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**CAPITAL WORLD LIMITED**  
**(Company Registration No: CT-276295)**  
**(Incorporated in the Cayman Islands on 15 March 2013)**

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**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2022**

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Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst, the Company is required to announce its quarterly financial statements in view of the qualified opinion and material uncertainty relating to going concern issued by the Company's auditors in the latest audited financial statements for the financial year ended 30 June 2022.

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**A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

Group				
Description	Notes	3 months ended 30 September		%
		2022 (Unaudited) RM'000	2021 (Unaudited) RM'000	
Revenue	5	-	-	
Cost of sales		-	-	
<b>Gross Profit</b>		-	-	
Other income		11	153	<(100%)
General and administrative expenses		(3,434)	(5,541)	<(100%)
Allowance for impairment of trade receivables		-	-	
Finance costs		(1)	(1)	n.m.
<b>Loss before income tax</b>	6	(3,424)	(5,389)	
Income tax expense		-	-	
<b>Loss for the period</b>		(3,424)	(5,389)	
<b>Other comprehensive income</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences arising from translation of foreign operations, net of tax		126	19	>100%
<b>Total comprehensive loss for the period</b>		<b>(3,299)</b>	<b>(5,370)</b>	
<b>Loss for the period attributable to:</b>				
Owners of the Company		<b>(3,424)</b>	<b>(5,389)</b>	
<b>Total comprehensive loss for the period attributable to:</b>				
Owners of the Company		<b>(3,299)</b>	<b>(5,370)</b>	

n.m: Denotes not meaningful

## B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

Description	Notes	Group As at		Company As at	
		30 Sept 2022 (Unaudited) RM'000	30 June 2022 (Audited) RM'000	30 Sept 2022 (Unaudited) RM'000	30 June 2022 (Audited) RM'000
<b>Current assets</b>					
Inventory properties	8	123,473	123,473	-	-
Contract assets		4,653	4,653	-	-
Trade receivables		121	145	-	-
Other receivables, deposits, and prepayments		2,430	1,337	191	70
Amount due from subsidiaries		-	-	167,885	167,028
Cash on hand and at banks		634	854	-	181
		<u>131,311</u>	<u>130,462</u>	<u>168,076</u>	<u>167,279</u>
Assets of disposal group classified as held for sale		731	731	-	-
Non-current assets held for sale		<u>74,003</u>	<u>74,003</u>	<u>-</u>	<u>-</u>
		<u>206,045</u>	<u>205,196</u>	<u>168,076</u>	<u>167,279</u>
<b>Non-current assets</b>					
Investment properties		141,744	142,514	-	-
Property, plant, and equipment	9	<u>23,971</u>	<u>24,099</u>	<u>25</u>	<u>30</u>
		<u>165,715</u>	<u>166,613</u>	<u>25</u>	<u>30</u>
<b>Total assets</b>		<u>371,760</u>	<u>371,809</u>	<u>168,101</u>	<u>167,309</u>
<b>Current liabilities</b>					
Trade payables		79,731	79,899	-	-
Other payables and accruals		44,676	41,220	11,273	9,568
Amount due to subsidiaries		-	-	5,398	5,284
Contract Liabilities		3,340	3,340	-	-
Loans and borrowings	10	<u>38</u>	<u>38</u>	<u>38</u>	<u>38</u>
Provision for taxation		<u>70,254</u>	<u>70,294</u>	<u>258</u>	<u>253</u>
		<u>198,040</u>	<u>194,791</u>	<u>16,967</u>	<u>15,143</u>
Liabilities directly associated with disposal group classified as held for sale		<u>1,909</u>	<u>1,909</u>	<u>-</u>	<u>-</u>
		<u>199,949</u>	<u>196,700</u>	<u>16,967</u>	<u>15,143</u>
<b>Non-current liabilities</b>					
Other payables		<u>5,546</u>	<u>5,546</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>		<u>205,495</u>	<u>202,246</u>	<u>-</u>	<u>-</u>
<b>Equity attributable to owners of the Company</b>					
Share capital	11	215,083	215,083	264,208	264,208
Share premium		159,192	159,192	800,950	800,950
Merger reserve		5,000	5,000	-	-
Equity component of convertible bond		<u>186</u>	<u>186</u>	<u>186</u>	<u>186</u>
Foreign currency translation reserve		<u>5,502</u>	<u>5,376</u>	<u>2,359</u>	<u>2,359</u>
Capital reserve		-	-	487	487
Scheme shares reserve		<u>(7,962)</u>	<u>(7,962)</u>	<u>-</u>	<u>-</u>
Accumulated losses		<u>(210,736)</u>	<u>(207,312)</u>	<u>(917,056)</u>	<u>(916,024)</u>
<b>Total equity</b>		<u>166,265</u>	<u>169,563</u>	<u>151,134</u>	<u>152,166</u>
<b>Total liabilities and equity</b>		<u>371,760</u>	<u>371,809</u>	<u>168,101</u>	<u>167,309</u>

### C. STATEMENT OF CHANGES IN EQUITY (GROUP AND COMPANY)

	Attributable to owners of the Company							Total equity RM'000
	Share capital	Share premium	Merger reserve	Equity component of convertible bond	Foreign currency translation reserve	Scheme shares reserve	Accumulated losses	
Group (unaudited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>Opening balance as at 1 July 2022</b>	215,083	159,192	5,000	186	5,376	(7,962)	(207,312)	169,563
Loss for the period	-	-	-	-	-	-	(3,424)	(3,424)
<u>Other comprehensive income</u>								
Exchange differences arising from translation of foreign operations	-	-	-	-	126	-	-	126
Total comprehensive loss for the period	-	-	-	-	126	-	(3,424)	(3,298)
<b>Closing balance as at 30 September 2022</b>	215,083	159,192	5,000	186	5,502	(7,962)	(210,736)	166,265
<b>Opening balance as at 1 July 2021</b>	176,240	3,824	5,000	186	1,882	(7,962)	(266,445)	<b>(79,313)</b>
Loss for the period	-	-	-	-	-	-	(5,389)	(5,389)
<u>Other comprehensive income</u>								
Exchange differences arising from translation of foreign operations	-	-	-	-	19	-	-	19
Total comprehensive loss for the period	-	-	-	-	19	-	(5,389)	(5,370)
<b>Closing balance as at 30 September 2021</b>	176,240	3,824	5,000	186	1,901	-	(271,834)	<b>(84,683)</b>

Company (unaudited)	Share capital	Share premium	Equity component of convertible bond	Foreign currency translation reserve	Capital reserve	Accumulated losses	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Opening balance as at 1 July 2022</b>	264,208	800,950	186	2,359	487	(916,024)	152,166
Loss for the period	-	-	-	-	-	(1,032)	(1,032)
Total comprehensive loss for the period	-	-	-	-	-	(1,032)	(1,032)
<b>Closing balance as at 30 September 2022</b>	<b>264,208</b>	<b>800,950</b>	<b>186</b>	<b>2,359</b>	<b>487</b>	<b>(917,056)</b>	<b>151,134</b>
<b>Opening balance as at 1 July 2021</b>	<b>225,365</b>	<b>645,582</b>	<b>186</b>	<b>472</b>	<b>487</b>	<b>(882,753)</b>	<b>(10,661)</b>
Loss for the period	-	-	-	-	-	(496)	(496)
Other comprehensive loss	-	-	-	(54)	-	-	(54)
Total comprehensive loss for the period	-	-	-	(54)	-	(496)	(550)
<b>Closing balance as at 30 September 2021</b>	<b>225,365</b>	<b>645,582</b>	<b>186</b>	<b>418</b>	<b>487</b>	<b>(883,249)</b>	<b>(11,211)</b>

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#### D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	First Quarter ended	
	30 September 2022	30 September 2021
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Loss before income tax	(3,424)	(5,389)
Adjustments for:		
Depreciation of property, plant and equipment	129	140
Depreciation of investment properties	770	-
Amortisation of intangible assets	-	6
Write-down of inventory properties	-	1,729
Operating cash flows before changes in working capital	(2,525)	(3,514)
Changes in working capital:		
Trade and other receivables	(1,074)	(937)
Trade and other payables and deferred revenue	3,419	4,338
Cash flows generated from operations	(180)	(111)
Income taxes paid	(45)	-
<b>Net cash flows used in operating activities</b>	<b>(225)</b>	<b>(111)</b>
<b>Net cash flows generated from investing activities</b>	<b>-</b>	<b>-</b>
<b>Net cash flows generated from financing activities</b>	<b>-</b>	<b>-</b>
Net (decrease) / increase in cash and cash equivalents	(225)	(111)
Effect of exchange rate changes in cash and cash equivalents	1	(44)
Cash and cash equivalents at the beginning of the period	858	464
<b>Cash and cash equivalents at the end of the period</b>	<b>634</b>	<b>309</b>

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate information

Capital World Limited, (the “**Company**”) is a limited liability company incorporated and domiciled in the Cayman Islands. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 30 July 2014.

The address of the Company’s registered office is the office of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is at 1 North Bridge Road, #24-09 High Street Centre, Singapore 179094.

The principal activity of the Company is investment holding. The Group is primarily involved property development, property investment and exploration, development and extraction of marble and production of marble products.

### 2. Basis of preparation

The condensed interim financial statements for the 3 months ended 30 September 2022 have been prepared in accordance with IAS 34 – Interim Financial Reporting issued by the International Accounting Standards Board. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited financial results announcement for the year ended 30 June 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with IFRS, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The condensed interim financial statements are presented in Malaysia Ringgit (“**RM**”) which is the functional currency of the Group and all values in the tables are rounded to the nearest thousand (“**RM’000**”), except when otherwise indicated.

#### 2.1. New and amended standards adopted by the Group

The accounting policies and method of computation adopted in these condensed interim financial statements are consistent with those of the latest audited financial statements for the reporting year ended 30 June 2022, except that in the current financial year, the Group has adopted all new and revised standards which are effective for annual financial periods beginning on or after 1 July 2022. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company for the financial year ended 30 September 2022.

#### 2.2. Use of judgements and estimates

In preparing the condensed interim financial statements of the Group, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2022

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



### 2.3. Measurement of fair values

#### (a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### (b) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amount of the current financial assets and financial liabilities are reasonable approximations of fair values due to the insignificant impact of discounting.

There were no material transfers between Level 1, Level 2 and Level 3 during financial year ended 30 September 2022.

### 3. Going Concern Assumption

As at 30 September 2022, the Group has net assets of RM166.3 million (As at 30 June 2022: RM169.6 million), which include inventory properties of RM123.5 million (As at 30 June 2022: RM123.5 million), investment properties of RM141.7 million (As at 30 June 2022: RM142.5 million) and provision for taxation of RM70.3 million (As at 30 June 2022: RM70.3 million).

The ability of the Group to continue as a going concern is dependent on the:

- (i) successful fulfilment and satisfaction of the conditions precedent and execution of the formal legal documentation in respect of the master tenancy of the Group's retail mall (which includes the inventory properties) with a third party. It is to be noted that the Company has signed a tenancy agreement for the lease of the Group's retail mall on 1 November 2022 and
- (ii) continuing approval by the Inland Revenue Board of Malaysia for the income tax to be repaid on a monthly instalment basis until the outstanding income tax payable of RM70.3 million is fully repaid.

The above conditions and events indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Nevertheless, in the preparation of the financial statements, the directors of the Company believe that the use of the going concern assumption is appropriate after taking into consideration:

- (i) The Company has signed a tenancy agreement for the lease of the Group's retail mall on 1 November 2022. Further, nothing has come to the attention of the Board of Directors and management that the conditions precedent in relation to the master tenancy of the Group's retail mall could not be fulfilled;
- (ii) The Group had written to the Inland Revenue Board of Malaysia ("LHDN") on 12 April 2022 on the tax instalment and received an email response from LHDN on 19 April 2022 confirming the monthly instalment payment for a period of six (6) months. LHDN had also notified the Group that if the Group faced any difficulty in settling the payment for the last month's instalment, the Group can apply for instalment payment rescheduling. An instalment payment appeal must be submitted at a minimum one month before the due date of the last instalment. The Group has since made payment according to the schedule. The Group had submitted an instalment payment appeal on 2 September 2022 and obtained the approval response from LHDN on 3 October 2022 for the payment instalment to continue for the period from 15 October 2022 to 15 March 2023. The Group will continue to make applications with the LHDN to repay the outstanding income tax payable on a monthly instalments basis as and

when needed until the outstanding income tax payable is fully repaid. Given that the Group has a positive track record in repayment of the tax instalment and the instalment appeal previously, the Board of Directors and management are of the view that the results of any further applications will be favourable;

- (iii) Although there is no revenue generated during the financial period from 1 July 2022 to 30 September 2022, the rental for the lease of the Group's retail mall is expected to be received during the fourth quarter of FY2023; and
- (iv) The Board of Directors and management are of the view that the Group will have sufficient working capital and will be able to meet its obligations as and when they fall due based on a cash flow forecast for the next 12 months.

In the event that the Group and the Company are unable to continue as going concerns, the Group and the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are recorded in the statements of financial position. In addition, the Group and the Company may have to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. No such adjustments have been made to these financial statements.

#### 4. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year from 1 July 2022 to 30 September 2022.

#### 5. Segmental and revenue information

##### 5.1. Reportable segments

	Property development RM'000	Mining RM'000	Others RM'000	Elimination RM'000	Group RM'000
<b>First quarter ended 30 September 2022</b>					
<u>Revenue</u>					
Revenue from external customers	-	-	-	-	-
<u>Results</u>					
Depreciation expense	899	-	-	-	899
Inventory properties written down	-	-	-	-	-
Profit/(Loss) before tax	(2,384)	-	(1,040)	-	(3,424)
Segment Assets	370,201	-	171,718	(170,159)	371,760
Segment liabilities	431,738	-	20,762	(247,005)	205,495

	Property development RM'000	Mining RM'000	Others RM'000	Elimination RM'000	Group RM'000
<b>First quarter ended 30 September 2021</b>					
<u>Revenue</u>					
Revenue from external customers	-	-	-	-	-
<u>Results</u>					
Depreciation expense	122	18	-	-	140
Inventory properties written down	1,729	-	-	-	1,729
Amortisation of intangible assets	-	4	-	-	4

	Property development RM'000	Mining RM'000	Others RM'000	Elimination RM'000	Group RM'000
<b>First quarter ended 30 September 2021</b>					
Profit/(Loss) before tax	(1,839)	106	(3,196)	(460)	(5,389)
Segment Assets	404,157	68,326	31,644	(98,367)	405,759
Segment liabilities	529,432	90,821	46,208	(176,019)	490,442

## 5.2. Disaggregation of Revenue

There is no revenue generated from the 3 months ended 30 September 2022 and 2021.

## 6. Loss before taxation

Description	Group 3 months ended 30 September	
	<u>2022</u> (Unaudited) RM'000	<u>2021</u> (Unaudited) RM'000
Loss for the period is arrived at after (crediting)/charging:		
Miscellaneous income	(11)	(153)
<b>Audit fees:</b>		
- Auditors of the Company	262	93
Depreciation of property, plant, and equipment	899	140
Amortisation of intangible assets	-	4
<b>Employee benefit expense:</b>		
- Salaries and bonuses	332	119
- Social security contributions	1	1
- Contributions to defined contribution plan	29	13
Write-down Inventory property	-	1,729

## 7. Loss Per Share

Basic earnings/(loss) per share is calculated by dividing profit/(loss) for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings/(loss) per share is calculated by dividing profit/(loss) for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Computation of basic and diluted earnings/(loss) per share for the 3 months ended 30 September 2022 and 2021:

	<b>Group</b>	
	<b>3 months ended 30 September</b>	
	<b>2022</b>	<b>2021</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Loss after tax attributable to owners of the Company (RM'000)	<b>(3,424)</b>	<b>(5,389)</b>
Weighted average number of ordinary shares for basic and diluted loss per share computation ('000)	14,268,666	1,832,095
Basic loss per ordinary share (RM per cents)	(0.02)	(0.29)

## 8. Inventory Properties

	<b>Group</b>	
	<b>Financial year ended</b>	
	<b>30 Sept 2022</b>	<b>30 June 2022</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>RM'000</b>	<b>RM'000</b>
Comprised:		
- Retail units of the retail mall	123,473	123,473

## 9. Property, plant and equipment

During the 3 months ended 30 September 2022 and 2021, the Group has no impairment of the property, plant and equipment.

## 10. Borrowings

	<b>Group</b>		<b>Company</b>	
	<b>Financial year ended</b>		<b>Financial year ended</b>	
	<b>30 Sept 2022</b>	<b>30 June 2022</b>	<b>30 Sept 2022</b>	<b>30 June 2022</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Amount repayable within one year	38	38	38	38

The loans and borrowings are mainly non secured as at 30 September 2022 and 30 June 2022.

## 11. Share capital

	<b>Number of issued shared shares</b>	<b>Share capital RM'000</b>
As at 30 September 2022	14,268,666,015	215,083
As at 30 June 2022	14,268,666,015	215,083

The Company did not have any outstanding convertibles and options, not holds any treasury shares or subsidiary holding as at 30 September 2022 and 30 June 2022 respectively.

## 12. Net Asset Value

	Group		Company	
	Financial year ended		Financial year ended	
	<u>30 Sept 2022</u>	<u>30 June 2022</u>	<u>30 Sept 2022</u>	<u>30 June 2022</u>
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	RM'000	RM'000	RM'000	RM'000
Net Asset Value ("NAV") (RM'000)	166,265	169,563	151,134	152,166
Number of ordinary shares in issue (excluding treasury shares)	14,268,666,015	14,268,666,015	14,268,666,015	14,268,666,015
NAV per ordinary share based on issued share capital (RM per cents)	1.17	1.19	1.06	1.07

## 13. Related party transactions

During the 3 months ended 30 September 2022 and 2021, the Group had no significant related party transactions.

### Compensation of key management personnel

	Group	
	3 Months ended 30 September	
	<u>2021</u>	<u>2021</u>
	(Unaudited)	(Unaudited)
	RM'000	RM'000
Short-term employees' benefits	24	120
Directors' fee	305	325
Employer's contribution to defined contribution plans	3	6
	<u>332</u>	<u>399</u>
Comprise amounts paid to :		
-Directors of the Company	-	-
-Other key management personnel	27	126
	<u>27</u>	<u>126</u>

#### 14. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

#### F. OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

##### 1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed interim consolidated statement of financial position of Capital World Limited and its subsidiaries as at 30 September 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the financial year ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

##### 2. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable. The figures have not been audited or reviewed by the Group's auditors.

##### 2A. Where the latest financial statements are subject to an adverse opinion, qualified opinion, or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issues.
- (b) Confirmations from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

*This is not required for any audit issue that is a material uncertainty relating to going concern.*

The independent auditor of the Company, Messrs Moore Stephens LLP, have in their Independent Auditor's Report for the financial year ended 30 June 2022 ("**FY2022**") dated 13 October 2022 expressed (i) a qualified opinion in respect of the carrying amounts of inventory properties– serviced suites under construction and serviced apartments under construction ("**IP**") and property, plant, and equipment – hotel under construction ("**PPE**"); and (ii) an emphasis of matter in respect of the material uncertainty related to going concern on the audited financial statements of the Group and the Company for FY2022.

- (a) For (i) the modified opinion relates to the comparability of the financial year ended 30 June 2021 figures and the corresponding figures in financial year ended 30 June 2020. As such, the presentation has been rectified to reflect the current period figures.
- (b) The Board confirms that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.

**3. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following: -**

- a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

**In the review of the performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

#### **REVIEW OF STATEMENT OF COMPREHENSIVE INCOME OF THE GROUP**

3 months ended 30 September 2022 ("1Q2023") vs 3 months ended 30 September 2021 ("1Q2022")

During the 3 months ended 30 September 2022, the Group's did not secure any new sales, as the management was focused on finalising the lease term with the Retailer for Capital 21 Mall.

The decrease of general and administrative expenses ("**G&A expenses**"), mainly due to absence impairment of inventory property amounting to RM1.73 million during 1Q2022. G&A expenses mainly comprise of maintenance and sinking service fee paid for the balance unsold retail units, staff salaries, office rentals, corporate professionals fee and general office operating expenses.

The Group's recorded net loss after tax of RM3.4 million for 1Q2023 as compared to net loss after tax of RM5.4 million in 1Q2022.

#### **REVIEW OF STATEMENT OF FINANCIAL POSITION OF THE GROUP**

No significant movement on the Group's net assets of RM 166.3 million as at 30 September 2022 as compared to Group's total assets of RM 169.6 million as at 30 June 2022, a decrease of net assets of RM3.3 million which is mainly due to the below increase in Group's total liabilities as mentioned below.

The increase in Group's total liabilities as at 30 September 2022 compared to the Group's total liabilities as at 30 June 2022 amounting to RM3.2 million mainly attributed to other payable and accrual as following:

- i. increase in accrual for audit fees, assessment and quit rent (land tax payable to local authorities), and maintenance and sinking services fees for balance unsold units in Capital 21 mall incurred during the 3 months 30 September 2022 amounting to RM0.26 million, RM0.6 million and RM0.7 million respectively.
- ii. increase in salary payable and director fees payable for the 3 months ended 30 September 2022 amounting RM0.6 million, and
- iii. increase in professional fees incurred for solicitor who handle legal cases amounting to RM0.26 million.

#### **REVIEW OF STATEMENT OF CASH FLOWS OF THE GROUP**

The Group reported net cash flows used in operating activities of RM0.22 million (30 September 2021 : RM0.11 million).

There was no cash flow generated from or used in investing activities and financing activities during the period ended 1Q2023 and 1Q2022.

As a result of the above, the Group recorded a cash and cash equivalent of RM0.6 million (30 September 2021 : RM0.3 million).

**4. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and actual results.**

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

**5. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

The recovery of the global economy, for which many countries have acknowledged living with Covid-19 and many international travel restrictions are now back to normal. We are confident that the world economy is heading towards an improvement. Following that, our Group foresees the property market in Malaysia, especially in Johor Bahru, to have a positive recovery with the Singapore- Malaysia borders now re-opened. We are optimistic that the influx of Singaporeans and Malaysians working abroad will strengthen the Johor Bahru economy, which will lead to an imminent prosperity to the real estate industry.

The Group is working towards re-opening its Capital City Mall in Johor Tampoi in first half of 2023. With the tenancy agreement with the Retailer signed on 1 November 2022 for a tenure of 15 years divided into 5 terms of 3 years for each term. The target commencement date of the tenancy of the Group's retail mall is in the fourth quarter of 2022, with a rental free period applied until then for the duration of the renovation. In addition, the Company is also working towards becoming a viable and sustainable business. The Company continues to explore potential fund-raising opportunities and potential acquisition of new businesses.

Following the completion of our group's debt restructuring by the way of a Scheme of Arrangement on 26 April 2022; our Group's and Company's financial position has been improved from net liabilities position to net assets position for the year ended 30 June 2022 as well as for the financial results ended 30 September 2022. This is part of the effort of the Company in working towards the submission of a resumption of trading proposal ("**Resumption Proposal**") to SGX-ST as soon as possible. The Company will continue to provide regular updates as well as its submission of the Resumption Proposal to SGX-ST via SGXNET.

**6. Dividend information**

**6a. Current financial period reported on**

**Any dividend recommended for the current financial period reported on?**

No.

**If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for the financial year ended 30 September 2021 as the Group's funds is required to be used for the Group's operations.

**6b. Corresponding period of the immediately preceding financial year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

None.

**6c. Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**6d. Date payable.**

Not applicable.

**6e. Books Closure Date**

Not applicable.



**7. If the Group has obtained a general mandate from shareholders for interested person transactions (“IPT”) the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has procedures governing all IPT to ensure that they are properly documented and reported in a timely manner to the Audit Committee and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

There were no IPT that was equal to or had exceeded S\$100,000 for the 3 months ended 30 September 2022.

**8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7(H) under Rule 720(1))**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H pursuant to Rule 720(1) of the Catalist Rules.

**9. Negative confirmation pursuant to Catalist Rule 705(5)**

The Board of Directors of the Company hereby confirm that to the best of their knowledge, nothing has come to their attention which may render the Unaudited Condensed Interim Financial Statements of the Company and the Group for the first quarter ended 30 September 2022 to be false or misleading in any material aspect.

**10. Disclosures of incorporation, acquisition, and realization of shares pursuant to Catalist Rule 706(A)**

There were no incorporation, acquisition and realization of shares pursuant to Rule 706(A) of the Catalist rules.

**On behalf of the Board of Directors**

**Siow Chien Fu**  
Executive Director and Chief Executive Officer

**Hoo Khee Leng**  
Executive Director

**9 November 2022**

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*This announcement has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “Exchange”) and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.*