	222,754,316	223,673,490
Non-controlling interests	27	(2,844)	2,500,000	-	-
Total equity		325,860,885	321,221,994	222,754,316	223,673,490
Total equity and liabilities		686,856,296	489,229,331	465,851,237	225,888,777

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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Eco World Development Group Berhad
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Statements of changes in equity
For the financial period ended 31 October 2014

			<--- Attributable to owners of the Company				
				<--- Non-distributable	--->	Distributable	
	Note	**Equity, total RM**	**Total RM**	**Share capital RM**	**Share premium RM**	**Foreign currency translation reserve RM**	**Retained earnings RM**	**Non-controlling interests RM**
Group								
At 1 October 2013		321,221,994	318,721,994	253,317,000	22,343	-	65,382,651	2,500,000
Total comprehensive income		7,172,043	7,174,905	-	-	(5,967)	7,180,872	(2,862)
Transactions with owners:								
Dividends	13	(2,533,170)	(2,533,170)	-	-	-	(2,533,170)	-
Dilution of equity interest in a subsidiary		18	-	-	-	-	-	18
Transfer of equity from non-controlling interest		-	2,500,000	-	-	-	2,500,000	(2,500,000)
At 31 October 2014		325,860,885	325,863,729	253,317,000	22,343	(5,967)	72,530,353	(2,844)
At 1 October 2012		298,854,059	296,354,059	253,317,000	22,343	-	43,014,716	2,500,000
Total comprehensive income		24,267,813	24,267,813	-	-	-	24,267,813	-
Transactions with owners:								
Dividends	13	(1,899,878)	(1,899,878)	-	-	-	(1,899,878)	-
At 30 September 2013		321,221,994	318,721,994	253,317,000	22,343	-	65,382,651	2,500,000

Eco World Development Group Berhad
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Statements of changes in equity
For the financial period ended 31 October 2014 (contd.)

	Note	Equity, total RM	Share capital RM	Share premium RM	Accumulated losses RM
Company					
At 1 October 2013		223,673,490	253,317,000	22,343	(29,665,853)
Total comprehensive income		1,613,996	-	-	1,613,996
Transactions with owners:					
Dividends	13	(2,533,170)	-	-	(2,533,170)
At 31 October 2014		222,754,316	253,317,000	22,343	(30,585,027)
At 1 October 2012		220,050,276	253,317,000	22,343	(33,289,067)
Total comprehensive income		5,523,092	-	-	5,523,092
Transactions with owners:					
Dividends	13	(1,899,878)	-	-	(1,899,878)
At 30 September 2013		223,673,490	253,317,000	22,343	(29,665,853)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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Eco World Development Group Berhad
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Statements of cash flows
For the financial period ended 31 October 2014

	Group		Company	
	1.10.2013 to 31.10.2014 RM	**1.10.2012 to 30.9.2013 RM (Restated)**	**1.10.2013 to 31.10.2014 RM**	**1.10.2012 to 30.9.2013 RM (Restated)**
Operating activities				
Profit before tax	12,091,712	29,603,325	1,615,062	5,546,425
Adjustments for:				
Reversal of impairment for investment in a subsidiary	-	-	-	(3,200,000)
Reversal of allowance for impairment on receivables	-	-	-	(1,055,851)
Depreciation of plant and equipment	454,559	245,331	43,591	-
Interest expense	2,972,560	3,898,225	5,592,541	-
Interest income	(1,634,214)	(590,295)	(6,385,449)	-
Plant and equipment written off	54,581	1,557	-	-
Gain on disposal of plant and equipment	(26,248)	(1,047)	-	-
Provision for foreseeable losses for affordable housing	943,042	1,778,947	-	-
Operating cash flows before changes in working capital	14,855,992	34,936,043	865,745	1,290,574
Property development expenditure	15,618,617	31,186,810	-	-
Gross amount due from customers	(3,961,610)	-	-	-
Inventories	19,371,970	(11,881,775)	-	-
Receivables	(25,059,238)	5,559,896	(12,317,063)	-
Payables	8,610,036	(12,820,749)	1,475,470	49,796
Cash flows generated from/ (used in) operations	29,435,767	46,980,225	(9,975,848)	1,340,370
Interest received	1,342,214	590,295	58	-
Interest paid	(7,583,089)	(4,631,956)	-	-
Income taxes paid	(21,221,629)	(5,143,815)	(1,066)	-
Income taxes refunded	-	111,112	-	75,743
Net cash flows generated from/ (used in) operating activities	1,973,263	37,905,861	(9,976,856)	1,416,113

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Eco World Development Group Berhad
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Statements of cash flows
For the financial period ended 31 October 2014 (contd.)

	Group		Company	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM (Restated)	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM (Restated)
Investing activities				
Purchase of plant and equipment	(3,907,682)	(72,710)	(430,550)	-
Proceeds from disposal of plant and equipment	390,247	2,580	-	-
Acquisition of shares in subsidiaries	-	-	(39)	-
Subscription of additional shares in existing subsidiaries	-	-	(750,007)	-
Additions to land held for property development	(2,884,912)	(5,703,487)	-	-
Development expenditure paid	(1,041,053)	-	-	-
Deposit paid for acquisition of land	(75,945,120)	-	(6,344,514)	-
Deposit paid for acquisition of development rights	(88,808,804)	-	-	-
Interest received	292,000	-	38,256	-
Advances (to)/from subsidiaries	-	-	(202,502,747)	497,244
Net cash flows (used in)/ generated from investing activities	(171,905,324)	(5,773,617)	(209,989,601)	497,244
Financing activities				
Proceeds from issuance of shares by a subsidiary to non-controlling interest	18	-	-	-
Drawdown of term loans	242,790,975	9,200,000	242,790,975	-
(Repayment)/drawdown of revolving credit	(19,910,989)	13,300,000	-	-
Repayment of term loans	(17,928,425)	(33,684,482)	-	-
Interest paid	-	-	(4,442,364)	-
Dividend paid	(2,533,170)	(1,899,878)	(2,533,170)	(1,899,878)
Net cash flows generated from/ (used in) financing activities	202,418,409	(13,084,360)	235,815,441	(1,899,878)

Eco World Development Group Berhad
(formerly known as Focal Aims Holdings Berhad)
(Incorporated in Malaysia)

Statements of cash flows
For the financial period ended 31 October 2014 (contd.)

	Group		Company	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM (Restated)	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM (Restated)
Net increase in cash and cash equivalents	32,486,348	19,047,884	15,848,984	13,479
Effect of exchange rate changes	771	-	-	-
Cash and cash equivalents at beginning of period/year	10,935,668	(8,112,216)	22,380	8,901
Cash and cash equivalents at end of period/year (Note 21)	43,422,787	10,935,668	15,871,364	22,380

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

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Eco World Development Group Berhad
(formerly known as Focal Aims Holdings Berhad)
(Incorporated in Malaysia)

Notes to the financial statements
For the financial period ended 31 October 2014

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office is located at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur. The principal place of business of the Company is located at No. 60, Setia Avenue, No. 2, Jalan Setia Prima S U13/S, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of the subsidiary companies are disclosed in Note 16 to the financial statements. There have been no significant changes in the nature of the principal activities during the financial period except for the introduction of construction activity undertaken by the Group.

With effect from 18 December 2013, the name of the Company was changed from Focal Aims Holdings Berhad to Eco World Development Group Berhad.

The financial year end of the Company was changed from 30 September to 31 October so as to be coterminous with the financial year end of Eco World Development Holdings Sdn. Bhd., being the major shareholder of the Company. Accordingly, comparative amounts for the statements of comprehensive income, statements of changes in equity, statements of cash flows and the related notes are not entirely comparable.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards ("FRS") and the Companies Act, 1965 in Malaysia. At the beginning of the current financial period, the Group and the Company adopted new and revised FRS which are mandatory for financial periods beginning on or after 1 January 2013 as described fully in Note 2.2.

The financial statements of the Group and of the Company have been prepared on the historical cost except as disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia (RM).

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Eco World Development Group Berhad
(formerly known as Focal Aims Holdings Berhad)
(Incorporated in Malaysia)

2. Summary of significant accounting policies (contd.)

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 October 2013, the Group and the Company adopted the following new and amended FRS and IC Interpretations mandatory for annual periods beginning on or after 1 October 2013.

FRS, Interpretations and Amendments effective for annual periods beginning on or after 1 January 2013

FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosures of Interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119	Employee Benefits (revised)
FRS 127	Separate Financial Statements
FRS 128	Investments in Associates and Joint Ventures
Amendments to FRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 10, FRS 11 and FRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
Amendment to FRS 1	Government Loans
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Improvements to FRSs (2012)	

Adoption of the above standards and interpretations did not have any significant effect on the financial performance or position of the Group and the Company except for those discussed below:

FRS 10 Consolidated Financial Statements

FRS 10 replaces part of FRS 127 Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretation 112 Consolidation – Special Purpose Entities.

Under FRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure, or rights, to variable returns from its investment with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns. Under FRS 127 Consolidated and Separate Financial Statements, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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2. Summary of significant accounting policies (contd.)

2.2 Changes in accounting policies (contd.)

FRS 10 Consolidated Financial Statements (contd.)

FRS 10 includes detailed guidance to explain when an investor that owns less than 50 per cent of the voting shares in an investee has control over the investee. FRS 10 requires the investor to take into account all relevant facts and circumstances, particularly the size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.

FRS 12 Disclosures of Interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

FRS 13 Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS. FRS 13 defines fair value as an exit price. As a result of the guidance in FRS 13, the Group re-assessed its policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair value measurement of liabilities. FRS 13 also requires additional disclosures.

Application of FRS 13 has not materially impacted the fair value measurement of the Group. Additional disclosures where required, are provided in the individual notes relating to the assets and liabilities whose fair values were determined.

FRS 127 Separate Financial Statements

As a consequence of the new FRS 10 and FRS 12, FRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

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2. Summary of significant accounting policies (contd.)

2.3 Standards issued but not yet effective

The standards and interpretations that are issued but not yet effective up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these standards, if applicable, when they become effective.

Descriptions	Effective for annual periods beginning on or after
Amendments to FRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to FRSs 2010-2012 Cycle	1 July 2014
Annual Improvements to FRSs 2011-2013 Cycle	1 July 2014
Annual Improvements to FRSs 2012-2014 Cycle	1 January 2016
Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
FRS 14 Regulatory Deferral Accounts	1 January 2016
Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 116 and FRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
FRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
FRS 9 Mandatory Effective Date of FRS 9 and Transition Disclosures (Amendments to FRS 9 (IFRS 9 issued by IASB in November 2009), FRS 9 (IFRS 9 issued by IASB in October 2010) and FRS 7)	1 January 2018

2. Summary of significant accounting policies (contd.)

2.3 Standards issued but not yet effective (contd.)

The directors expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of initial application except as discussed below:

FRS 9 Financial Instruments

In November 2014, MASB issued the final version of FRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces FRS 139 Financial Instruments: Recognition and Measurement and all previous versions of FRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. FRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of FRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The adoption of FRS 9 will have an effect on the classification and measurement of the Group's financial assets, but no impact on the classification and measurement of the Group's financial liabilities.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein referred to as "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework. Consequently, adoption of MFRS Framework by Transitioning Entities that are within the scope of IC 15 will be mandatory for annual periods beginning on or after 1 January 2017.

Accordingly, the Group and the Company have elected to continue to apply the FRS Framework up to their financial year ending 31 October 2017 and will prepare its first MFRS financial statements for the financial year ending 31 October 2018. In presenting its first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework.

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2. Summary of significant accounting policies (contd.)

2.3 Standards issued but not yet effective (contd.)

Malaysian Financial Reporting Standards (MFRS Framework) (contd.)

The Group and the Company have not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated and separate financial performance and financial position as disclosed in these financial statements for the financial period ended 31 October 2014 could be different if prepared under the MFRS Framework.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
(ii) Potential voting rights held by the Company, other vote holders or other parties;
(iii) Rights arising from other contractual arrangements; and
(iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

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2. Summary of significant accounting policies (contd.)

2.4 Basis of consolidation (contd.)

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

When the Group losses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 139 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of FRS 139, it is measured in accordance with the appropriate FRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

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2. Summary of significant accounting policies (contd.)

2.4 Basis of consolidation (contd.)

Business combinations (contd.)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

2.5 Subsidiaries

A subsidiary is an entity over which the Group has all the following:

(i) Power over the investee (i.e existing rights that give it the current ability to direct the relevant activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.6 Transactions with non-controlling interest

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company owner's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.7 Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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2. Summary of significant accounting policies (contd.)

2.7 Current versus non-current classification (contd.)

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.8 Foreign currency

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

2. Summary of significant accounting policies (contd.)

2.8 Foreign currency (contd.)

(b) Foreign currency transactions (contd.)

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2.9 Plant and equipment

All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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2. Summary of significant accounting policies (contd.)

2.9 Plant and equipment (contd.)

Depreciation of plant and equipment is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Motor vehicles	20%
Office equipment and fittings	10% - 33%
Other assets	20%

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.10 Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

2.11 Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

The excess of revenue recognised in the profit or loss over billings to purchasers is classified as accrued billings and the excess of billings to purchasers over revenue recognised in profit or loss is classified as progress billings.

2. Summary of significant accounting policies (contd.)

2.12 Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs or by reference to the physical completion of the contract.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

When the total of costs incurred on construction contracts plus recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers on contracts. When progress billings exceed costs incurred plus, recognised profits (less recognised losses), the balance is classified as amount due to customers on contracts.

2.13 Inventories

Inventories consist of unsold properties and are stated at lower of cost and net realisable value.

Cost is determined on the specific identification basis and comprises costs associated with the acquisition of land, direct costs and appropriate proportions of common costs.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

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2. Summary of significant accounting policies (contd.)

2.14 Impairment of non-financial assets (contd.)

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated to reduce the carrying amount of the assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.15 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

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2. Summary of significant accounting policies (contd.)

2.15 Financial assets (contd.)

Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

2.16 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

Trade and other receivables carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

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2. Summary of significant accounting policies (contd.)

2.16 Impairment of financial assets (contd.)

Trade and other receivables carried at amortised cost (contd.)

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, and demand deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

2.18 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.19 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

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2. Summary of significant accounting policies (contd.)

2.19 Financial liabilities (contd.)

Financial liabilities, within the scope of FRS 139, are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

The Group's and the Company's other financial liabilities include trade payables, other payables and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.20 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

2. Summary of significant accounting policies (contd.)

2.21 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

2.22 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group makes contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

2.23 Operating leases - as lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

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2. Summary of significant accounting policies (contd.)

2.24 Income recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

(a) Sale of properties under development

Revenue from sale of properties is accounted for by the stage of completion method as described in Note 2.11.

(b) Sale of goods/completed properties

Revenue from sale of goods/completed properties is measured at the fair value of the consideration receivable and is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer.

(c) Construction contracts

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 2.12.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) Interest income

Interest income is recognised on a time proportion basis.

2.25 Income tax

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

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2. Summary of significant accounting policies (contd.)

2.25 Income tax (contd.)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

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2. Summary of significant accounting policies (contd.)

2.25 Income tax (contd.)

(b) Deferred tax (contd.)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

2.26 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2. Summary of significant accounting policies (contd.)

2.27 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

2.28 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

3. Significant accounting judgements and estimates

The preparation of the Group's and of the Company's financial statements requires 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.

3.1 Judgements made in applying accounting policies

The following are judgements made by management in the process of applying the Group's and the Company's accounting policies that have the most significant effect on amounts recognised in the financial statements:

Development expenditures and transaction costs capitalised

During the financial period, the Group and the Company entered into several corporate proposals pending completion as disclosed in Note 35. The Group and the Company have incurred development expenditures and transaction costs which include professional fees and borrowing related expenses in relation to these proposals. The management has capitalised these transaction costs as disclosed in Note 20 in view that these proposals will be completed in due course. In the event that there is objective evidence that the proposals will not be completed, these development expenditures and transaction costs will be recognised in profit or loss.

3. Significant accounting judgements and estimates (contd.)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of 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 year are discussed below.

(a) Property development

The Group recognises property development revenue and expenses in the statement of comprehensive income by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the property development costs. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of the assets arising from property development activities are disclosed in Note 15.

(b) Provision for foreseeable losses for affordable housing

The Group recognises a provision for foreseeable losses for affordable housing as required under FRSIC Consensus 17 Development of Affordable Housing. The provision for foreseeable losses for affordable housing represents the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the purchasers of affordable housing in the development of affordable housing on involuntary basis. This provision is capitalised in the form of common costs for development of premium housing based on the master and building plans approved.

In determining the provision for foreseeable losses for affordable housing, judgements and assumptions are made by the Group on the structure and construction costs in constructing the affordable housing. In making those judgements, the Group evaluates the provisions based on past experience and by relying on the work of specialists.

The carrying amount of the Group's provision for foreseeable losses for affordable housing as at reporting date is disclosed in Note 24.

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3. Significant accounting judgements and estimates (contd.)

3.2 Key sources of estimation uncertainty (contd.)

(c) Impairment of loans and receivables

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial assets is impaired. To determine whether there is objective evidence of impairment, the Group and the Company consider 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. The carrying amounts of the Group's and the Company's loans and receivables at the reporting date are disclosed in Note 19.

(d) Income taxes

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

The Group and the Company recognise 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.

The income tax expense of the Group and the Company at the reporting date is disclosed in Note 11.

(e) Deferred tax assets

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

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3. Significant accounting judgements and estimates (contd.)

3.2 Key sources of estimation uncertainty (contd.)

(e) Deferred tax assets (contd.)

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

The carrying amount of the Group's recognised deferred tax assets at reporting date is disclosed in Note 28.

4. Revenue

	Group		Company	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Sale of properties	144,366,290	156,325,502	-	-
Construction contracts	3,961,610	-	-	-
Sale of goods	67,495	-	-	-
Dividend income from subsidiaries	-	-	8,600,000	2,000,000
	148,395,395	156,325,502	8,600,000	2,000,000

5. Cost of sales

	Group	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Property development costs (Note 15(b))	81,419,773	104,701,655
Cost of completed properties sold	20,636,268	3,332,356
Construction contracts	3,961,610	-
Cost of goods sold	61,025	-
	106,078,676	108,034,011

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6. Other income

	Group		Company	
	1.10.2013 to 31.10.2014 RM	**1.10.2012 to 30.9.2013 RM**	**1.10.2013 to 31.10.2014 RM**	**1.10.2012 to 30.9.2013 RM**
Interest income from:				
- subsidiaries	-	-	6,347,134	-
- deposits	292,000	123,750	38,257	-
- late interest charge	1,048,601	348,484	-	-
- others	293,613	118,061	58	-
Gain on disposal of plant and equipment	26,248	1,047	-	-
Reversal of impairment for investment in a subsidiary (Note 16)	-	-	-	3,200,000
Reversal of allowance for impairment on receivables (Note 19(b))	-	-	-	1,055,851
Others	230,237	424,389	-	5,266
	1,890,699	1,015,731	6,385,449	4,261,117

7. Finance costs

	Group		Company	
	1.10.2013 to 31.10.2014 RM	**1.10.2012 to 30.9.2013 RM**	**1.10.2013 to 31.10.2014 RM**	**1.10.2012 to 30.9.2013 RM**
Interest expense on borrowings	8,089,180	4,631,956	5,592,541	-
Less: Interest expense capitalised in property development costs (Note 15(b))	(1,266,245)	(1,713,004)	-	-
Less: Interest expense capitalised in other current assets	(3,850,375)	-	-	-
Add: Write off of interest expenses capitalised in land held for development (Note 15(a))	-	979,273	-	-
	2,972,560	3,898,225	5,592,541	-

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8. Profit before tax

The following items have been included in arriving at profit before tax:

	Group		Company	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Auditors' remuneration				
- statutory audits	160,064	90,000	40,000	36,000
- other services	23,900	47,900	11,400	11,400
Depreciation of plant and equipment (Note 14)	454,559	245,331	43,591	-
Directors' remuneration (Note 10)	1,887,224	2,778,860	1,418,500	350,300
Plant and equipment written off	54,581	1,557	-	-
Operating lease:				
Minimum lease payment on office rental	580,463	279,610	-	-
Rental expenses	65,664	-	-	-
Realised foreign exchange loss	8,282	-	-	-
Employee benefits expense (Note 9)	4,886,117	5,275,196	-	-
Professional fees relating to mandatory take over offer by Eco World Development Holdings Sdn. Bhd.	798,667	-	798,667	-
Donation to Eco World Foundation	1,000,000	-	1,000,000	-

9. Employee benefits expense

	Group	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Salaries and allowances	4,055,283	4,293,285
Defined contribution plan	519,473	473,036
Social security contributions	8,911	32,695
Staff welfare	302,450	476,180
	4,886,117	5,275,196

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10. Directors' remuneration

The details of remuneration receivable by directors of the Company during the period/year are as follows:

	Group		Company	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Executive:				
Salaries and other emoluments	442,388	1,282,680	-	-
Bonus	2,655	554,940	-	-
Defined contribution plan	23,681	269,730	-	-
	468,724	2,107,350	-	-
Non-executive (but holding executive position in subsidiaries):				
Salaries and other emoluments	-	321,210	-	-
Fees	-	70,000	-	70,000
	-	391,210	-	70,000
Non-executive:				
Other emoluments	648,500	95,300	648,500	95,300
Fees	770,000	185,000	770,000	185,000
	1,418,500	280,300	1,418,500	280,300
Total directors' remuneration (Note 8 and 30(b))	1,887,224	2,778,860	1,418,500	350,300

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10. Directors' remuneration (contd.)

Total remuneration of the directors of the Company who held office at the end of the financial period/year fell within the following bands is analysed below:

	Number of directors	
	1.10.2013 to 31.10.2014	**1.10.2012 to 30.9.2013**
Executive directors:		
RM550,001 - RM600,000	1	-
RM850,001 - RM900,000	-	1
RM1,200,001 - RM1,250,000	-	1
Non-executive directors:		
RM50,000 and below	-	1
RM50,001 - RM100,000	-	4
RM100,001- RM150,000	2	-
RM150,001 - RM200,000	2	2
RM200,001 - RM250,000	3	-

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11. Income tax expense

Major components of income tax expense

The major components of income tax expense for the period/year ended 31 October 2014 and 30 September 2013 are:

	Group		Company	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Statement of comprehensive income:				
Current income tax:				
Malaysian income tax	7,236,119	8,459,996	-	-
(Over)/underprovision in prior years	(8,681)	28,788	1,066	23,333
	7,227,438	8,488,784	1,066	23,333
Deferred tax (Note 28):				
Relating to origination and reversal of temporary differences	(1,719,122)	(1,738,272)	-	-
Overprovision in prior year	(594,614)	(1,415,000)	-	-
	(2,313,736)	(3,153,272)	-	-
Income tax expense recognised in profit or loss	4,913,702	5,335,512	1,066	23,333

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11. Income tax expense (contd.)

Reconciliation between income tax and accounting results

The reconciliation between income tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the period/year ended 31 October 2014 and 30 September 2013 are as follows:

	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Group		
Profit before tax	12,091,712	29,603,325
Taxation at Malaysian statutory tax rate of 25% (2013: 25%)	3,022,928	7,400,831
Adjustments:		
Effect of expenses not deductible for tax purposes	2,478,359	1,098,247
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	-	(1,777,354)
Deferred tax assets not recognised in current period	15,710	-
(Over)/underprovision of income tax in prior years	(8,681)	28,788
Overprovision of deferred tax in prior year	(594,614)	(1,415,000)
Income tax expense recognised in profit or loss	4,913,702	5,335,512
Company		
Profit before tax	1,615,062	5,546,425
Taxation at Malaysian statutory tax rate of 25% (2013: 25%)	403,766	1,386,606
Adjustments:		
Expenses not deductible for tax purposes	1,746,234	177,357
Income not subject to tax	(2,150,000)	(1,563,963)
Underprovision of income tax in prior years	1,066	23,333
Income tax expense recognised in profit or loss	1,066	23,333

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2013: 25%) of the estimated assessable profit for the period/year. The domestic statutory tax rate will be reduced to 24% from the current period's rate of 25% with effect from the year of assessment 2016.

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12. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the period/year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period/year.

	Group	
	1.10.2013 to 31.10.2014	1.10.2012 to 30.9.2013
Profit net of tax attributable to owners of the Company (RM)	7,180,872	24,267,813
Weighted average number of ordinary shares in issue	253,317,000	253,317,000
Basic earnings per share (sen)	2.83	9.58

No diluted earnings per share is presented as there were no diluted potential ordinary shares outstanding as at 31 October 2014 and 30 September 2013.

13. Dividends

	Group/Company	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Recognised during the financial period/year:		
In respect of the year ended 30 September 2013:		
First and final single tier dividend of 1% on 253,317,000 ordinary shares	2,533,170	-
In respect of the year ended 30 September 2012:		
First and final dividend of 1% less 25% income tax on 253,317,000 ordinary shares	-	1,899,878
	2,533,170	1,899,878

The directors do not recommend the payment of any dividend in respect of the financial period ended 31 October 2014.

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14. Plant and equipment

	Motor vehicles RM	Office equipment and fittings RM	* Other assets RM	Total RM
Group				
Cost				
At 1 October 2012	3,913,326	1,626,035	742,189	6,281,550
Additions	20,944	31,662	20,104	72,710
Disposal	(16,936)	(950)	-	(17,886)
Written off	-	(59,457)	(43,991)	(103,448)
At 30 September 2013 and 1 October 2013	3,917,334	1,597,290	718,302	6,232,926
Additions	1,978,077	977,119	952,486	3,907,682
Disposal	(2,032,600)	(19,739)	(1,663)	(2,054,002)
Written off	-	(550,904)	(255,796)	(806,700)
At 31 October 2014	3,862,811	2,003,766	1,413,329	7,279,906
Accumulated depreciation				
At 1 October 2012	2,927,236	1,487,907	529,869	4,945,012
Charge for the year (Note 8)	102,906	65,804	76,621	245,331
Disposal	(15,435)	(918)	-	(16,353)
Written off	-	(58,995)	(42,896)	(101,891)
At 30 September 2013 and 1 October 2013	3,014,707	1,493,798	563,594	5,072,099
Charge for the period (Note 8)	175,194	119,609	159,756	454,559
Disposal	(1,669,785)	(19,165)	(1,053)	(1,690,003)
Written off	-	(548,854)	(203,265)	(752,119)
At 31 October 2014	1,520,116	1,045,388	519,032	3,084,536
Net carrying amount				
At 31 October 2014	2,342,695	958,378	894,297	4,195,370
At 30 September 2013	902,627	103,492	154,708	1,160,827

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14. Plant and equipment (contd.)

	Office equipment and fittings RM	* Other assets RM	Total RM
Company			
Cost			
At 1 October 2012, 30 September 2013 and 1 October 2013	-	-	-
Additions	195,050	235,500	430,550
At 31 October 2014	195,050	235,500	430,550
Accumulated depreciation			
At 1 October 2012, 30 September 2013 and 1 October 2013	-	-	-
Charge for the period (Note 8)	16,449	27,142	43,591
At 31 October 2014	16,449	27,142	43,591
Net carrying amount			
At 31 October 2014	178,601	208,358	386,959
At 30 September 2013	-	-	-

* Other assets comprise office renovation, site office equipment and communication equipment.

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15. Land held for property development and property development costs

(a) Land held for property development

	Group 2014 RM	Group 2013 RM
Cost		
Freehold land	263,850,748	276,352,013
Development expenditure	37,684,219	26,289,809
At 1 October 2013/2012	301,534,967	302,641,822
Additions	3,440,364	5,703,487
Transfer from property development costs (Note 15(b))	-	14,362,288
Write off of interest capitalised (Note 7)	-	(979,273)
Transfer to property development costs (Note 15(b))	(1,923,449)	(20,193,358)
At 31 October/30 September	303,051,882	301,534,966

(b) Property development costs

	Group 2014 RM	Group 2013 RM
Cumulative property development costs		
Freehold land	49,673,157	49,703,515
Development expenditure	84,730,904	82,126,846
At 1 October 2013/2012	134,404,061	131,830,361
Development expenditure incurred during the period/year	66,756,310	86,995,809
Transfer to land held for property development (Note 15(a))	-	(14,362,288)
Transfer from land held for property development (Note 15(a))	1,923,449	20,193,358
Reversal of completed projects	(77,339,719)	(78,252,395)
Unsold units transferred to inventories	(29,221,954)	(12,000,784)
	96,522,147	134,404,061
Cumulative costs recognised in profit or loss		
At 1 October 2013/2012	(52,192,261)	(25,743,001)
Recognised during the period/year (Note 5)	(81,419,773)	(104,701,655)
Reversal of completed projects	77,339,719	78,252,395
At 31 October/30 September	(56,272,315)	(52,192,261)
Property development costs at 31 October/ 30 September	40,249,832	82,211,800

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15. Land held for property development and property development costs (contd.)

(b) Property development costs (contd.)

	Group 1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Included in property development costs incurred during the financial period/year is:		
Interest expense (Note 7)	1,266,245	1,713,004

Land held for property development and property development costs are pledged as security for borrowings as referred to in Note 23.

16. Investment in subsidiaries

	Company 2014 RM	2013 RM
Unquoted shares, at cost		
At beginning of period/year	170,017,000	170,017,000
Acquisition of shares in subsidiaries	39	-
Subscription of additional shares in existing subsidiaries	750,007	-
At end of period/year	170,767,046	170,017,000

Following an assessment of the underlying value of a subsidiary, the Company noted that the recoverable amount of the subsidiary which amounted to RM6,124,741 is higher than the carrying amount of the investment in subsidiary. In this connection, the Company had reversed the impairment losses on investment in the subsidiary of RM3,200,000 in prior year as referred to in Note 6.

The details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	% of equity interest held 2014	2013	Principal activities
Held by the Company:				
Focal Aims Land Sdn. Bhd.	Malaysia	100%	100%	Property development
Focal Aims Properties Sdn. Bhd. ("FAPSB")	Malaysia	100%	100%	Investment holding

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16. Investment in subsidiaries (contd.)

Name of subsidiaries	Country of incorporation	% of equity interest held 2014	2013	Principal activities
Held by the Company (contd.):				
Eco World Ukay Sdn. Bhd. *(formerly known as Maple Kingdom Sdn. Bhd.)*	Malaysia	100%	-	Project management, building and construction services
Eco Sanctuary Sdn. Bhd. *(formerly known as Prominent Stream Sdn. Bhd.)*	Malaysia	100%	-	Property development and property investment holding
Teraju Pasifik Sdn. Bhd.	Malaysia	100%	-	Dormant
* Majestic Blossom Sdn. Bhd.	Malaysia	100%	-	Property development and property investment holding
* Eco Sky Sdn. Bhd. *(formerly known as Crystal Cypress Sdn. Bhd.)*	Malaysia	100%	-	Property development
* Trinity Lake Sdn. Bhd.	Malaysia	100%	-	Property development
Eco Terraces Sdn. *Bhd. (formerly known as Maha Meridian Sdn. Bhd.)*	Malaysia	100%	-	Property development
* Eco Business Park 2 Sdn. Bhd. *(formerly known as Velvet Rhythm Sdn. Bhd.)*	Malaysia	100%	-	Property development
Eco Meadows Sdn. Bhd. *(formerly known as Cangkat Juara Sdn. Bhd.)*	Malaysia	100%	-	Property development

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16. Investment in subsidiaries (contd.)

Name of subsidiaries	Country of incorporation	% of equity interest held 2014	2013	Principal activities
Held by the Company (contd.):				
* Evergreen Upstream Sdn. Bhd.	Malaysia	100%	-	Property development and property investment holding
* Eco Business Park 1 Sdn. Bhd. *(formerly known as Gaya Setara Sdn. Bhd.)*	Malaysia	100%	-	Property development
** Natural Esplanade Sdn. Bhd. ("NESB")	Malaysia	40%	-	Dormant
Pingat Stabil Sdn. Bhd.	Malaysia	100%	-	Dormant
Arah Selasih Sdn. Bhd.	Malaysia	100%	-	Dormant
Rentas Prestasi Sdn. Bhd.	Malaysia	100%	-	Dormant
Sendi Prestasi Sdn. Bhd.	Malaysia	100%	-	Dormant
Eco World Trading Sdn. Bhd. *(formerly known as Eco World Marketing Sdn. Bhd.)*	Malaysia	100%	-	Supplying of building materials
Eco World IBS Sdn. Bhd.	Malaysia	100%	-	Traders and manufacturers of prefabricated and precast components
* Eco World Development (S) Pte. Ltd.	Singapore	100%	-	Promotion, marketing and other activities related to property management
Held through FAPSB:				
Eco Tropics Development Sdn. Bhd. ("ETSB") *(formerly known as Focal Aims Sdn. Bhd.)*	Malaysia	100%	100%	Property development and property investment holding

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16. Investment in subsidiaries (contd.)

Name of subsidiaries	Country of incorporation	% of equity interest held 2014	2013	Principal activities
Held through ETSB:				
Focal Aims Realty Sdn. Bhd.	Malaysia	100%	100%	Dormant
Focal Aims Development Sdn. Bhd.	Malaysia	100%	100%	Dormant
Focal Aims Resort (M) Sdn. Bhd.	Malaysia	100%	100%	Dormant

* Audited by a firm other than Ernst & Young
** The non-controlling interests in respect of NESB is not material to the Group.

(a) Incorporation of new subsidiaries

Details of new subsidiaries incorporated during the financial period were as follows:

Name of subsidiaries	Purchase consideration RM	Effective interest held %	Effective acquisition date
Eco World Ukay Sdn. Bhd. *(formerly known as Maple Kingdom Sdn. Bhd.)*	2	100	10 March 2014
Eco Sanctuary Sdn. Bhd. *(formerly known as Prominent Stream Sdn. Bhd.)*	2	100	17 March 2014
Teraju Pasifik Sdn. Bhd.	2	100	31 March 2014
Majestic Blossom Sdn. Bhd.	2	100	14 April 2014
Eco Sky Sdn. Bhd. *(formerly known as Crystal Cypress Sdn. Bhd.)*	2	100	14 April 2014
Trinity Lake Sdn. Bhd.	2	100	14 April 2014

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16. Investment in subsidiaries (contd.)

(a) Incorporation of new subsidiaries (contd.)

Name of subsidiaries	Purchase consideration RM	Effective interest held %	Effective acquisition date
Eco Terraces Sdn. Bhd. *(formerly known as Maha Meridian Sdn. Bhd.)*	2	100	14 April 2014
Eco Business Park 2 Sdn. Bhd. *(formerly known as Velvet Rhythm Sdn. Bhd.)*	2	100	14 April 2014
Eco Meadows Sdn. Bhd. *(formerly known as Cangkat Juara Sdn. Bhd.)*	2	100	17 April 2014
Evergreen Upstream Sdn. Bhd.	2	100	17 April 2014
Eco Business Park 1 Sdn. Bhd. *(formerly known as Gaya Setara Sdn. Bhd.)*	2	100	17 April 2014
Natural Esplanade Sdn. Bhd. (Note b)	2	100	17 April 2014
Pingat Stabil Sdn. Bhd.	2	100	11 June 2014
Arah Selasih Sdn. Bhd.	2	100	24 June 2014
Rentas Prestasi Sdn. Bhd.	2	100	24 June 2014
Sendi Prestasi Sdn. Bhd.	2	100	24 June 2014
Eco World Trading Sdn. Bhd. *(formerly known as Eco World Marketing Sdn. Bhd.)*	2	100	3 July 2014
Eco World IBS Sdn. Bhd.	2	100	3 July 2014

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16. Investment in subsidiaries (contd.)

(a) Incorporation of new subsidiaries (contd.)

Name of subsidiaries	Purchase consideration SGD	Effective interest held %	Effective acquisition date
Eco World Development (S) Pte. Ltd.	1	100	13 June 2014

(b) Dilution of shares in a subsidiary company

On 9 October 2014, Natural Esplanade Sdn. Bhd. ("NESB") ceased to be a wholly owned subsidiary of Eco World Development Group Berhad due to allotment of additional 10 ordinary shares of RM1 each and 18 ordinary shares of RM1 each to the Company and a third party respectively, resulting in the Company's equity interest in NESB being reduced from 100% to 40%. The dilution has no material effect to the result and financial position of the Group.

The directors consider that the Group has control over NESB as currently all directors are appointed by the Group, even though it has less than 50% equity interest. Therefore, the directors assessed that the Group has control over NESB since the acquisition in April 2014.

17. Gross amount due from customers

	Group 2014 RM	2013 RM
Aggregate contract expenditure incurred to-date	3,961,610	-
Attributable profit recognised to-date	-	-
	3,961,610	-
Progress billings	-	-
	3,961,610	-

As it is still at the early stage of the contract and the outcome of the contract cannot be estimated reliably, hence no profit is recognised during the period.

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18. Inventories

These comprise completed properties held for sale stated at cost.

During the period/year, the amount of inventories recognised as expense in cost of sales of the Group was RM20,636,268 (2013: RM3,332,356).

19. Trade and other receivables

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Current				
Trade receivables				
Third parties	42,763,482	28,337,933	-	-
Other receivables				
Amounts due from subsidiaries	-	-	262,721,299	55,684,718
Sundry deposits	987,994	536,305	4,502	4,500
Sundry receivables	1,729,773	223,300	1,049,480	-
	2,717,767	759,605	263,775,281	55,689,218
Total trade and other receivables	45,481,249	29,097,538	263,775,281	55,689,218
Total trade and other receivables	45,481,249	29,097,538	263,775,281	55,689,218
Add: Cash and bank balances (Note 21)	43,422,787	25,243,908	15,871,364	22,380
Total loans and receivables	88,904,036	54,341,446	279,646,645	55,711,598

(a) Trade receivables

The Group's normal trade credit term ranges from 21 to 90 days (2013: 21 to 90 days). Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

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19. Trade and other receivables (contd.)

(a) Trade receivables (contd.)

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group 2014 RM	2013 RM
Neither past due nor impaired	19,419,313	8,863,174
1 to 30 days past due not impaired	7,419,610	8,454,286
31 to 60 days past due not impaired	5,113,099	3,697,048
61 to 90 days past due not impaired	8,706,939	3,801,543
91 to 120 days past due not impaired	862,018	1,970,534
More than 120 days past due not impaired	1,242,503	1,551,348
	23,344,169	19,474,759
	42,763,482	28,337,933

Trade receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. These include amounts of RM4,489,232 (2013: RM3,749,668) placed with lawyers as stakeholder deposits and will be released upon the end of defect liability period.

Trade receivables that are past due but not impaired

Trade receivables that are past due not impaired relate to customers for whom there is no objective evidence that the receivables are not fully recoverable. No impairment has been made on these amounts as the Group is closely monitoring these receivables and is confident of their eventual recovery.

(b) Amounts due from subsidiaries

The amounts due from subsidiaries which arose from advances is unsecured, repayable on demand and bear interest at rates ranging from 3.00% to 5.46% (2013: Nil) per annum.

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19. Trade and other receivables (contd.)

(b) Amounts due from subsidiaries (contd.)

Amounts due from a subsidiary that are impaired

Movement in allowance account:

	Company 2014 RM	2013 RM
At 1 October 2013/2012	-	1,055,851
Reversal of allowance for impairment losses (Note 6)	-	(1,055,851)
At 31 October/30 September	-	-

In prior year, the Company has assessed the amounts due from a subsidiary which was individually impaired and reversed the allowances for impairment losses of RM1,055,851 as the amount is expected to be recoverable in the foreseeable future.

20. Other current assets

	Group 2014 RM	2013 RM	Company 2014 RM	2013 RM
Prepayment	323,847	634,744	20,000	53
Prepaid development expenditures	1,041,053	-	-	-
Deposits for acquisition of development rights	88,808,804	-	-	-
Deposits for acquisition of development lands	75,945,120	-	6,344,514	-
Accrued billings in respect of property development costs	6,098,128	6,224,262	-	-
Accrued rebates	263,708	3,550,796	-	-
Other assets	14,009,551	-	8,525,947	-
	186,490,211	10,409,802	14,890,461	53

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20. Other current assets (contd.)

(a) Prepaid development expenditures

Prepaid development expenditures mainly consists of development costs incurred whilst the proposed acqusition of land as disclosed in Note 35(a) is pending completion. These development costs are capitalised as management is of the view that it is probable for this transaction to be completed in due course.

(b) Deposits for acquisition of development rights

The deposits represent part of the consideration paid pursuant to the Development Rights Agreement dated 25 April 2014 which was entered into between certain subsidiaries of the Group and subsidiaries of Eco World Development Sdn. Bhd. for the acquisition of development rights as disclosed in Note 35(b)(iii). The remaining balance of the purchase consideration is disclosed as capital commitment in Note 29(a).

Based on the terms of the acquisition of development rights, the acquisition may be accounted for as a business combination upon its completion.

(c) Deposits for acquisition of development lands

The deposits represent refundable earnest deposit paid for the acquisition of development lands as disclosed in Note 35. The remaining balance of the purchase consideration is disclosed as capital commitment in Note 29(a).

(d) Accrued rebate

Accrued rebates represents rebates given in respect of development properties sold in prior years. The rebates will be offset against revenue in the period by using the stage of completion method. The stage of completion is determined by the proportion that the costs incurred to-date bear to estimated total costs.

(e) Other assets

Other assets of the Group and of the Company represent transaction costs such as professional fees and borrowings related expenses incurred in relation to the acquisition of development rights and development land as disclosed in Note 35(a), (b) and (c). Even though these proposed transactions are pending completion, these directly attributable transaction costs are capitalised as management is of the view that it is probable for these transactions to be completed in due course. Included in this amount is finance cost of RM3,850,375.

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21. Cash and cash equivalents

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	**RM**	**RM**	**RM**
Cash on hand and at banks	37,879,933	21,046,470	15,485,864	22,380
Short term deposits with licensed banks	5,542,854	4,197,438	385,500	-
Cash and bank balances (Note 19)	43,422,787	25,243,908	15,871,364	22,380
Bank overdrafts (Note 23)	-	(14,308,240)	-	-
Cash and cash equivalents	43,422,787	10,935,668	15,871,364	22,380

Included in cash and bank balances of the Group are amount of RM14,855,015 (2013: RM6,715,282) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and therefore restricted from use in other operations.

The weighted average effective interest rate of the short term deposits with licensed banks is 3.20% (2013: 1.90%). The maturity period for short term deposit with licensed banks is 1 month or less (2013: 7 days).

22. Trade and other payables

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	**RM**	**RM**	**RM**
Current				
Trade payables				
Trade payables	16,572,926	21,448,682	-	-
Accruals	7,367,904	4,314,505	-	-
	23,940,830	25,763,187	-	-
Other payables				
Accruals	4,706,522	1,139,470	1,415,149	326,200
Deposit received	197,340	162,169	-	-
Payroll liability	832,341	630,920	-	-
Accrual of directors' bonus	375,876	569,970	-	-
Sundry payables	3,194,477	948,488	977,458	45,787
Amount due to a subsidiary	-	-	30,000	1,843,300
	9,306,556	3,451,017	2,422,607	2,215,287
	33,247,386	29,214,204	2,422,607	2,215,287

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22. Trade and other payables (contd.)

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Total trade and other payables	33,247,386	29,214,204	2,422,607	2,215,287
Add: Loans and borrowings (Note 23)	240,674,314	52,147,654	240,674,314	-
Total financial liabilities carried at amortised cost	273,921,700	81,361,858	243,096,921	2,215,287

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 30 to 90 days (2013: 30 to 90 days).

(b) Amount due to a subsidiary

The amount due to a subsidiary is unsecured, interest-free and repayable on demand.

23. Loans and borrowings

	Group 2014 RM	Group 2013 RM	Company 2014 RM	Company 2013 RM
Current				
Secured:				
Revolving credits	-	19,910,989	-	-
Bank overdrafts	-	14,308,240	-	-
Term loans	99,320,598	13,240,925	99,320,598	-
	99,320,598	47,460,154	99,320,598	-
Non-current				
Secured:				
Term loans	141,353,716	4,687,500	141,353,716	-
Total loans and borrowings (Note 22)	240,674,314	52,147,654	240,674,314	-

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23. Loans and borrowings (contd.)

The remaining maturities of the loans and borrowings at the reporting date are as follows:

	Group		Company	
	2014	2013	2014	2013
	RM	RM	RM	RM
On demand or within 1 year	99,320,598	47,460,154	99,320,598	-
More than 1 year and less than 5 years	141,353,716	4,687,500	141,353,716	-
	240,674,314	52,147,654	240,674,314	-

The loans and borrowings are secured by:

(i) Legal charge over all the land held for development and property development costs of certain subsidiary companies as disclosed in Note 15; and

(ii) Assignment of certain proceeds from proposed rights issue to be undertaken by the Company as disclosed in Note 35(b).

The weighted average effective interest rates for borrowings at the reporting date were as follows:

	Group		Company	
	2014	2013	2014	2013
	%	%	%	%
Bank overdrafts	-	7.10	-	-
Revolving credits	-	7.13	-	-
Term loans	5.29	7.27	5.29	-

24. Other liabilities

	Group	
	2014	2013
	RM	RM
Non-current		
Provision for foreseeable losses for affordable housing	16,658,875	15,330,425
Current		
Progress billings in respect of property development cost	15,696,579	10,730,704
	32,355,454	26,061,129

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24. Other liabilities (contd.)

Provision for foreseeable losses for affordable housing

The provision for foreseeable losses represent the present obligation for construction of low and low-medium cost houses that are required by Pejabat Tanah dan Galian Negeri Johor. The construction is not expected to be launched within the next twelve months.

The provision for foreseeable losses for affordable housing represents the shortfall between the cost of constructing affordable housing and the economic benefits expected to be received from the purchasers of affordable housing in the development of affordable housing on involuntary basis. This provision is capitalised in the form of common costs for development of premium housing based on the master and building plans approved.

Movement in provision for foreseeable losses for affordable housing:

	Group 2014 RM	Group 2013 RM
At beginning of period/year	15,330,425	14,313,050
Recognised during the period/year	1,328,450	1,017,375
At end of period/year	16,658,875	15,330,425

25. Share capital

	Number of ordinary shares of RM1 each 2014	Number of ordinary shares of RM1 each 2013	Amount 2014 RM	Amount 2013 RM
Authorised:				
At beginning/end of period/year	300,000,000	300,000,000	300,000,000	300,000,000
Issued and fully paid:				
At beginning/end of period/year	253,317,000	253,317,000	253,317,000	253,317,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

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26. Share premium and foreign currency translation reserve

(a) Share premium

Share premium of the Group and of the Company represents the premium arising from the issuance of shares.

(b) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of its foreign operation whose functional currency is different from that of the Group's presentation currency.

27. Non-controlling interests

Non-controlling interests in prior year of RM2,500,000 represented preference shares of a subsidiary not held by the Group. The preference shares has been transferred to a subsidiary during the financial period.

The holders of preference shares are not entitled to dividend. The repayment of capital on preference shares rank in priority to all classes of ordinary shares of the subsidiary but the premium will only be paid after the repayment of capital on all classes of ordinary shares of the subsidiary. Other than the above, holders of preference shares are not entitled to further participation in the surplus assets and profits of the subsidiary.

28. Deferred taxation

	Group	
	2014	**2013**
	RM	**RM**
At beginning of period/year	56,885,014	60,038,286
Recognised in profit or loss (Note 11)	(2,313,736)	(3,153,272)
At end of period/year	54,571,278	56,885,014
Presented after appropriate offsetting as follows:		
Deferred tax asset	(146,979)	-
Deferred tax liabilities	54,718,257	56,885,014
	54,571,278	56,885,014

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28. Deferred taxation (contd.)

The components and movements of deferred tax assets and liabilities during the financial period/year prior to offsetting are as follows:

Deferred tax assets of the Group:

	Unused tax losses and unabsorbed capital allowances RM	Provision for foreseeable losses RM	Others RM	Total RM
At 1 October 2013	-	(1,860,000)	-	(1,860,000)
Recognised in profit or loss	(233,561)	(235,645)	(858,429)	(1,327,635)
At 31 October 2014	(233,561)	(2,095,645)	(858,429)	(3,187,635)
At 1 October 2012	-	-	-	-
Recognised in profit or loss	-	(1,860,000)	-	(1,860,000)
At 30 September 2013	-	(1,860,000)	-	(1,860,000)

Deferred tax liabilities of the Group:

	Land for development RM	Accelerated capital allowances RM	Total RM
At 1 October 2013	58,674,014	71,000	58,745,014
Recognised in profit or loss	(1,226,547)	240,446	(986,101)
At 31 October 2014	57,447,467	311,446	57,758,913
At 1 October 2012	60,038,286	-	60,038,286
Recognised in profit or loss	(1,364,272)	71,000	(1,293,272)
At 30 September 2013	58,674,014	71,000	58,745,014

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28. Deferred taxation (contd.)

Deferred tax assets have not been recognised in respect of the following items due to uncertainty of its recoverability:

	Group 2014 RM	2013 RM
Unutilised tax losses	(61,140)	-
Others	(1,701)	-
	(62,841)	-

29. Commitments

(a) Capital commitments

Capital expenditures as at the reporting date are as follows:

	Group 2014 RM	2013 RM
Approved and contracted for:		
Acquisition of development lands:		
- Mukim of Tanjong Duabelas, District of Kuala Langat, Selangor	423,607,061	-
- Mukim Beranang, Daerah Ulu Langat, Negeri Sembilan	202,798,395	-
Acquisition of plant and equipment	3,138,181	-
Net contractual commitment for acquisition of development rights *	1,687,367,278	-
Acquisition of subsidiaries	4	-
	2,316,910,919	-

* The gross contractual commitment for the acquisition of development rights is RM3,785.8 million, as stated in the Note 35(b)(iii). After taking into consideration the deposits paid and the Group's obligation to repay existing land loans and unpaid land costs of RM88.8 million and RM2,009.6 million respectively, the net contractual commitment is RM1,687.4 million.

The Group is also required to reimburse certain expenses and shareholders' advances in the manner set out in the various agreements relating to the acquisition of development rights, the amounts of which can only be determined nearer to the date of completion of the acquisitions.

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29. Commitments (contd.)

(b) Operating lease commitments - as lessee

The Group has entered into non-cancellable operating lease arrangement with a third party. The lease has a tenure of 3 years, with option to renew upon expiry.

Future minimum rental payables under non-cancellable operating lease at the reporting date are as follows:

	Group	
	2014	2013
	RM	RM
Not later than 1 year	2,100,384	115,140
Later than 1 year but not later than 3 years	1,925,352	-
	4,025,736	115,140

30. Related party disclosures

(a) Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group		Company	
	1.10.2013 to 31.10.2014	1.10.2012 to 30.9.2013	1.10.2013 to 31.10.2014	1.10.2012 to 30.9.2013
	RM	RM	RM	RM
Deposit paid for the acquisition of development rights *	88,808,804	-	-	-
Interest receivable from subsidiaries	-	-	(6,347,134)	-
Dividends from subsidiaries	-	-	(8,600,000)	(2,000,000)

* Deemed related by virtue of the directorship and shareholdings of Tan Sri Abdul Rashid bin Abdul Manaf and Dato' Leong Kok Wah in Eco World Development Holdings Sdn. Bhd..

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30. Related party disclosures (contd.)

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the financial period/year is as follows:

	Group		Company	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Short term employee benefits	1,507,549	3,233,168	648,500	95,300
Post-employment benefits:				
Defined contribution plan	31,898	374,112	-	-
Fees	770,000	185,000	770,000	255,000
	2,309,447	3,792,280	1,418,500	350,300

Included in the total remuneration of key management personnel is:

	Group		Company	
	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM	1.10.2013 to 31.10.2014 RM	1.10.2012 to 30.9.2013 RM
Directors' remuneration (Note 10)	1,887,224	2,778,860	1,418,500	350,300

31. Financial risk management objectives and policies

The Group's and the Company's activities are exposed to a variety of financial risks, including interest rate risk, credit risk, foreign currency exchange risk, liquidity and cash flow risks. The Group's and the Company's overall financial risk management objective is to minimise potential adverse effects on the financial performance of the Group and the Company.

Financial risk management is carried out through risk review, internal control systems and adherence to the Group's and the Company's financial risk management policies. The Board regularly reviews these risks and approves the policies covering the management of these risks. The Group and the Company do not trade in derivative instruments.

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31. Financial risk management objectives and policies (contd.)

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arise primarily from trade and other receivables.

The Group and the Company minimise and monitor its credit risk by dealing with creditworthy counter-parties and applying credit approval controls for material contracts. If necessary, the Group and the Company may obtain collaterals from counter-parties as a means of mitigating losses in the event of default.

In respect of trade receivables arising from the sale of development properties, the Group mitigate its credit risk by maintaining its name as the registered owner of the development properties until full settlement by the purchaser of the self-financed portion of the purchase consideration or upon undertaking of end-financing by the purchaser's end-financier.

At the reporting date, the Group did not have any significant concentration of credit risk that may arise from exposure to a single debtor or group of debtors.

Exposure to credit risk

At the reporting date, the Group's and Company's maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the statements of financial position.

- nominal amount of RM86,000,000 (2013: RM52,147,654) relating to corporate guarantees provided by the Company to a licensed financial institutions on credit facilities of the subsidiaries.

The value of corporate guarantees provided by the Company to its subsidiaries are determined by reference to the interest rates differential had these guarantees not been available. The directors have assessed that the fair values of these corporate guarantees are not material.

Financial assets that are neither past due nor impaired

Information regarding trade and other receivables that are neither past due nor impaired is disclosed in Note 19. Deposits with licensed banks that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

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31. Financial risk management objectives and policies (contd.)

(a) Credit risk (contd.)

Financial assets that are past due but not impaired (contd.)

Information regarding financial assets that are past due but not impaired is disclosed in Note 19.

(b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain sufficient levels of cash or cash convertible investments to meet its working capital requirements and to maintain available banking facilities at a reasonable level to its overall debt position.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

2014	On demand or within one year RM	One to five years RM	Total RM
Group			
Financial liabilities:			
Trade and other payables	33,247,386	-	33,247,386
Loans and borrowings	102,850,411	166,991,411	269,841,822
Total undiscounted financial liabilities	136,097,797	166,991,411	303,089,208
Company			
Financial liabilities:			
Trade and other payables	2,422,607	-	2,422,607
Loans and borrowings	102,850,411	166,991,411	269,841,822
Total undiscounted financial liabilities	105,273,018	166,991,411	272,264,429

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31. Financial risk management objectives and policies (contd.)

(b) Liquidity risk (contd.)

2013	On demand or within one year RM	One to five years RM	Total RM
Group			
Financial liabilities:			
Trade and other payables	29,214,204	-	29,214,204
Loans and borrowings	53,746,265	4,799,682	58,545,947
Total undiscounted financial liabilities	82,960,469	4,799,682	87,760,151
Company			
Financial liabilities:			
Trade and other payables, representing total undiscounted financial liabilities	2,215,287	-	2,215,287

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from floating rate loans and borrowings.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 10 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit net of tax would have been approximately RM182,000 (2013: RM39,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

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31. Financial risk management objectives and policies (contd.)

(d) Foreign currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than Ringgit Malaysia. The Group does not hedge against foreign currencies exchange risk based on its current level of operations.

The Group is exposed to currency translation risk arising from its net investment in foreign operation in Singapore. The Group's net investment in Singapore is not hedged as currency position in Singapore Dollar is considered to be long-term in nature.

32. Fair value of financial instruments

The carrying amounts of the Group's and Company's financial assets and liabilities are reasonable approximations of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

33. Segment information

No segmental reporting is presented as the Group is primarily engaged in the business of property development and the operations and customers of the Group are primarily in Malaysia.

34. Capital management

The primary objective of the Group's and the Company's capital management are to ensure that it maintains healthy capital ratio in order to support its business and maximise shareholder value and enable future development of the businesses as well as maximise shareholders' value.

Management reviews and manages the capital structure regularly and makes adjustment to address changes in the economic environment and risk characteristic inherent in its business operation. These initiatives may include equity capital raising exercises and adjustments to the amount of dividends distributed to shareholders. During the financial period, the management has evaluated the objective, policies and processes to align to current business operation.

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34. Capital management (contd.)

The Group and the Company monitor capital using the net gearing ratio, which is net debt divided by equity attributable to owners of the Company. Net debt comprises loans and borrowings less cash and bank balances. This ratio is used to assess the appropriateness of the Group's and the Company's debt level.

In prior year, the Group monitors capital using a net gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises loans and borrowings, trade and other payables, less cash and bank balances whereas total capital comprises total equity.

		Group		Company	
		2014	2013	2014	2013
	Note	RM	RM	RM	RM
Loans and borrowings	23	240,674,314	52,147,654	240,674,314	-
Less: Cash and bank balances	21	(43,422,787)	(25,243,908)	(15,871,364)	(22,380)
Net debt		197,251,527	26,903,746	224,802,950	(22,380)
Equity attributable to owners of the Company		325,863,729	318,721,994	222,754,316	223,673,490
Net gearing ratio		0.61	0.08	1.01	N/A

The gearing ratio is not governed by the Financial Reporting Standards and its definition and calculation may vary from one group/company to another.

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35. Significant events

The following are the status of corporate proposals that have been announced by the Group and the Company but not completed as at 31 October 2014.

(a) On 19 March 2014, Eco Sanctuary Sdn. Bhd. (formerly known as Prominent Stream Sdn. Bhd.), a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement ("SPA") with Sapphire Index Sdn. Bhd., a wholly-owned subsidiary of Tropicana Corporation Berhad, for the proposed acquisition of parcels of leasehold land measuring approximately 308.72 acres in Mukim of Tanjong Duabelas, District of Kuala Langat, State of Selangor for a purchase consideration of RM470,674,512 ("the Proposed Eco Sanctuary Land Acquisition").

The Proposed Eco Sanctuary Land Acquisition is pending fulfilment of conditions precedent within three months from the date of the SPA with an automatic extension of three months thereafter expiring on 19 September 2014 ("Initial Cut-off Date"). As announced on 29 August 2014, the parties have mutually extended the approval period for a period of six months from the Initial Cut-off Date, to expire on 19 March 2015 for the fulfilment of the conditions precedent.

The Proposed Eco Sanctuary Land Acquisition was approved by shareholders at the Company's Extraordinary General Meeting ("EGM") which was held on 19 September 2014 and was rendered unconditional on 5 December 2014.

(b) On 25 April 2014, the Company announced the followings:

(i) proposed acquisition of Eco Macalister Development Sdn. Bhd. (formerly known as Bintang Dedikasi Sdn. Bhd.), a wholly-owned subsidiary of Eco World Development Sdn. Bhd. ("EW Sdn. Bhd."), for a cash consideration of RM2 ("the Proposed Eco Macalister Acquisition");

(ii) proposed acquisition of Eco World Project Management Sdn. Bhd., a wholly-owned subsidiary of EW Sdn. Bhd., for a cash consideration of RM2 ("the Proposed EW Project Management Acquisition");

(iii) proposed acquisition of development rights from certain subsidiaries of EW Sdn. Bhd. for an aggregate net consideration of RM1,776.2 million after taking into consideration the Group's obligation to repay existing land loans and unpaid land costs totalling RM2,009.6 million ("the Proposed Development Rights Acquisition");

The Proposed Eco Macalister Acquisition, the Proposed EW Project Management Acquisition and the Proposed Development Rights Acquisition are collectively referred to as "the Proposed Acquisitions".

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35. Significant events (contd.)

(b) On 25 April 2014, the Company announced the followings (contd.):

(iv) proposed share subscription by Eco World Development Holdings Sdn. Bhd. ("EW Holdings") and Sinarmas Harta Sdn. Bhd. of an aggregate of 806,846,852 new ordinary shares in the Company ("Company Shares"), for an aggregate cash consideration of RM1,371.6 million ("the Proposed Share Subscription");

(v) proposed share split involving the subdivision of each of the existing ordinary shares of RM1 each into two (2) ordinary shares of RM0.50 each in the Company ("the Proposed Share Split");

(vi) proposed renounceable rights issue of new Company Shares together with free detachable warrants ("Warrants") ("the Proposed Rights Issue with Warrants");

(vii) proposed placement of new Company Shares, representing up to 20% of the then existing issued and paid-up share capital of the Company to investors to be identified ("the Proposed Placement"); and

(viii) proposed amendments to the Memorandum and Articles of Association of the Company to amend the par value of the existing ordinary shares in the Company and to increase the authorised share capital of the Company ("the Proposed Amendments").

Upon completion of the Proposed Share Subscription, EW Holdings will be obliged to undertake a mandatory general offer for the remaining Company Shares not already held by EW Holdings and persons acting in concert in accordance with Section 9, Part III of the Malaysian Code on Take-overs and Mergers, 2010 ("Code") ("Share Subscription MGO Obligation"). EW Holdings intends to seek an exemption from the Securities Commission Malaysia from having to undertake the Share Subscription MGO Obligation in accordance with Paragraph 16.1(b) of Practice Note 9 of the Code ("the Proposed Exemption").

The Proposed Eco Macalister Acquisition, the Proposed EW Project Management Acquisition, the Proposed Development Rights Acquisition, the Proposed Share Subscription, the Proposed Share Split, the Proposed Rights Issue with Warrants, the Proposed Placement, the Proposed Amendments and the Proposed Exemption are collectively referred to as "the Proposals".

The Proposals are inter-conditional upon each other.

The Proposed Acquisitions and the Proposed Share Subscription are pending fulfilment of conditions precedent within six months from the date of the various agreements which expired on 25 October 2014. As announced on 23 October 2014, the parties have mutually extended the approval period for a period of four months until 25 February 2015 for the fulfilment of the conditions precedent.

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35. Significant events (contd.)

(b) On 25 April 2014, the Company announced the followings (contd.):

The Proposed Share Subscription, the Proposed Share Split, the Proposed Rights Issue with Warrants, the Proposed Placement have been approved by Bursa Malaysia Securities Berhad via its letter dated 7 November 2014 subject to certain conditions.

On 19 November 2014, the Company announced that the EGM to seek shareholders' approval on the Proposals will be held on 12 December 2014.

Barring any unforeseen circumstances and subject to all requisite approvals being obtained, the Proposals (save for the Proposed Placement) are now expected to be completed by the first quarter of calendar year 2015. The Proposed Placement is now expected to be completed by the second quarter of calendar year 2015.

(c) On 2 July 2014, Majestic Blossom Sdn. Bhd., a wholly-owned subsidiary of the Company, has entered into a conditional sale and purchase agreement ("SPA") with Univas (Far East) Sdn. Bhd., for the proposed acquisition of freehold land measuring approximately 492.66 acres in Mukim Beranang, Daerah Ulu Langat, Negeri Selangor for a purchase consideration of RM225,331,550 ("the Proposed Semenyih Land Acquisition").

The completion of the Proposed Semenyih Land Acquisition is subject to, among others, the fulfilment of conditions precedent and the performance by the Parties of their respective obligations including the removal of caveat and/or disposal of litigation (as the case maybe) as set out in the SPA.

In the event the removal of caveat and/or the disposal of litigation are not achieved on or before the unconditional date, the completion of the Proposed Semenyih Land Acquisition may be extended in the manner set out in SPA. Further details on the Proposed Semenyih Land Acquisition are set out in the circular to shareholders dated 20 November 2014 and the EGM to seek shareholders' approval will be held on 12 December 2014.

(d) On 16 October 2014, the Company has expressed its interest to subscribe for 1,125,000,000 ordinary shares of RM0.01 each in Eco World International Berhad ("EWI") ("EWI Shares") together with 1,125,000,000 free detachable warrants at an indicative issue price of RM0.50 per EWI Share for an indicative aggregate consideration of RM562.5 million ("the Proposed EWI Subscription").

36. Subsequent events

(a) On 4 November 2014, the Company acquired 2 ordinary shares of RM1 each in Matlamat Bakat Sdn. Bhd. and Meridian Insight Sdn. Bhd. respectively, resulting in these two companies becoming wholly-owned subsidiaries of the Company.

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36. Subsequent events (contd.)

(b) The Proposed Eco Sanctuary Land Acquisition as disclosed in Note 35(a) was rendered unconditional on 5 December 2014.

37. Comparatives

The financial year end of the Company was changed from 30 September to 31 October so as to be coterminous with the financial year end of Eco World Development Holdings Sdn. Bhd., being the major shareholder of the Company. Accordingly, comparative amounts for the statements of comprehensive income, statements of changes in equity, statements of cash flows and the related notes are not entirely comparable.

The following comparatives of the Group and the Company for the financial year ended 30 September 2013 have been reclassified to conform with current period's presentation:

Statements of cash flows

	As previously reported RM	Re-classifications RM	As restated RM
Group			
Operating activities			
Dividend paid	(1,899,878)	1,899,878	-
Property development expenditure	25,483,323	5,703,487	31,186,810
Investing activities			
Additions to land held for property development	-	(5,703,487)	(5,703,487)
Financing activities			
Dividend paid	-	(1,899,878)	(1,899,878)
Company			
Operating activities			
Dividend paid	(1,899,878)	1,899,878	-
Financing activities			
Dividend paid	-	(1,899,878)	(1,899,878)

38. Authorisation of financial statements for issue

The financial statements for the period ended 31 October 2014 were authorised for issue in accordance with a resolution of the directors on 10 December 2014.

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39. Supplementary information - breakdown of retained profits into realised and unrealised

The breakdown of the retained profits of the Group and of the Company as at 31 October 2014 and 30 September 2013 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group		Company	
	2014	**2013**	**2014**	**2013**
	RM	**RM**	**RM**	**RM**
Total retained earnings/ (accumulated losses) of the Company and its subsidiaries:				
- Realised	61,344,909	54,334,007	(30,585,027)	(29,665,853)
- Unrealised	2,876,189	1,763,000	-	-
	64,221,098	56,097,007	(30,585,027)	(29,665,853)
Add: Consolidation adjustments	8,309,255	9,285,644	-	-
Retained earnings/ (accumulated losses) as per financial statements	72,530,353	65,382,651	(30,585,027)	(29,665,853)

DIRECTORS' REPORT

ECOWORLD
CREATING TOMORROW & BEYOND

Registered Office:

Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights, 50490 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Date: 2 5 FEB 2015

To: The Shareholders of Eco World Development Group Berhad ("EW Berhad")

Dear Sir/Madam,

On behalf of the Board of Directors of EW Berhad (**"Board"**), I report after due enquiries that during the period from 31 October 2014 (being the date to which the last audited financial statements of EW Berhad and its subsidiaries (**"EW Berhad Group"**) have been made up) to the date herein (being a date not earlier than 14 days before the date of issue date of this Abridged Prospectus) that:

(i) the business of the EW Berhad Group has, in the opinion of the Board, been satisfactorily maintained;

(ii) in the opinion of the Board, no circumstances have arisen since the last audited financial consolidated statements of EW Berhad Group which have adversely affected the trading or the value of the assets of EW Berhad Group;

(iii) the current assets of the EW Berhad Group appear in the books at values which are believed to be realisable in the ordinary course of business;

(iv) there are no contingent liabilities which have arisen by reason of any guarantee or indemnity given by the EW Berhad Group;

(v) there has been, since the last audited financial statements of the EW Berhad Group, no default or any known event that could give rise to a default situation, on payments of either interest and/or principal sums in respect of any borrowings; and

(vi) there has been, since the last audited financial statements of the EW Berhad Group, no material change in the published reserves or any unusual factor affecting the profits of the EW Berhad Group.

Yours faithfully
for and on behalf of the Board of Directors of
ECO WORLD DEVELOPMENT GROUP BERHAD

Datuk Heah Kok Boon
Executive Director and Chief Financial Officer

Eco World Development Group Berhad (17777-V)
No. 52, Setia Avenue, No. 2, Jalan Setia Prima S U13/S, Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, Malaysia.
T +603 3344 2552 F +603 3345 2552 W www.ecoworldgroup.com.my

FURTHER INFORMATION

1. SHARE CAPITAL

Save for the Rights Shares and Warrants, no securities shall be allotted or issued on the basis of this Abridged Prospectus later than 12 months after the date of issue of this Abridged Prospectus.

As at the date of this Abridged Prospectus, save for our Entitled Shareholders who will be provisionally allotted the Rights Shares with Warrants under the Rights Issue with Warrants, no person has been or is entitled to be granted an option to subscribe for any securities of our Company and no capital of our Group is under any option or agreed conditionally or unconditionally to be put under any option.

2. ARTICLES OF ASSOCIATION

The provisions in our Company's Articles of Association in relation to the remuneration of our Directors are as follows:

Article 89 – Directors' Remuneration

The fees of the Directors shall be such fixed sum as shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provided) be divisible among the Directors as they may agree, or failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such fees are payable shall be entitled only to rank in such division for a proportion of the fees related to the period during which the Director has held office provided always that:

(i) fees payable to Non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover;

(ii) salaries payable to Executive Directors may not include a commission on or percentage of turnover;

(iii) fees payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting;

(iv) any fee paid to an Alternate Director shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter.

Article 90 – Reimbursement of expenses

(a) *The Directors shall be entitled to be reimbursed for all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or general meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.*

(b) *If by arrangement with the Directors, any Director shall perform or render any special duties or services outside his ordinary duties as a Director in particular without limiting to the generality of the foregoing if any Director being willing shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of business or residence for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors, the Directors may pay him special remuneration, in addition to his Director's fees, and such special remuneration may be by way of a fixed sum, or otherwise as may be arranged.*

Article 95 – Power to maintain pension or fund

The Directors may establish or arrange any contributory or non-contributory pension super-annuation scheme for the benefit of, or pay a gratuity, pension or emolument to any person who is or has been employed by or in the service of the Company or any subsidiary of the Company, or to any person who is or has been a director or other officer of and holds or has held salaried employment in the Company or any such subsidiary, and the widow, family or dependants of any such person. The Directors may also subscribe to any association or fund which they consider to be for the benefit of the Company or any such subsidiary or any such persons as aforesaid and make payments for or towards any hospital or scholastic expenses, and make payments for or towards any hospital or any Director holding such salaried employment shall be entitled to retain any benefit received by him hereunder subject only, where the Act requires, to proper disclosure to the members and the approval of the Company in general meeting.

Article 101 – Director may hold other office

Subject always to Sections 131, 131A and 132E of the Act a Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

Article 102 – Directors may act in his professional capacity

Subject to the Listing Requirements, any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director provided that nothing herein contained shall authorise a Director or his firm to act as Auditor of the Company.

3. CONSENTS

Our Joint Principal Advisers, Joint Underwriters, Principal Bankers, Share Registrar and Legal Adviser for the Rights Issue with Warrants have given and have not subsequently withdrawn their written consents for the inclusion of their names and all references thereto in the form and context in which they appear in this Abridged Prospectus.

Our Company Secretaries have given and have not subsequently withdrawn their written consents for the inclusion of their names and all references thereto in the form and context in which they appear in this Abridged Prospectus.

Our Auditors and Reporting Accountants for the Rights Issue with Warrants have given and have not subsequently withdrawn their written consent for the inclusion of their name, Accountants' Report for Eco Macalister and EW Project Management and their letter on the proforma consolidated statements of financial position of our Company as at 31 October 2014 and all references thereto in the form and context in which they appear in this Abridged Prospectus.

K&J, being the independent valuer for the Eco Macalister Lands and Lands has given and has not subsequently withdrawn its written consent for the inclusion of its name and all references thereto in the form and context in which they appear in this Abridged Prospectus.

Bloomberg Finance L.P. has given and has not subsequently withdrawn its written consent for the inclusion of its name and/or citation of the market data compiled by them, in the form and context in which they appear in this Abridged Prospectus.

Knight Frank Malaysia Sdn Bhd has given and has not subsequently withdrawn its written consent for the inclusion of its name and/or citation of its research report, in the form and context in which they appear in this Abridged Prospectus.

4. MATERIAL CONTRACTS

Save as disclosed below, we confirm that there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by our Group within the past two (2) years immediately preceding the date of issuance of this Abridged Prospectus:

(i) On 20 December 2013, our Company's wholly-owned subsidiary, Eco Macalister entered into a conditional sale and purchase agreement dated 30 December 2013 with Summit Methods Sdn Bhd ("**Summit Methods**") to acquire the Eco Macalister Lands from Summit Methods for a total cash consideration of RM60,000,000.

(ii) On 19 March 2014, our Company's wholly-owned subsidiary, Eco Sanctuary Sdn Bhd *(formerly known as Prominent Stream Sdn Bhd)* entered into a conditional sale and purchase agreement dated 19 March 2014 with Sapphire Index Sdn Bhd for the Eco Sanctuary Land Acquisition.

(iii) On 25 April 2014, we entered into the following:

  (a) Eco Macalister SPA;

  (b) EW Project Management SPA;

  (c) Development Rights Agreements; and

  (d) Share Subscription Agreement.

(iv) On 2 July 2014, our Company's wholly-owned subsidiary, Majestic Blossom entered into a conditional sale and purchase agreement dated 2 July 2014 with Univas (Far East) Sdn Bhd for the Proposed Semenyih Land Acquisition.

(v) On 4 February 2015, our Company entered into a subscription and shareholders' agreement with UDA (as defined in Section 6.3 of the Main Letter of this Abridged Prospectus), the EPF and BBCC (as defined in Section 6.3 of the Main Letter of this Abridged Prospectus) for the Proposed BBCC Share Subscription. On the same date, BBCC entered into a joint development agreement with UDA for the Proposed BBCC Joint Development. Pursuant to the said joint-development agreement, UDA, being the owner of the BBCC Land (as defined in Section 6.3 of the Main Letter of this Abridged Prospectus), shall grant to BBCC, being the developer of the BBCC Development (as defined in Section 6.3 of the Main Letter of this Abridged Prospectus), full and unfettered rights to carry out the BBCC Development for a total consideration of RM1,013,554,080.

(vi) On 17 February 2015, we entered into the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Joint Underwriters have severally but not jointly agreed to underwrite and subscribe for and/or procure subscribers to subscribe for an aggregate of 113,526,299 Rights Shares, representing approximately 17.29% of the total issue size of the Rights Issue with Warrants, at the Issue Price for which no undertaking has been obtained from other shareholders. The underwriting commission payable by our Company is 1.50% of the value of the Underwritten Shares (as defined in Section 3.2 of the Main Letter of this Abridged Prospectus) based on the Issue Price.

(vii) On 17 February 2015, we executed the Deed Poll to constitute the issuance of the Warrants pursuant to the Rights Issue with Warrants, the salient terms which are set out in Section 2.4 of the Main Letter of this Abridged Prospectus.

5. MATERIAL LITIGATION

As at the LPD, neither we nor our subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and our Board is not aware of any proceedings which may materially and adversely affect our financial position or business.

6. GENERAL

(i) There are no existing or proposed service contracts entered or to be entered into by our Company with any Director, other than those which are expiring or determinable by the employing company without payment of compensation (other than statutory compensation) within one (1) year from the date of issuance of this Abridged Prospectus; and

(ii) Save as disclosed in this Abridged Prospectus and to the best of their knowledge, our Board is not aware of the following:

  (a) material information including special trade factors or risks which are unlikely to be known or anticipated by the general public and which could materially affect the profits of our Group;

  (b) known trends, demands, commitments, events or uncertainties that will result in or are likely to materially increase or decrease our Group's liquidity;

  (c) material commitments for capital expenditure;

(d) unusual, infrequent events or transactions or significant economic changes that materially affect the amount of reported income from our operations; and

(e) known trends or uncertainties that have had, or that our Group reasonably expects to have, a material favourable or unfavourable impact on our Group's revenues or operating income.

7. DETAILS OF OTHER CORPORATE PROPOSALS

Save for the Rights Issue with Warrants and as disclosed below, our Company confirms that there is no other outstanding corporate exercise announced but not completed by our Company as at the LPD:

(i) the Placement;

(ii) the Eco Sanctuary Land Acquisition;

(iii) the Proposed Semenyih Land Acquisition; and

(iv) the BBCC Land Proposals.

We also announced on 16 October 2014, that our Company had via our letter dated 16 October 2014, expressed our interest to subscribe for 1,125,000,000 ordinary shares of RM0.01 each in Eco World International Berhad ("**EWI**") ("**EWI Shares**") together with 1,125,000,000 free detachable warrants at an indicative issue price of RM0.50 per EWI Share for an indicative aggregate consideration of RM562.5 million ("**Proposed SPAC Subscription**"). EWI is proposing to undertake a listing of and quotation for the securities of EWI on the Main Market of Bursa Securities as a special purpose acquisition company ("**Proposed EWI Listing**"). The Proposed SPAC Subscription would represent 30% of the enlarged issued and paid-up share capital of EWI upon completion of the Proposed EWI Listing. Further details on the Proposed SPAC Subscription will be announced upon the execution of a definitive subscription agreement in respect of the Proposed SPAC Subscription.

8. DOCUMENTS FOR INSPECTION

The following documents are available for inspection at our registered office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Malaysia during normal office hours from Mondays to Fridays (except public holidays) for a period of 12 months from the date of issuance of this Abridged Prospectus:

(i) our M&A;

(ii) our audited consolidated financial statements for the past two (2) financial years ended 30 September 2013 and for the 13-month financial period ended 31 October 2014;

(iii) our proforma consolidated statements of financial position of our Company as at 31 October 2014 together with the Reporting Accountants' letter thereon referred to in Appendix III of this Abridged Prospectus;

(iv) the Accountant's Report for Eco Macalister and EW Project Management referred to in Appendix IV of this Abridged Prospectus;

(v) our Directors' Report referred to in Appendix VI of this Abridged Prospectus;

(vi) the material contracts referred to in Section 4 of this Appendix;

(vii) the consent letters referred to in Section 3 of this Appendix;

(viii) K&J's valuation reports for the Eco Macalister Lands and the Lands as at the Initial Valuation Date and Latest Valuation Date;

(ix) K&J's valuation certificates for the Eco Macalister Lands and the Lands as at the Initial Valuation Date and Latest Valuation Date; and

(x) the letters in relation to the Shareholders' Undertakings from EW Holdings, Liew Tian Xiong and Sinarmas Harta as referred to in Section 3.1 of the Main Letter of this Abridged Prospectus.

9. RESPONSIBILITY STATEMENT

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

CIMB, AmInvestment and Maybank IB, being the Joint Principal Advisers and Joint Underwriters for the Rights Issue with Warrants, acknowledge that, based on all available information, and to the best of their knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

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